



# Bhagiradha Chemicals & Industries Limited.

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Fax : +91-40-23540444  
E-mail : info@bhagirad.com

Ref: BCIL/SE/2024/49

July 17, 2024

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

To,  
The Manager,  
Listing Department,  
National Stock Exchange of India Limited,  
Exchange Plaza, C-1, G Block, Bandra-Kurla,  
Complex, Bandra (East), Mumbai – 400 051

**Scrip Code: 531719**

**Symbol: BHAGCHEM**

**Sub: Notice of the 31<sup>st</sup> Annual General Meeting (AGM) and Annual Report for FY 2023-24**

Dear Sir / Madam,

This is to inform you that the 31<sup>st</sup> Annual General Meeting (AGM) of the Company is scheduled to be held on Friday, August 09, 2024 at 11:00 AM through Video Conferencing ('VC') facility or Other Audio Visual means ('OAVM'), in accordance with the Circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed Notice convening the 31<sup>st</sup> Annual General Meeting of the Company and 31<sup>st</sup> Annual Report for the financial year 2023-24. The Notice of the 31<sup>st</sup> AGM along with the Annual Report for FY 2023-24 is being sent through electronic mode on July 17, 2024 to those Members whose names appear in the Register of members/depositories as at closing hours of business on Friday, July 12, 2024 and whose e-mail addresses are registered with the Company/ Registrars and Transfer Agent/Depositories as per the above said circulars.

The 31<sup>st</sup> Annual Report for FY 2023-24 of the Company along with the Notice of the 31<sup>st</sup> AGM is available on the website of the Company at the following link:

<https://bhagirad.com/reports/Annual/BhagiradhaAR2023-24.pdf>

Kindly take the same on record and display on the website of your exchange.

**For Bhagiradha Chemicals and Industries Limited,**

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

*Advancing  
Towards a  
Promising  
Tomorrow*



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# 9,002 MTPA

Production capacity of the new plant in Kadechur Industrial Area, Karnataka, as per the Environmental Clearance accorded by the MOEF&CC, Government of India

### About this Report

Our integrated reporting aims to provide clear and cohesive communication, emphasizing the unique risks, opportunities and stakeholder expectations we manage. By consistently delivering meaningful information, we build trust and uphold our commitment to responsible corporate citizenship.

## OUR REPORT

### FINANCIAL YEAR REPORTING PERIOD

1 April, 2023 to 31 March, 2024

### BOUNDARY

Report on the primary activities of the company and our subsidiary company (Bheema Fine Chemicals Private Limited).

### ESG REPORTING

Our reporting extends beyond financial reporting and includes key ESG performance metrics.

### INTEGRITY

The Board ensures the integrity of the report. The management gives attention to the effectiveness of the disclosures and overall reporting.

### KEY STAKEHOLDERS

This report addresses the information needs of our stakeholders interested in the overall company performance and our ability to create long-term value in consideration of our risks and opportunities.

Employees

Shareholders

Customers

Governments and regulators

Communities and societies

Business partners

Suppliers

# Legacy of the Past, Promise of the Future

Incorporated over three decades ago by late Sri Singavarapu Koteswara Rao, a former scientist of the Indian Institute of Chemical Technology, Hyderabad, our company stands as a testament to quality, integrity and strong R&D capabilities in the generic agrochemical manufacturing sector in the country.

Over the years, we have garnered a reputation of being a strong competitor to the best players in the sector in terms of quality and pricing, both domestically and internationally, marked by substantial export sales. However, the recent years have seen a shift in our export dynamics, reflecting evolving market conditions and strategic adjustments. This annual report reflects our commitment to transparency and our journey towards sustainable growth in the agrochemical industry.

With significant capacity expansion underway through our wholly-owned subsidiary, Bheema Fine Chemicals Private Limited in Kadechur Industrial Area, Yadgir District, Karnataka, we are committed to advancing into our next phase of growth, aiming to exceed the heightened value expectations of our stakeholders.

This commitment is fortified by our enduring principles of R&D, innovative processes, state-of-the-art technology, and collaborative partnerships.







ABOUT US

# Advancing Towards a Promising Tomorrow



## CREATING FERTILE GROUND FOR ALL-ROUND SUCCESS

Bhagiradha is a well-known agrochemical manufacturing company dedicated to producing high-quality technicals. Through its demonstrated R&D capabilities and non-infringing processes, it has the expertise to produce a diverse range of agrochemicals, such as insecticides, fungicides, herbicides and their intermediates to meet market demands.

Our manufacturing plant is located in Ongole, Andhra Pradesh, and has an approved production capacity of

3,250 MTPA. The facility is equipped to manufacture high-quality products of various technical grades of pesticides, conforming to international standards. The company has an assortment of up to 28 products in its basket.

In our journey of shared success, we collaborate with various stakeholders, such as the scientific community and social and industry organizations to explore solutions that address the inter-related environmental, social and economic challenges.



## A TRUSTED PARTNER

Quality and reliability are the pillars on which trust and partnerships are built with our valued customers. The fact that we have lasting relationships of more than two decades with some of the world-renowned MNCs is ample testimony of our business credentials.



## OUR SUSTAINABLE SOLUTIONS

Sustainability is our guiding philosophy. We understand the importance of striking a balance between environmental conservation and the impact of application of crop protection chemicals to optimize yields. Our manufacturing practices are designed to ensure the long-term health of ecosystems in the vicinity of our manufacturing facilities and adherence to regulatory norms in both letter and spirit.



## EMPOWERING FARMERS FOR SUCCESS

Our innovative processes bring us a competitive edge in terms of pricing, thereby helping farmers in boosting productivity at an affordable cost.



## CREATING A GLOBAL FOOTPRINT

Though our roots are strongly grounded in our India operations, over the years we have developed our footprint in 25 countries across the globe. Our business partners make use of our technicals and intermediates in formulating end products to help boost agricultural output and productivity globally.

Presence in  
**25**  
Countries








PERFORMANCE AT A GLANCE

# Challenging Times, Tough Resolve


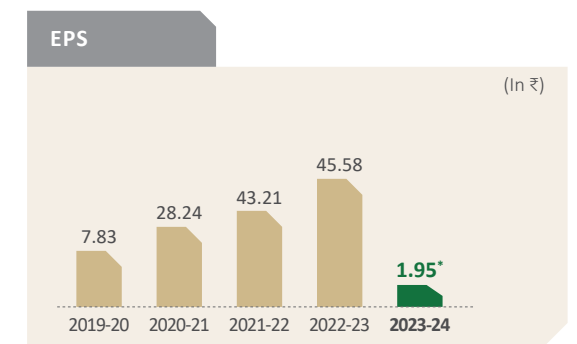
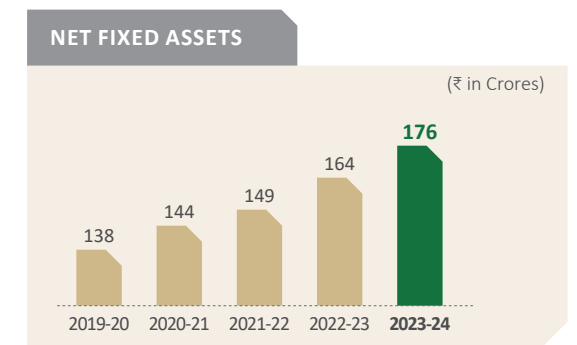
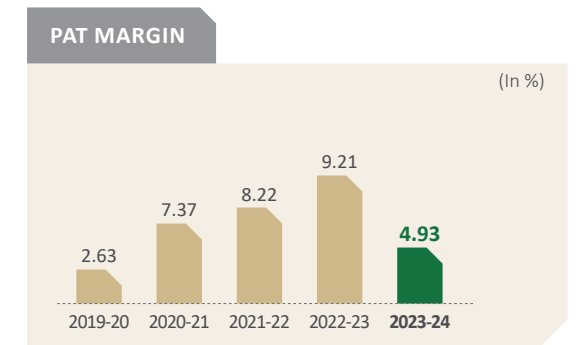
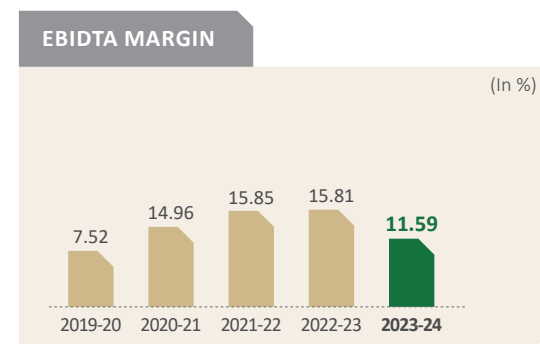
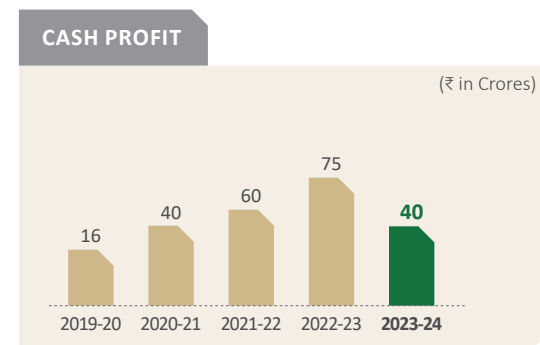
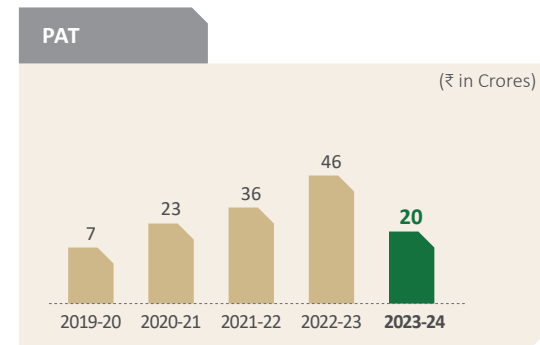
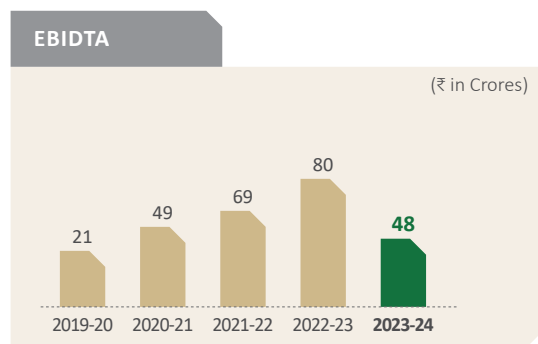
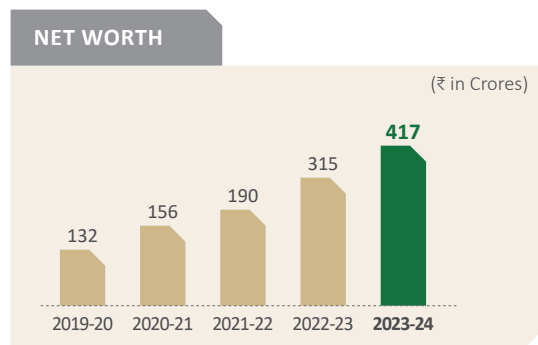
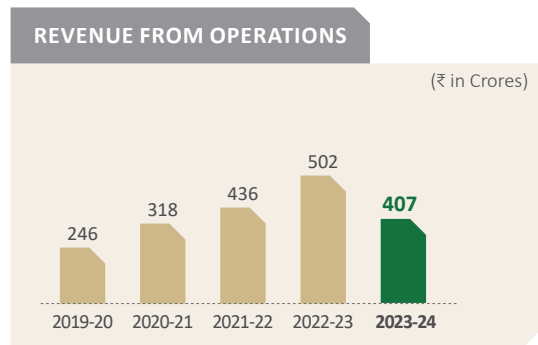
FINANCIAL YEAR 2023-24 WAS A TOUGH PERIOD FOR THE AGROCHEMICAL SECTOR ACROSS GEOGRAPHIES OWING TO SLUGGISH GLOBAL ECONOMY IN GENERAL AND ADVERSE MARKET CONDITIONS DUE TO CHINESE IMPORTS IN PARTICULAR, LEADING TO EROSION IN PRICES AND SIGNIFICANT DECLINE IN MARGINS. THESE FACTORS IMPACTED OUR BUSINESS PERFORMANCE DURING THE YEAR, RESULTING IN LOWERED REVENUE AND PROFITS. HOWEVER, WE CONTINUE TO FOCUS ON BUILDING OPERATIONAL AND MARKET RESILIENCE THAT WILL PROP UP PERFORMANCE RECOVERY, GOING FORWARD. THIS IS SUPPORTED BY GLOBAL INVENTORY DE-STOCKING THAT IS TAKING PLACE CURRENTLY, WHICH WILL LIKELY AID PRICE RECOVERY. WE ALSO EXPECT IMPROVEMENT IN OUR FINANCIAL PROFILE ONCE OUR WHOLLY-OWNED SUBSIDIARY'S GREENFIELD PLANT IN KARNATAKA IS FULLY OPERATIONALIZED.



### HISTORICAL PERFORMANCE (Standalone)



**₹1,676.32 Cr**  
Market cap (BSE)

\*Face value of ₹1



# Creating Value through our Sustainability Focus

BEING COMMITTED TO THE LONG-TERM, WE STRIVE TO DELIVER AGAINST THE OUTCOMES OF THE 3Ps OF **PEOPLE, PLANET** AND **PROFIT**, ENSURING WE ARE A POSITIVE INFLUENCE ON SOCIETY. IN OUR PURSUIT TO ACHIEVE EXCELLENCE IN TERMS OF OPERATIONAL EFFICIENCY AND CREATING VALUE FOR ALL THE STAKEHOLDERS, WE CONSIDER ENVIRONMENTAL SUSTAINABILITY AND OCCUPATIONAL HEALTH AND SAFETY OF PARAMOUNT IMPORTANCE. OUR INVESTMENTS ARE ALIGNED TO OUR CAPITAL ALLOCATION STRATEGY, DRIVING A HIGH-PERFORMANCE CULTURE, AND ENHANCING OUR IMPACT FOR A SAFER AND MORE SUSTAINABLE INDUSTRY AND SOCIETY.

## MAJOR MATERIAL MATTERS

Resilience amidst adversity

Innovation and adaptation

Strategic capital allocation

Upskilling and performance management

Continuous operational improvement

## OUR 3P SUSTAINABILITY FOCUS



### Profit

- Improving margins through backward integration and launch of new generic products
- Focused on building strategic business alliances
- Focusing on improving key return metrics



### People

- Committed to occupational health and safety
- Focus on knowledge and skill building
- Attracting quality talent and creating opportunities for their career growth



### Planet

- Improving operational efficiency and emissions management
- Thrust on utilisation of renewable energy
- Greater focus on environmental sustainability through recyclability and reuse

## KEY HIGHLIGHTS OF THE YEAR

### Product Portfolio

Accelerated process development for ensuring a viable product pipeline, while also progressing on obtaining product registrations in multiple geographies for multiple molecules.

### New plant commercialization

Commenced commercial production at the new greenfield manufacturing facility in Kadachur Industrial Area, Karnataka, of the wholly-owned subsidiary Bheema Fine Chemicals Private Ltd, which shall be operationalised at full scale in due course.

# Making a Difference through our CSR Initiatives

OUR COMPANY IS COMMITTED TO FULFILLING ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) OBLIGATIONS THROUGH VARIOUS IMPACTFUL INITIATIVES DURING THE YEAR, WITH AN AIM TO PROVIDE CLEAN AND SAFE DRINKING WATER TO THE RESIDENTS OF YERAJARLA AND VENGAMUKKAPALEM VILLAGES, WHICH ARE LOCATED NEAR OUR FACTORY OPERATIONS, REVERSE OSMOSIS PLANTS WERE SET UP THROUGH THE SINGAVARAPU KOTESWARA RAO CHARITABLE TRUST (IMPLEMENTING PARTNER), ADDRESSING A CRITICAL NEED FOR ACCESS TO POTABLE WATER IN THESE COMMUNITIES. WE ALSO PROVIDED OTHER CIVIC AMENITIES FOR RELAXATION AND SOCIAL INTERACTION IN THESE VILLAGES AS PART OF OUR CSR ACTIVITIES.

The company contributed towards promoting education and healthcare for reconstruction and repair of a building maintained under the aegis of Young Men's Improvement Society (Implementing Partner), which will be used for providing training, healthcare services, etc.

In addition to these initiatives, we extended support for acquiring an ambulance to a blood bank operated by NTR Memorial Charitable Trust, which plays a crucial role in transporting blood and medical supplies, ensuring timely assistance to patients in need. These initiatives underscore our commitment to improving healthcare infrastructure and emergency medical services in the region. Through these initiatives, our company strives to make a positive impact beyond business operations, promoting sustainable development, health and community welfare in the areas where we operate.

## CSR INITIATIVES



RO PLANT AT VENGAMUKKAPALEM



RO PLANT AT YERAJARLA





## CHAIRMAN'S REVIEW

# Staying the Course



*FY2024 was a very tough year for the company, which has been performing impressively since FY2019. I believe that the worst is behind us and prices have stabilized, though at lower levels.*

**K. Satyanarayana Raju**  
//CHAIRMAN

### A WORLD IN FLUX

There is no doubt that the challenge of our time is to get the agriculture transition back on track and reshape the sector, while maintaining the supply of affordable agrochemical products to meet the needs of farmers in India and around the world, duly safeguarding food security and protecting the planet from climate change impacts.

India continued to be a bright spot on the world stage. The country's GDP recorded a stellar 8.2% growth in FY2024. With a young population, aspirational society, rising discretionary incomes, robust startup ecosystem, and proactive government regulations, the nation can achieve its target of a \$10-trillion economy by 2030. The long-term growth trends are truly positive.

IT IS MY PLEASURE TO PRESENT A REVIEW OF THE PERFORMANCE OF BHAGIRADHA FOR FY2024, COVERING WHAT HAS BEEN ANOTHER YEAR OF RESILIENCE DEMONSTRATED BY THE COMPANY.

ACROSS THE WORLD, THE PAST YEAR WAS ONE OF SIGNIFICANT VOLATILITY IN MOST SECTORS OF THE ECONOMY. GEOPOLITICAL STRIFE, CHINA-US STANDOFF AND OTHER CHALLENGES FACING THE GLOBAL ECONOMY LED TO HIGH INFLATION AND INTEREST RATES, WHICH SUBDUED GROWTH, IMPACTED CROPPING PATTERNS AND DISRUPTED THE SUSTAINABLE AGRICULTURE TRANSITION.

### PERFORMANCE RESILIENCE

During the year in report, the agrochemicals sector, like many other sectors, encountered various setbacks globally. Factors such as market volatility, adverse operating conditions and uncertainties due to erratic monsoons have undoubtedly posed challenges to our industry. Apart from the above factors, supply deluge from China and muted demand for exports owing to de-stocking by global manufacturers led to falling prices and significant decline in revenues this financial year.

The company remained impacted by the external operating reality, registering a relatively subdued performance. On standalone basis, the company's revenue from operations stood at ₹ 406.72 crores against ₹ 502.09 crores in the previous year. While we recalibrated the business against the lowered revenue, the impact of fixed costs compressed our bottom-line. Our net profit (standalone) stood at ₹ 20.30 crores during the year, vs. ₹ 46.41 crores in the previous year, accounting for a drop of 19% in revenue and 56.25% in the net profit.

It was indeed a tough year for the company, which has been performing impressively since FY2019. Despite facing significant challenges and underperforming against projections, the company showcased remarkable resilience throughout the year, navigating obstacles with steadfast determination and adaptability. I believe that the worst is behind us and prices have stabilized, though at lower levels, raising confidence that demand shall revive to normal levels.

### SUCCESSFUL FUND RAISE THROUGH PREFERENTIAL PLACEMENT

During the year, with the approval of our esteemed shareholders, your company issued 25,61,425 convertible warrants by way of preferential placement at a price of

₹ 1,332 per warrant, including a premium amount of ₹ 1,322 for raising funds to the tune of ₹ 341.18 crores and received subscription amount of ₹ 85.30 crores in the month of November 2023, being 25% of the aggregate warrants issue price.

The fund raise is exclusively meant for part funding the capex and working capital requirement of the subsidiary's greenfield project in Karnataka, which is under implementation.

### TOWARDS A NEW HORIZON

The manufacturing plant of your company's wholly-owned subsidiary, Bheema Fine Chemicals Private Limited, has commenced commercial production on March 27, 2024. Considering the rated capacity of 9,002 MTPA of the subsidiary, which is almost thrice our existing capacity at Ongole, significant streams of revenue and profits are likely to accrue once the subsidiary's plant is fully implemented and operationalised. I am confident that the envisaged capacity augmentation with an array of new products by the subsidiary, when implemented fully, shall take your company to the big league and also create significant value for all the stakeholders.

Despite a challenging outlook, I remain confident that Bhagiradha will be well-positioned to deliver long-term value. We have a healthy balance sheet, a history of solid operational performance, and a clear expansion strategy that will ensure long-term resilience and delivery against our objectives.

On behalf of the Board of Directors, I congratulate the leadership team in managing the company through another dynamic year and thank all the employees for their hard work and positive contribution. I express my deep gratitude to our esteemed shareholders who believed in our vision and stood with us and invested in our company.

I also take this opportunity to thank our customers, suppliers, the state and central governments, bankers, registrars and all other stakeholders who have played a critical role in our progress.

I LOOK FORWARD TO YOUR SUPPORT AND COOPERATION AS WE MOVE TOWARDS OUR NEXT PHASE OF GROWTH AND VALUE CREATION.

Thank you,

**K. Satyanarayana Raju**



## MANAGING DIRECTOR'S REPORT

# Bolstering Operational Resilience



“

*Even amid multiple global headwinds, Bhagiradha demonstrated its unwavering commitment to sustainability through bolstering operational resilience and ensuring business continuity.”*

**S. Chandra Sekhar**  
//MANAGING DIRECTOR

### Dear Shareholders,

The year gone by has been one of the toughest for agrochemical companies as the challenges in terms of price drop and destocking resulted in weak demand across geographies and sharply impacted the performance of the sector. It was a year of mixed performance for Bhagiradha, with our top line coming down by 19.00% from ₹ 502.09 Cr to ₹ 406.72 Cr and profit before tax by 55.19% from ₹ 65.04 Cr to ₹ 29.05 Cr on standalone basis. While our business grew in terms of volumes, sales revenue and margins took a big hit due to steep price correction in respect of some of our products.

As we navigate these difficult times, I am very confident that our resilience and innovative spirit are what defines us. Despite the sector's broader difficulties,

our company remains steadfast in its commitment to pioneering new processes and new molecules to add to our product basket in the coming months as a counter strategy. Our continued thrust and investment in research and development has positioned us as a respectable player in the field of pesticide manufacturing, allowing us to commercialize viable molecules consistently.

The ability of Bhagiradha to develop and implement non-infringing processes not only ensures the efficiency of our operations but also reinforces our dedication to providing high-quality solutions. We have continuously embraced new technologies and methodologies, which have contributed in enhancing product effectiveness and safety.

These advancements have become a cornerstone of our success and a key differentiator in a competitive market. Moreover, our focus on sustainability and regulatory compliance has strengthened our reputation as a responsible and forward-thinking organization. We are dedicated to minimizing environmental impact while delivering products that meet the highest standards of efficacy and safety.

The capacity augmentation that is underway at our subsidiary's plant in Kadechur, Karnataka, will propel our business growth in the coming years, in line with our aspirations to create value for all the stakeholders. Thanks to the investors, this long awaited capacity addition at full scale will become a reality in this financial year. I assure all stakeholders that we are well-positioned to not only weather the current storm but also to lead the way forward.

I want to acknowledge and thank each of the shareholders for the strong faith placed on us. I also take this opportunity to thank all our workers and employees for their hard work and dedication. Their relentless pursuit of excellence and innovation is what drives our success. We will continue to harness our strengths and work collaboratively to overcome the current challenges. Together, we will navigate this period of underperformance and emerge stronger and robust.

WARM REGARDS,  
**S. Chandra Sekhar**

## EXECUTIVE DIRECTOR AND CEO'S MESSAGE

# Building a Future-Ready Business



“

*Our company demonstrated resilience by adapting swiftly and effectively to deal with the difficult market conditions by optimizing costs and changing the product mix.*

### Dear Shareholders,

The Crop Protection sector in the financial year 2024 presented a complex picture, characterized by fall in prices and weak demand. The cycle is at the cusp of a turnaround with the inventory levels falling below normal and demand picking up steadily, which provides comfort at this point of time.

Our company could not buck the trend as one of our key products suffered significant price correction. The sales turnover dropped to ₹ 407 Cr against ₹ 502 Cr of the previous

year. The earnings in EBITDA terms dropped by 40% from ₹ 79.69 Cr to ₹ 47.70 Cr during the year on standalone basis. We are recalibrating our strategy in terms of change of product mix and commercialization of new products to recover the lost ground.

Bhagiradha is one of the few companies with proven engineering and R&D capabilities to manufacture key agrochemical products in a fairly economic manner through reasonable backward integration. Our strategy, which is regularly reviewed by the Board to assess opportunities and risks, remains rooted in our technical capabilities and our unflinching commitment to serve our customers and stakeholders. Backed by operational excellence, our spirit of innovation with a growth mindset helps us deliver on accelerated value creation.

This positions us well to serve the industry with a bigger market share by adding capacities through our subsidiary's manufacturing project being implemented in Kadechur, Karnataka. This plant has a peak capacity projected at twice our existing plant capacity and will enable us to offer our customers a wider range of products based on their requirement. Thus, while we faced setbacks during the year, we continue to keep an eye on the future and make strategic investments for the future growth of the company.

Considering the challenges faced and opportunities exploited, a few takeaways are:

#### Resilience amidst adversity

The year has underscored the importance of resilience in the face of unprecedented challenges. Our company demonstrated resilience by adapting swiftly and effectively to deal with the difficult market conditions by optimizing costs and changing the product mix.

#### Innovation and adaptation

Innovation has been a hallmark of Bhagiradha, underlying our ability to

navigate challenges and seize opportunities. We have invested in R&D, technology and scientific advancements to develop innovative and cost-effective processes that will yield results in due course.

#### Continuous improvement

Continuous improvement remains a cornerstone of our business philosophy. We have embraced a culture of learning, feedback and adaptation, striving for efficiency gains and quality enhancements across our operations.

While our fundamentals are in place, we are strategically focusing on certain key products and chemistries for investment in backward integration based on market trends, export opportunities, import substitution and domestic advantages. The agenda is to launch at least three new generic products this financial year.

The demand for agrochemicals has been growing steadily over the years. While domestic manufacturing meets a part of this demand, there are substantial imports of agrochemicals and their intermediates into the country. A growing chorus on self-reliance that is visible in several government programs such as the Make in India initiative and the PLI scheme is likely to give a fillip to the agrochemicals industry, especially to reduce dependence on China.

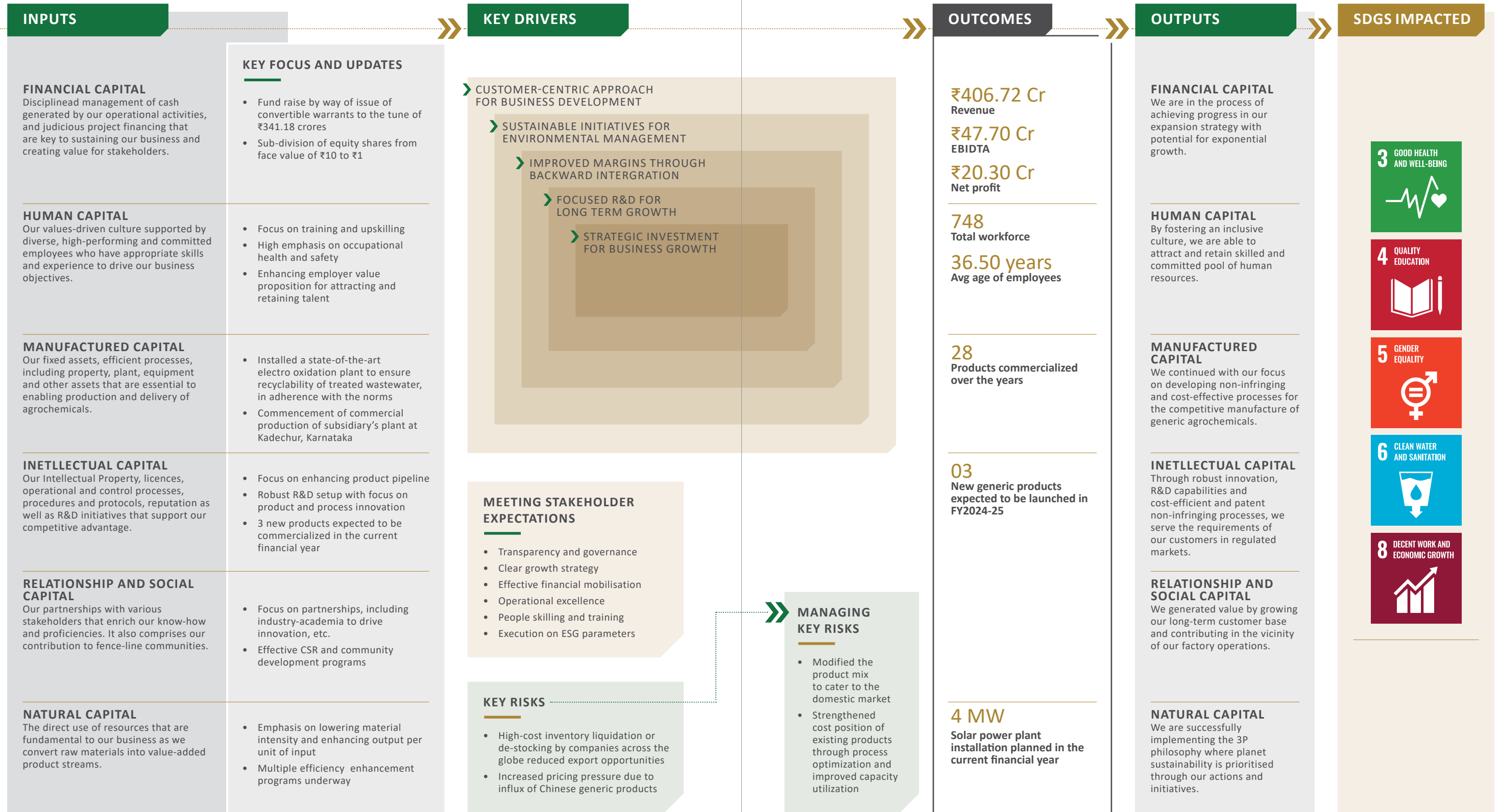
I am very confident that your company will create significant value for all the stakeholders in the near term. I take this opportunity to thank our esteemed shareholders in reposing faith in us by enthusiastically participating in the Preferential Issue of Convertible Share Warrants during the year. I also take this opportunity to thank all our customers, vendors, bankers and my colleagues for their valuable support and contribution.

BEST REGARDS,  
**A. Arvind Kumar**





# Our Value Adding Business Model





FINANCIAL CAPITAL

# Maintaining a Sound Financial Profile

WE CONTINUOUSLY FOCUS ON OPTIMIZING OUR FINANCIAL AND OPERATIONAL MANAGEMENT STRATEGIES TO DRIVE LONG-TERM RETURNS FOR OUR SHAREHOLDERS AND OTHER STAKEHOLDERS.

MATERIAL ISSUES ADDRESSED

- Liquidity management
- Capital allocation
- Strategic planning and budgeting
- Liquidity risk management
- Capital allocation
- Financial reporting



KEY HIGHLIGHTS

**₹417.35 Cr**  
Net worth

**0.15**  
Debt-equity ratio

**2.59**  
Current ratio

Strategic objectives

- Financial excellence
- Cost management
- Business resilience

Way Forward

- Strategically ramp-up production at our new plant to boost income and profitability
- Optimize liquidity and control finance cost
- Ensure ongoing cost saving initiatives aimed at lowering operating expenses
- Enhance return ratios through calibrated capital management

HUMAN CAPITAL

# Ensuring Workplace Safety and Transformation

OUR SKILLED EMPLOYEES AND THEIR EXPERTISE AND DEDICATION ARE VITAL FOR ACHIEVING OPERATIONAL EFFICIENCY, INNOVATION AND SUSTAINABLE GROWTH. WE STRIVE TO NURTURE AND EMPOWER OUR CULTURE AND PEOPLE TO STRENGTHEN OUR COMPETITIVE POSITION AND FOSTER ALL-ROUND EXCELLENCE.

MATERIAL ISSUES ADDRESSED

- Career development
- Learning and training
- Fair compensation
- Diversity and inclusion
- Team engagement
- Bonding and collaboration



Strategic objectives

- People retention
- Career fulfilment
- Rights and dignity

KEY HIGHLIGHTS

**530**  
Total employees on rolls

**100%**  
Employees insured

Transparency and best practices are fundamental principles that frame our company's approach to managing human capital, which is central to our business. The company has demonstrated openness in adopting the best practices to create a high-quality work environment that allows employees to grow and thrive in a modern workplace.

We endorse the belief that skill is an essential parameter in creating a competitive environment and thus focus on developing a tomorrow-ready organisation and harness our approach through opening

up learning, training and development opportunities for all our employees, giving thrust to continuous up-skilling.

Leveraging our human capital is a key business element and the principle of always putting people first guides all the company's decisions and policies. We strive to foster a work culture that promotes collaboration, innovation, high performance, adaptability and openness. This has led us on a path of new possibilities and value creation opportunities.





MANUFACTURED CAPITAL

# Sustaining Operational Excellence

ALIGNED WITH OUR GROWTH ASPIRATIONS, WE ARE EXPANDING OUR FOOTPRINT AND CUSTOMER TOUCHPOINTS, EMPHASIZING ON AGRICULTURAL SUSTAINABILITY AND SERVING OUR CUSTOMERS WITH A WIDE ARRAY OF AGROCHEMICAL PRODUCTS, INCLUDING INSECTICIDES, FUNGICIDES, HERBICIDES AND THEIR INTERMEDIATES.

MATERIAL ISSUES ADDRESSED

Reputation and integrity

Cost discipline

Product diversity

Supplier management

Quality assurance

Timely deliveries



Strategic objectives

- Production excellence
- Cost management
- Customer experience

Given that the manufacturing plant is located in a non-industrial zone, the scope for further capacity expansion in this location is limited. Hence, to align with the future business plans of the company, a plant with production capacity of up to 9,002 MTPA is under implementation by subsidiary company (Bheema Fine Chemicals Private Limited) in Kadachur Industrial Area, Karnataka, which has commenced commercial production in March, 2024.

As part of our operational and business development focus, the company entered the Bangladesh market during the year and received good response. Further, our international business vertical is taking initiatives to tap the African markets as part of our overall business expansion plans in various geographies, besides focusing on the existing overseas market.

The company's manufacturing facility is located in Ongole, Andhra Pradesh, comprising three production blocks and five process lines, utilities, a QA block, warehousing facilities and an R&D center that are located within the premises. The plant has modern equipment and benchmarked processes that enable cost-efficient production.

The company has been awarded relevant quality certifications from independent bodies that ensure compliance to best practices in manufacturing and operations. This helps build trust with customers and regulators.

KEY HIGHLIGHTS

**3,250 MTPA**  
Approved production capacity

**9,002 MTPA**  
Approved production capacity of subsidiary's new plant

INTELLECTUAL CAPITAL

# Committed to Strengthen R&D Capabilities and Improve Product Range

WE STRIVE TO BUILD ON OUR EXISTING R&D CAPABILITIES AND MAKE A MARK AS A RESEARCH-BASED AGROCHEMICAL MANUFACTURING COMPANY AND ASPIRE TO GRADUATE TO THE LEVEL OF A BASE CHEMICAL MANUFACTURER TO CUT DEPENDENCE ON IMPORTS. WE ARE FOCUSING ON EXPEDITIOUS REGISTRATIONS FOR DIFFERENT MOLECULES IN DIFFERENT GEOGRAPHIES TO GARNER A DECENT MARKET SHARE IN THE DOMESTIC AND REGULATED OVERSEAS MARKETS.

MATERIAL ISSUES ADDRESSED

Product and process R&D

Innovation capacity

New market launches

Ethics and compliance

Registration and licensing



Strategic objectives

- New products
- Partnering with research institutes
- Customer relations

KEY HIGHLIGHTS

**28**  
Product offerings

**3**  
New generic products expected to be launched in FY2025

The Ministry of Science & Technology, Government of India, has recognised the company's state-of-the-art R&D centre that is located within the plant premises in Ongole. With modern technology, advanced instrumentation and a team of qualified professionals, this facility plays a crucial role in the company's R&D efforts, developing efficient processes for new products, improving existing processes through backward integration, and optimising scale.

Having successfully developed and commercialized many products in the last few years, the company is geared to launch 3-4 new generic molecules in the current financial year.

Way Forward

- Focus on promising new generics products going off-patent in the near to mid-term
- Leverage our pilot scale infrastructure in our R&D centre to effectively test products, thus ensuring improved viability of full-scale launch
- Ensure more stringent QA/QC checks as per SOPs and implement improved surveillance across the production chain
- Facilitate effective Environment, Health and Safety (EHS) management systems that enable better safeguards across these important operational parameters



RELATIONSHIP AND SOCIAL CAPITAL

# Our Multi-Stakeholder Approach to Business

OUR UNWAVERING FOCUS ON FOSTERING LONG-TERM CONNECTIONS WITH CUSTOMERS, SUPPLIERS AND COMMUNITIES IS AT THE HEART OF OUR BUSINESS SUSTAINABILITY AND FORMS AN INTEGRAL PART OF OUR STRATEGY.

### MATERIAL ISSUES ADDRESSED

- Stakeholder engagement
- Business ethics and transparency
- Supply chain engagement
- Risk mitigation
- Community support



- ### Strategic objectives
- Empowering communities
  - Impact analysis

As a responsible corporate aware of its societal responsibilities, we are committed to fostering sustainable communities. This intent is underpinned by our resolve to work with excluded and underprivileged communities. Our corporate social responsibility (CSR) initiatives aim to create deep-rooted impact and social capital through our activities.

With the aim of providing clean and safe drinking water to communities in Yerajarla and Vengamukkapalem villages located near our factory operations, we established Reverse Osmosis plants through the Singavarapu Koteswara Rao Charitable Trust (implementing partner), addressing the critical need of potable water. We also provided civic amenities for relaxation and social interactions in these villages.

### KEY HIGHLIGHTS

**₹1.02 Cr**  
CSR spends

**4**  
CSR programs and activities

# Board of Directors



**SRI. K.S. RAJU**  
NON-EXECUTIVE CHAIRMAN

Sri. K.S. Raju holds a degree in Mechanical Engineering from the University of Mysore. He started his professional career as Project Manager in NSL Limited and thereafter was appointed as Whole-time Director of Nagarjuna Fertilizers and Chemicals Ltd in 1987. Sri. K.S. Raju has expertise in finance, policy development, leadership, governance and compliance.



**SRI. SUDHAKAR KUDVA**  
INDEPENDENT NON- EXECUTIVE DIRECTOR

Sri. Sudhakar Kudva is a Fellow Member of the Institute of Chartered Accountants of India. He has over 36 years of experience in various senior positions in India and abroad. He has worked with the Nagarjuna Group, Indian Seamless Group and Arcelor Mittal, Algeria. His areas of experience include accounting, financial management, treasury, etc.



**DR. G. ARUNA**  
NON-EXECUTIVE WOMAN INDEPENDENT DIRECTOR

Dr. G. Aruna completed her BTech in Chemical Engineering from Osmania University and MSc in Chemical Engineering from Indian Institute of Science. She also completed her PhD in Chem. Engineering from the Indian Institute of Science. She has over 21 years of consultancy experience (post-PhD) in process design of refinery units, upstream petrochemical industries, etc.



**SRI. S. CHANDRA SEKHAR**  
MANAGING DIRECTOR

Sri. S. Chandra Sekhar is a Chemical Engineer holding a BTech degree with distinction from Osmania University and Master's Degree in Chemical Engineering from University of Illinois. He has over eight years of experience in speciality chemicals synthesis and chemical plants design. He also has strong expertise in governance, compliance and technology.



**SRI. G.S.V. KRISHNA RAO**  
INDEPENDENT NON-EXECUTIVE DIRECTOR

Sri. G.S.V. Krishna Rao is an Independent and Non-Executive Director on the Board of BCIL since November 2018. He is a graduate in commerce and a Fellow Member of the Indian Institute of Banking & Finance. He has over three decades of experience in industrial and corporate banking.



**SRI. SURESH KUMAR SOMANI**  
NON-EXECUTIVE - NON-INDEPENDENT DIRECTOR

Sri. Suresh Kumar Somani is a commerce graduate and the Founder and Joint Managing Director of Ratnabali Group. He is an entrepreneur, investor and philanthropist with a substantial experience of over 40 years in the equity markets.



**SRI. A. ARVIND KUMAR**  
EXECUTIVE DIRECTOR & CEO

Sri. A. Arvind Kumar holds a Master's degree in Chemical Engineering from IIT, Madras. He was earlier the COO of BCIL. Prior to that, he was the Executive Director of JC Biotech, another group company, and was involved in the design and commissioning of its fermentation plant. He has about 13 years of experience in agrochemical and pharmaceutical manufacturing.



**SRI. KISHOR SHAH**  
INDEPENDENT NON-EXECUTIVE DIRECTOR

Sri. Kishor Shah is a Fellow Member of the Institute of Chartered Accountants of India. He has over 30 years of experience in senior positions in finance and accounts. He served as the CFO and also Board member of Balrampur Chini Mills. His areas of expertise include accounting, financial and treasury management, project finance, compliance, etc.



**SMT. LALITHA SREE SINGAVARAPU**  
NON-EXECUTIVE - NON-INDEPENDENT DIRECTOR

Smt. Lalitha Sree Singavarapu has been a Promoter Director since 2015. She holds a Post Graduate Degree in commerce and hails from a business family.





# Management Discussion and Analysis



## GLOBAL ECONOMY

The global environment in 2023 was characterised by geopolitical tensions and elevated interest rates as major central banks the world over looked to contain inflation, which gradually eased during the year. The world’s major economies withstood monetary policy tightening well, easing the path for a “soft landing”. Labour markets also remained resilient, with unemployment rates at or close to full employment.

As per the International Monetary Fund’s (IMF’s) January 2024 World Economic Outlook (WEO), global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025. The 2024 forecast is 0.2 percentage points higher than that in the October 2023 WEO on account of greater-than-expected resilience in the US and several large emerging market and developing economies (EMDEs), as well as fiscal support in China.

The IMF’s forecast for 2024-25 is however below the historical (2000-19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is declining faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to moderate to 5.8 percent in 2024 and to 4.4 percent in 2025.

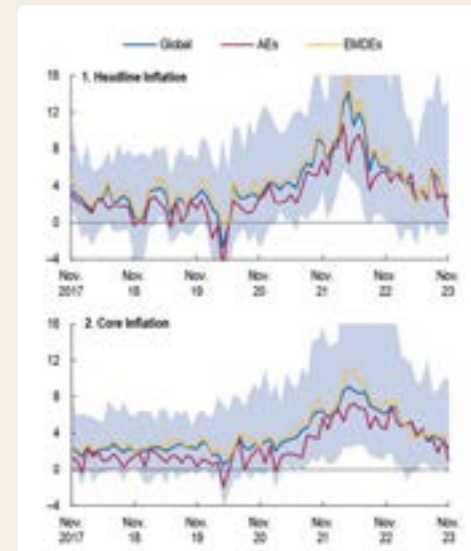
Targeted and carefully orchestrated structural reforms would reinforce productivity growth and debt sustainability and accelerate convergence toward higher income levels. The IMF states that more efficient multilateral coordination is needed for debt resolution to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

### Developments shaping the forward path

Growth is expected to remain fairly resilient in major economies. Economic growth is estimated to have been stronger than expected in the second half of 2023. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight, yet easing now, labour markets and households drawing down on their accumulated pandemic-era savings.

### Global inflation: Rise and fall

(Month-over-month annualised percent change, seasonally adjusted)



Source: Haver Analytics and IMF staff calculations

In low-income countries, liquidity squeeze and elevated cost of interest payments, averaging 13 percent of general government revenues (about double the level 15 years ago), crowded out necessary investments, hampering recovery of large output losses compared with pre-pandemic trends. In 2024, the fiscal policy stance is expected to tighten in several advanced and emerging market and developing economies to rebuild budgetary room for manoeuvre and curb the rising path of debt. This shift is expected to slow growth in the near term.

### Inflation forward path

Global headline inflation is expected to decline from an estimated 6.8 percent in 2023 (annual average) to 5.8 percent in 2024 and 4.4 percent in 2025. Advanced economies are expected to see faster disinflation, with inflation falling by 2 percentage points in 2024 to 2.6 percent, than are emerging market and developing economies, where inflation is projected to decline by just 0.3 percentage points to 8.1 percent. The forecast is revised down for both 2024 and 2025 for advanced economies, while it is revised up for 2024 for emerging market and developing economies. The drivers of declining inflation differ by country but generally reflect lower core inflation as a result of still-tight monetary policies, a related softening in labour markets, and pass-through effects from earlier and ongoing declines in relative energy prices.

Overall, about 80 percent of the world’s economies are expected to see lower annual average headline and core inflation in 2024.

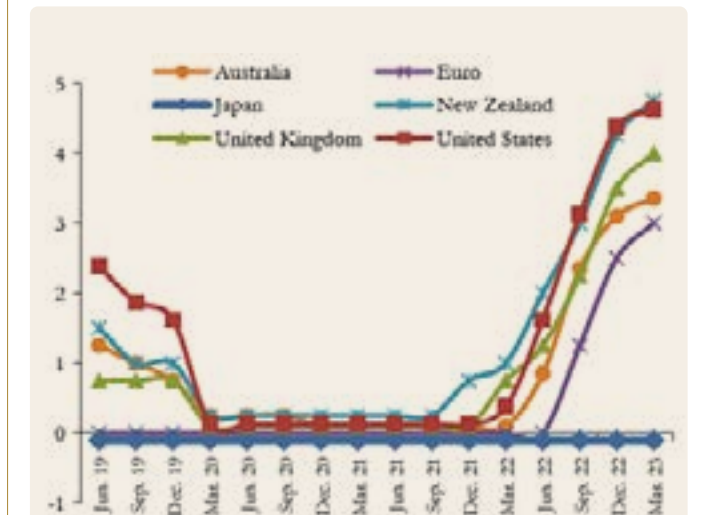
### Global financial conditions

Central banks of most of the advanced economies, that is the Federal Reserve System, Bank of England and European Central Bank started increasing policy rates from the beginning of 2022, with few exceptions, such as the Bank of Japan, which has been maintaining the policy rate (-0.1 percent) set in 2016. Consequently, a notable spike in the policy rate increase for the selected advanced economies was observed by the end of March 2023 (See chart “Central bank’s policy rate of selected advanced economies”).

On the same note, central banks of emerging and developing economies and South Asia have also been increasing the policy rate since the beginning of 2022, with exception such as China where

the policy rate has been declining although marginally. In the case of South Asian countries, a significant uptrend of policy rates could be observed for Pakistan and Sri Lanka, which could be aligned to the existing economic and financial turmoil of these economies, while India and Bangladesh have been maintaining a steady upward adjustment considering the global financial conditions (See chart “Central bank’s policy rate of emerging markets and selected peer economies of South Asia”).

### Central bank’s policy rate of selected advanced economies



Source: Policy Rate Statistics, Bank for International Settlements

### Growth outlook

Global growth, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025 (See chart “Overview of the WEO Projections”). Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage points higher, reflecting upgrades for China, the US, and large emerging market and developing economies.

### Overview of the WEO projections

(Percent change)

	2023 India	2024 (P)	2025 (P)
<b>World output</b>	<b>3.1</b>	<b>3.1</b>	<b>3.2</b>
<b>Advanced economies</b>	<b>1.6</b>	<b>1.5</b>	<b>1.8</b>
United States	2.5	2.1	1.7
Euro Area	0.5	0.9	1.7
Japan	1.9	0.9	0.8
United Kingdom	0.5	0.6	1.6
Canada	1.1	1.4	2.3
<b>Emerging market and developing economies</b>	<b>4.1</b>	<b>4.1</b>	<b>4.2</b>
Emerging and developing Asia	4.1	4.1	4.2
China	5.2	4.6	4.1
India	6.7	6.5	6.5
Middle East and Central Asia	2.0	2.9	4.2
<b>Low income developing countries</b>	<b>4.0</b>	<b>5.0</b>	<b>5.6</b>

Source: IMF WEO January 2024





## INDIAN ECONOMY

As per the second advance estimates of national income, 2023-24, by the Ministry of Statistics & Programme Implementation (MoSPI), the Indian economy remained resilient with robust 7.6 percent growth rate of GDP achieved in FY2023-24, over and above 7 percent growth rate registered in FY2022-23. This was primarily fuelled by double-digit growth rate of the construction sector (10.7 percent), followed by good growth rate of the manufacturing sector (8.5 percent) which boosted GDP growth in FY2023-24.

As per MoSPI, real GDP or GDP at constant (2011-12) prices in the year 2023-24 is estimated to attain a level of ₹172.90 lakh crore, against the first revised estimates of GDP for the year 2022-23 of ₹160.71 lakh crore. The growth rate of GDP during 2023-24 is estimated at 7.6 percent as compared to a growth rate of 7.0 percent in 2022-23. Further, nominal GDP or GDP at current prices in the year 2023-24 is estimated to have attained a level of ₹293.90 lakh crore, against ₹269.50 lakh crore in 2022-23, exhibiting a growth rate of 9.1 percent.

### India's economic transformation

As per the Department of Economic Affairs, Government of India, the Indian economy has undergone many structural reforms that have strengthened its macroeconomic fundamentals. These reforms have led to India emerging as the fastest-growing economy among G20 economies. An impressive post-pandemic recovery has seen the urban unemployment rate decline to 6.6 percent. Since May 2023, the number of net new subscribers to EPFO in the age group 18-25 years has consistently exceeded 55 percent of the total net new EPF subscribers. The government has extended the Pradhan Mantri Gharib Kalyan Anna Yojana for 80 crore citizens for five more years until December 2028.

India's economic growth suffered in FY2021 due to the global pandemic. Real GDP contracted 5.8 percent. However, the government's agile response during this period through a broad range of fiscal, monetary and health responses to the crisis supported India's economic recovery. Alongside economic reforms, this is helping to mitigate longer-lasting adverse impacts of the crisis.

Leading the focus on infrastructure development in the country, the government is building a road network and expanding rail and air networks at a record pace. India built 74 airports in the first 67 years after independence. It doubled that number in the last nine years. The number of universities was 723 in 2014, which increased to 1,113 in 2023. More girls are now in higher education than boys. Further, despite the conflict in Ukraine and disrupted supplies, the government managed crude oil purchases at the right price so that retail prices of petrol and diesel did not have to be increased for more than eighteen months.

The government gave a 50-year interest-free loan of ₹1 lakh crore to states in FY2023 and announced another ₹1.3 lakh crore of 50-year free loan in FY2024. From April-November 2023, the states utilised more than ₹97,000 crore out of the ₹1.3 lakh crore of interest-free loans under the Special Assistance to states for Capital Investment that the Centre budgeted for FY2024. Resultingly, the states are improving their infrastructure, like schools, rural roads, electricity provision, etc. States' capital expenditure was up more than 47 percent in the six months between April-September 2023, vs. April-September 2022.

### Drivers of economic growth

The government's economic policy focus was to restore India's growth potential by getting the financial sector back on track, facilitating economic activity by easing conditions for business, and augmenting physical and digital infrastructure to enhance connectivity and the competitiveness of its manufacturing sector. With this vision, the government undertook diverse economic reforms to prepare the economy to grow at its potential by creating a business-friendly environment, improvising ease of living and strengthening governance systems.

Following the credit boom in the first decade of the millennium, the Indian economy faced a severe financial system crisis up to 2020. The private non-financial sector's credit-to-GDP ratio, which had risen from 58.8 percent in March 2000 to 113.6 percent by December 2010, came down to 83.8 percent in December 2018. As the banking, non-banking and non-financial sectors deleveraged their balance sheets, several reforms have been undertaken to strengthen the financial sector. From the recapitalisation and merger of Public Sector Banks (PSB) and amendment of the SARFAESI Act 2002 to enacting the Insolvency and Bankruptcy Code 2016 (IBC), these reforms have helped clean up the balance sheets of banks and corporates. The IBC has improved the business environment by providing a mechanism for an honourable exit to honest business failures.

Simplification of regulatory frameworks has been integral to all the reforms. For instance, enacting the Real Estate (Regulation and Development) Act, 2016 has created a culture of transparent transactions, reducing the circulation of black money and is incentivising more investments into the sector. Further, to enhance the ease of living and ease of doing business, the taxation ecosystem in the country has undergone substantial changes in the post-2014 period. Tax reforms, such as the introduction of the Goods and Services Tax (GST), reducing corporate and income tax rates, exemption of sovereign wealth funds (SWFs) and pension funds from taxes and removing the dividend distribution tax have reduced the tax burden on individuals and businesses and removed the distortionary incentives from the economy.

The GST has enhanced the tax base, reduced non-compliances, ensured a free flow of goods across states and led to the formalisation of the economy. The GST system has shown improved buoyancy with consistently rising average monthly gross collections from ₹0.9 lakh crore in FY2018 to ₹1.5 lakh crore in FY2023. The number of GST taxpayers increased from 66 lakh at its introduction to 1.4 crore in 2022, with a larger number of smaller businesses entering the regime.

A major reform over the last few years has been the transition in the engagement of the government with the private sector with regards to the development agenda. The private sector is now entrusted as a co-partner in development. Accordingly, the government's disinvestment policy has been revived and a New Public Sector Enterprise (PSE) Policy for Aatmanirbhar Bharat has been introduced to minimise the presence of the government in the PSEs to only a few strategic sectors.

Many initiatives have been introduced under the Aatmanirbhar Bharat and Make in India programmes to enhance India's manufacturing capabilities and exports across industries. Production Linked incentives (PLI), a major success factor in recent years, are being provided to firms to attract domestic and foreign investments and to develop global champions in the manufacturing industry. Strategic sectors, such as defence, mining and space have also been opened up to enhance business opportunities for the private sector. The FDI policy has been further liberalised too, with most sectors now open for 100 percent FDI under the automatic route.

The emphasis of reforms for the private sector has not just been on large businesses. The progressive reforms introduced by the government for the Micro, Small, and Medium Enterprises (MSME) sector have supported smaller businesses to recover from the impact of the pandemic and grow further. Some of these include the Emergency Credit Line Guarantee Scheme (ECLGS), revision in the definition of MSMEs under the ambit of Aatmanirbhar Bharat, introduction of TReDS to address the delayed payments for MSMEs, etc.

A common thread through all the reforms undertaken during the years has been the use of technology and digital platforms. India's digitalisation reforms and the resulting efficiency gains in terms of greater formalisation, higher financial inclusion and more economic opportunities stand as a bright model. Digital infrastructure has enabled the creation of digital identities, improved access to finance, access to markets, reduced transaction costs and improved tax collection and has provided the foundation for sustained and accelerated economic growth.

### Interim Budget 2024-25

The FY2025 Interim Budget places emphasis on four crucial areas:

- Encouraging the impoverished by lifting them out of poverty and reaching out to marginalized groups
- Improving farmer welfare by giving direct financial assistance, promoting inclusive growth and productivity through farmer-centric policies, income support, risk coverage and technology promotion

- Encouraging the youth for the prosperity of the country by emphasizing high-quality education, holistic development, etc
- Empowering women through improved living conditions, increased workforce participation, etc.

The Interim Budget pointed out that despite challenges to the global economy, the Indian economy has fared much better, demonstrating resilience and maintaining strong fundamentals. With focus on infrastructure development, the amount allocated for capital expenditure in the upcoming year has been increased by 11.1 percent to ₹11,11,111 crore, or 3.4 percent of the GDP. Building on the tripling of capital investment expenditure over the previous four years, this will have a significant bearing on employment creation and economic growth. The total expenditure for 2024-25 and the total earnings (excluding borrowings) are projected at ₹47.66 lakh crore and ₹30.80 lakh crore, respectively. The tax receipts are estimated at ₹26.02 lakh crore.

In a major announcement, the scheme of 50-year interest free loan for capital expenditure to states will be continued this year too with a total outlay of ₹1.3 lakh crore. This year, a fifty-year interest-free loan of ₹75,000 crore is suggested as a means of supporting the state governments' milestone-linked Viksit Bharat reforms.

The Interim Budget also pointed out that the Pradhan Mantri Kisan Sampada Yojana has benefitted 38 lakh farmers and generated 10 lakh employment. The Pradhan Mantri Formalisation of Micro Food Processing Enterprises Yojana has assisted 2.4 lakh SHGs and 60,000 individuals with credit linkages.

Moreover, no change relating to taxation has been proposed in the Interim Budget. The same rates for direct and indirect taxes, including import duties, have been retained. However, to provide continuity in taxation, certain tax benefits to Start-Ups and investments made by sovereign wealth or pension funds as also tax exemptions on certain income of some IFC units have been extended by one year up to 31 March 2025.

### Economic outlook

India's relatively good position in the international markets is indicative of the nation's optimistic view on increasing employment rates and economic growth. In terms of foreign direct investment inflows during the first quarter of 2022, India came in fifth place among the developed and developing countries on the list.

India has been showing both resilience as well as progress despite the uncertainties in the global economic landscape. Through timely and effective policy actions aimed at achieving macro stability and repairing the balance sheets of financial and non-financial sectors, as well as by investing in building high-class physical and digital public infrastructure, India has been able to withstand the challenges and ensure that the economy continues to progress on a steady path for attaining sustainable growth and inclusive development.





### GLOBAL AGROCHEMICAL INDUSTRY

The agrochemicals market is a vital part of the agriculture industry, providing farmers with the necessary tools to maximize crop yields and quality. The market includes products such as pesticides, herbicides and fertilizers that are essential for successful crop production. Rising demand for food and the need for sustainable agriculture practices is fuelling the demand for global agrochemicals, with the market projected to grow significantly over the next few years. The global agrochemicals market size was valued at USD 221.7 billion in 2022 and is poised to grow to USD 301.5 billion by 2030, registering a CAGR of 3.9 percent during the period 2022-30 (P&S Intelligence). The market is being primarily driven by increasing population and the consequently rising demand for food. This is leading to a growing demand for fertilizers among farmers in order to supply nutrients to crops and enhance their yield. Globally, the US dominates agrochemical production with a market value of USD 36.42 billion in 2023.

#### Agrochemical Market

Market growth will accelerate at a CAGR (2022-2030) **3.9%**

#### MARKET SIZE (USD BILLION)

**221.7**  
2022

**301.5**  
2030

#### GROWTH DRIVERS

- Large size of farm lands
- Ongoing R&D activities to create high-quality agricultural chemicals

APAC accounted for around **40%** Share in 2022

Agrochemicals thus play a critical role in the success of the agriculture industry by improving crop yield and quality through the use of chemical and biological components. This includes fertilizers and insecticides, which safeguard crops by preventing and eliminating pests and providing vital nutrients to the soil. The need for increased agricultural productivity on existing land to feed a growing global population makes agrochemicals indispensable to agriculture.

The fertilizer category dominates the global agrochemicals market with a revenue share of 80% in 2022 (as per the latest data available). The category is expected to sustain its market dominance due to governments' efforts to make farmers aware of their benefits. Population expansion is also likely to raise the demand for fertilizers with the increasing demand for food. Moreover, the growing penetration of organic fertilizers is expected to enhance efficiency and safety. Particularly, growing emphasis on eco-friendly and sustainable formulations is one of the latest trends in the crop protection chemicals industry, driven by rising environmental consciousness. Biological control and precision agriculture technology are combined in integrated pest management (IPM) approaches, which are becoming more and more popular the world over.

A growing number of partnerships and collaborations between agrochemical companies and technological enterprises is giving rise to innovation leading to the tech-centric development of targeted products and solutions. In general, the patterns exhibit a larger industry shift toward crop protection technologies that are advanced, economical and sustainable.

Research and development (R&D) efforts are being guided by the regulatory focus on safer and more sustainable chemical solutions. These patterns show a movement in crop protection strategies toward more effective and environmentally-friendly options in response to changing agricultural and social demands, especially with the rise of ESG (environmental, social and governance) disclosures.

An important trend propelling the market for crop protection chemicals is liquid formulations. Farmers can apply, mix and handle liquid forms more easily, such as suspension concentrates and emulsifiable concentrates. Liquid formulations have better coverage on plant surfaces too, allowing for precise dosage control for enhanced efficacy. These formulations also lessen operator exposure and their negative effects on the environment. The move to liquid formulations is in line with the larger industry emphasis on crop protection measures that prioritize efficiency, safety and environmental sustainability. This trend is propelling the adoption of sophisticated and approachable liquid-based solutions in agriculture.

The Asia-Pacific accounts for the largest share of the crop protection chemicals market, a position that is predicted to be maintained over the foreseeable future due to a burgeoning population. One of the other main factors propelling this market in the Asia-Pacific is the growing demand for food, especially in

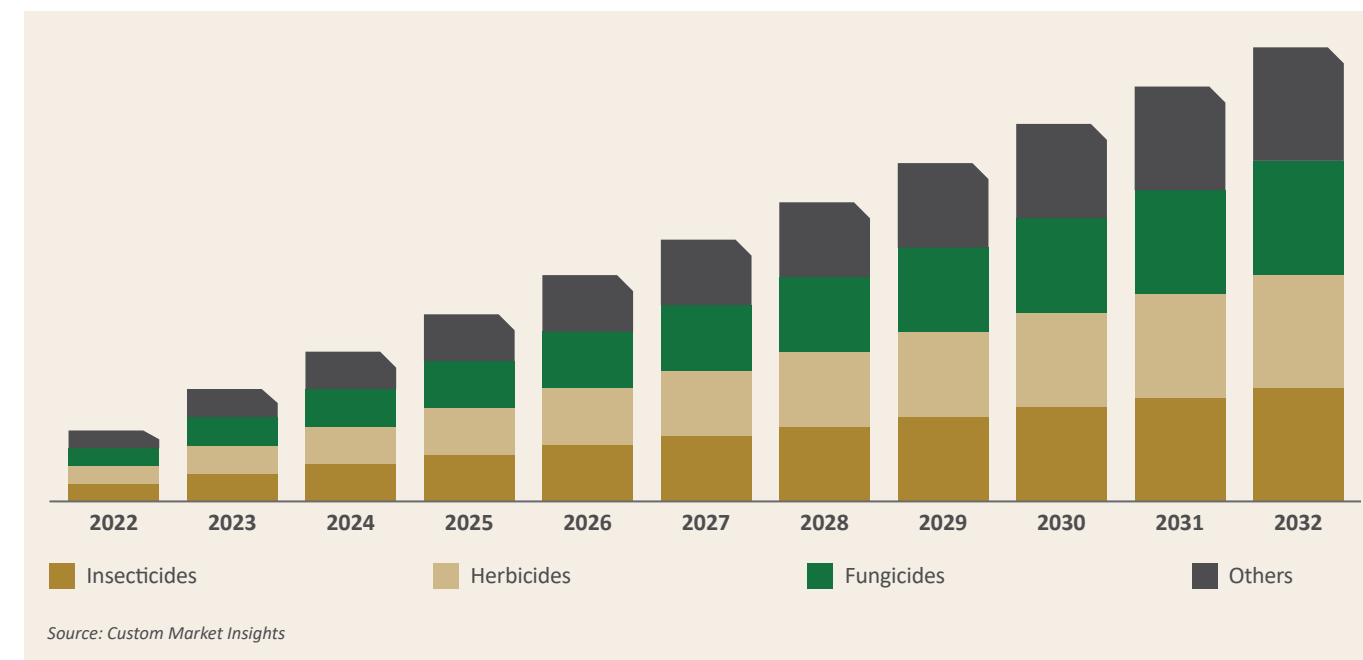
populous nations like China and India, which is driving up agricultural production. These two nations together account for close to 36 percent of the world's population.

Innovative crop protection technologies are the need of the hour due to the growing effects of climate change and evolving pest and disease patterns. The need for novel and ecologically-friendly

crop protection agents is also fuelled by the rise in integrated pest control, precision farming and awareness around sustainable agriculture. Also, government programs promoting contemporary farming methods contribute to the agriculture sector's growth in the Asia-Pacific region.

#### Global crop protection chemicals market 2023-2032

(By type)



#### Regional crop protection market performance 2023

Region	2022	2023 (P)	Nominal Change (%)	Current Dollar Change (%)
North America	12,684	12,450	(1.8)	(1.1)
Central & South America	22,979	25,045	9.0	7.6
Asia Pacific	22,609	20,288	(10.3)	(3.3)
Europe	13,713	14,451	5.4	8.1
Middle East / Africa	2,770	2,626	(5.2)	3.0
<b>World</b>	<b>74,755</b>	<b>74,860</b>	<b>0.1</b>	<b>2.7</b>

\* 2022 Baseline  
Source: Agbiolinvestor

#### Outlook

Due to growth being hindered by unfavourable weather conditions in some countries and decreased agrochemical prices, the crop protection market remained somewhat flat in 2023. This was countered though by favourable circumstances that caused much of Europe to recover; a robust Brazilian agriculture sector and economy that prevented price reductions from being felt when buying agrochemical products; better weather in the Western US, and elevated pest pressure in important international markets, particularly China, India and Brazil.

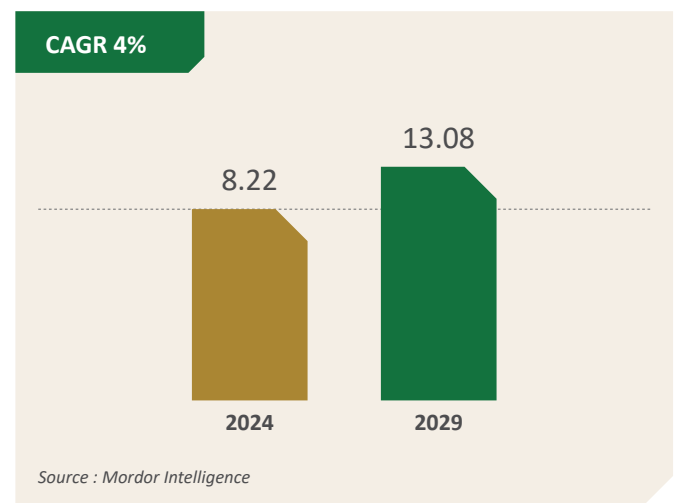
The global agrochemicals market is expected to remain muted in 2024 as the full effects of declining agrochemical prices are realized in Central and South America while much of Asia Pacific is still feeling the effects of the ongoing El-Niño weather conditions. Furthermore, the market in 2024 may be impacted by projections for reduced areas of a few important crop and country markets, such as cereals in France and Argentina, maize in Brazil and the US, and cereals and canola in Australia.



### INDIAN AGROCHEMICAL INDUSTRY

The India agrochemical industry market size is estimated at USD 8.22 billion in 2024, and is expected to reach USD 13.08 billion by 2029, registering a CAGR (compounded annual growth rate) of 4 percent during the period of 2024-29.

India Agrochemicals Market (Market Size in USD Billion)



The growing population in India, accompanied by rising affluence, is creating a shift in consumption patterns. There is a need to not just increase production to meet demand but also to ensure that the nutritional needs of an increasingly affluent population are met. Shrinking arable land and loss of crops due to pest attacks lead to wastage, posing a critical challenge to ensuring food and nutritional security. The agrochemical market is an important agriculture support industry, which boosts output. These factors support the growth of the market.



In India, about 15-25 percent of potential crop production is lost due to pests, weeds, and diseases. The need for improving crop productivity with a focus on the effective use of pest control measures and the adoption of weed management practices has been recognized as an important factor in increasing agricultural output. These factors are aiding the use of agrochemicals in agriculture to increase output.

India uses about 400 g/hectare of agrochemicals, compared to the average of 2.6 kg/hectare worldwide. As a result of the Indian government relaxing its laws and regulations regarding drones, mechanization and technological improvements have made it possible to use agrochemicals efficiently, lowering the potential for imports and increasing exports. Additionally, it has led to a further decline in dermal exposure related to the application of agrochemicals.

Pesticide usage is high among other chemicals. Price premiums and innovative eco-friendly production methods are emerging steadily in the agrochemical market. There is an increasing need to balance the judicious use of the best chemicals and minimize the impact of that use. As the Central Government focuses on promoting sustainable agriculture practices, there is an increase in the use of biopesticides which now account for 15 percent of the market.

According to the Federation of Indian Chambers of Commerce and Industry, the Indian government recognizes the agrochemical industry as one of its top 12 industries to achieve global leadership, growing at 8-10 percent through 2025. Thus, the agrochemical sector in India is projected to witness growth during the forecast period.

Source : <https://www.mordorintelligence.com/industry-reports/india-agrochemicals-market>

Moreover, the population demographic in India is shaping the agrochemical industry in the country. For example, the population is growing significantly. India's population was estimated by the World Bank to be 1.39 billion in 2021 and is projected to increase to 1.66 billion by 2050. Approximately half of the population still makes their living from agriculture. To feed the growing population, there is a significant demand for food goods. The increased likelihood of pest infestation brought on by the warmer temperatures and increased moisture causes productivity to decline. Scientists from the India Council of Agricultural Research (ICAR) estimate that pests cause the loss of between 30-40 percent of India's annual crop yield. It is projected that the use of crop protection chemicals will rise in order to address these issues and boost productivity.

Additionally essential to crop growth are agrochemicals, which exhibit enhanced efficacy and discernible outcomes. Since they are important to preventing pests and diseases in the field, they play a major role in generating higher yields. Enough nutrients must be given to plants in order for them to develop healthily and produce enough food to feed the growing population.

When it comes to agrochemical exports, by 2022, India ranked second, according to data from the WTO. With USD 5.5 billion in exports, the nation's market has surpassed that of exports by the United States (USD 5.4 billion). In FY 2022-2023, India's agrochemical industry growth yielded a respectable trade surplus of ₹28,908 crore

(How India is leading the world's agrochemical sector, Economic Times, 9 December 2023). With a projected CAGR of 4.6%, the current pesticide market size in India is likely to reach ₹342.3 billion by 2028 from an estimated ₹229.4 billion in 2022.

Because of the growth levers that the Indian government has supported, including policy reforms, demand stimulation, R&D prioritisation and capacity building on several products manufactured under the Made in India Mission or Atmanirbhar Abhiyan initiatives, India's outlook as a global manufacturing hub remains strong.

When it comes to manufacturing, the national agrochemical sector is characterised by state-of-the-art production facilities that help meet local demand, thus ensuring progressive self-reliance and decline in agrochemical imports. The sector has become well-known throughout the world for its economic production methods, high-quality products, affordable prices and supply to almost all the major markets of the world. Furthermore, the government proposed a production-linked incentive program for agrochemicals in 2020. This initiative aims to create a resilient, digitally-led agrochemicals supply chain that guarantees Indian farmers access to the appropriate products at the right time.

According to data available for the year 2022-23, the US and Brazil accounted for more than half of the USD 5.3 billion agrochemical export basket out of India. The nation currently supplies agrochemicals to more than 140 countries worldwide (Source: Hindustan Times, 31 January 2024).

The year 2023 was a mixed bag for India's agrochemical industry with sales sustenance that was somewhat offset by higher commodity and raw material costs. Furthermore, during the year, there was a 1.8 percent moderation in the Gross Value Added (GVA) in agriculture due to harsh weather. To allay worries about working capital, the industry does, however, expect consumption to drive the rationalization of excessive inventories. Because of the current channel inventories, the sector might report subdued demand at least over the near-term.

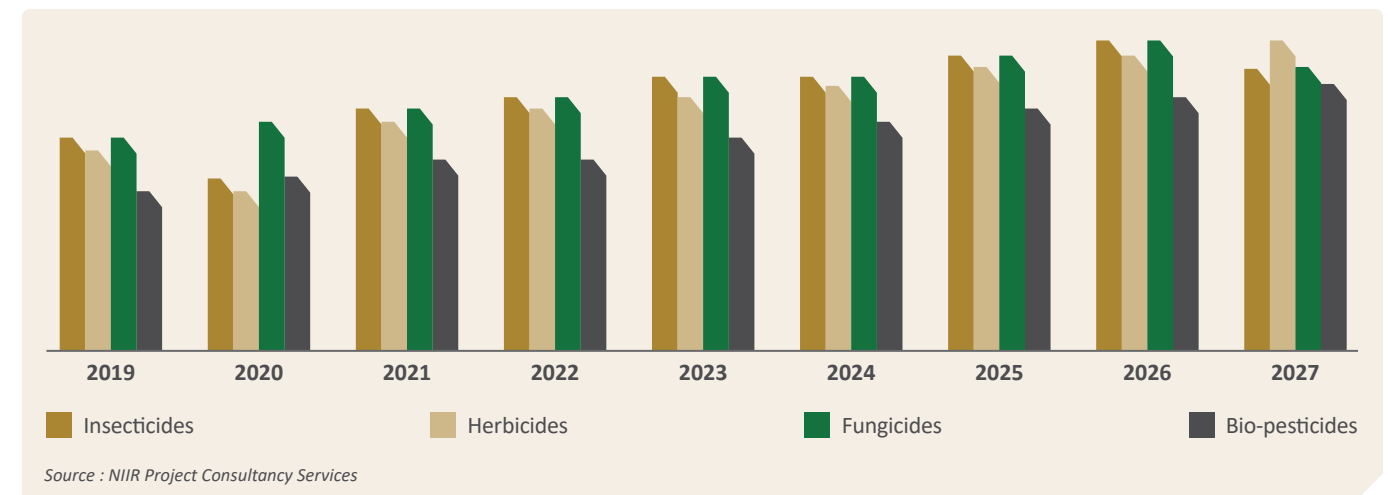
Now, India's agrochemical sector faces a crucial turning point. While domestic demand remains relatively buoyant, the industry struggles with a downturn being brought on by the state of the world economy, increased competition from China, sub-par monsoons that hinder the sowing of rabi crops, and worries about El Nino's influence on agriculture. Further, the threat of climate change cannot be disregarded as adverse weather events can have a significant impact on agriculture. Since the agrochemical industry is inextricably linked to the country's agriculture sector, a new challenge was observed in India: a moderation in the area sown for oilseeds and pulses, which are major crops of the country.

Moreover, given that the war in Ukraine has interrupted the EU's food supplies and that nations are buying food from India and other regions to suit their urgent needs, Indian agro-products are also being exported to EU countries, which is somewhat offsetting other global pressures.

#### Key growth drivers

- Food security for 1.21 billion people. As the world's population grows, so does the demand for food crops, which is growing faster than supply. Pesticides must be used to do this.
- Substantial loss of crop yield per year due to non-usage of agrochemical products. As a result, the market is expected to expand at a steady pace in the coming years.
- Expanding domestic market. The agrochemical industry makes up just 2% of India's overall chemical industry.
- The government's encouragement of the use of unrestricted fertilizers, and new policies to promote full fertilizer output are all contributing to India's agrochemical market's development.
- Farmers spending more on seed treatment agrochemicals, which help ensure pest tolerance as well as stronger and more uniform germination, and improved soil yield, enabling them to bring their crops to market quicker.
- Reduced arable space, smaller farm sizes, increased insect attacks and poor per hectare yields, all of which are positively influencing the Indian agrochemical industry.

#### India Agrochemical Market, by Product: 2020-2027







**Government initiatives**

One of the primary features of the Interim Budget of 2024–25 was the improvement of rural demand and farmer welfare.

According to the Finance Minister, each year, 40 million farmers receive crop insurance under the PM Fasal Bima Yojana, while 11.8 crore farmers, including marginal and smallholder farmers, receive direct financial assistance under the PM-KISAN Samman Yojana. Furthermore, free ration for 800 million people has allayed concerns about food and that these and a number of other programs are helping farmers produce food for the nation and the rest of the world.

The Interim Budget has committed to increasing farmers’ incomes and accelerating value addition in the agriculture industry, enhancing productivity on 174 million hectares of arable land. In order to ensure faster growth of the agriculture and food processing sectors, the government has pledged to further encourage private and public investment in post-harvest activities, such as aggregation, modern storage, efficient supply chains, primary and secondary processing, marketing and branding.

In an effort to boost agricultural production, the government has also taken some steps to provide farmers with access to crop protection products. For instance, to guarantee farmers’ access to improved seed types, crop protection agents and technology, the Indian government has developed a network of 729 Krishi Vigyan Kendras at the district level throughout the country.

Earlier in 2022, the government had made a significant investment to subsidize potash, the biggest imported fertilizer, and lower its cost for farmers. The Department of Fertilizers reports that USD 14 million was set aside by the government for the fertilizer subsidy scheme.

The Pradhan Mantri Formalization of Micro Food Processing Enterprises Yojana has helped 60,000 people and 2.4 lakh SHGs (Self-Help Groups) establish credit linkages.

Moreover, 10 lakh jobs and 38 lakh farmers have benefited from the Pradhan Mantri Kisan Sampada Yojana. The Electronic National Agriculture Market has 1,361 mandis integrated and serves 1.8 crore farmers with a trading volume of ₹3 lakh crore.

Also, the government is formulating a strategy to achieve atmanirbharta or self-reliance for oil seeds, such as mustard,

groundnut, sesame, soybean and sunflower. This will cover research for high-yielding varieties, widespread adoption of modern farming techniques, market linkages, procurement, value-addition and even crop insurance.

Overall, the usage of chemical pesticides grew as a result of holistic government initiatives. The Ministry of Agriculture and Farmers Welfare reports that 44,700 metric tons of chemical pesticides were used in 2021. Thus, it is only anticipated that the growing government initiatives in the agrochemical sector to increase the production of important crops will support market expansion in the upcoming years.

**Outlook**

India has the largest area dedicated to wheat, rice and cotton cultivation and is the world’s leading producer of spices and pulses. In terms of rice, wheat, cotton, sugarcane, and fruits and vegetables, it is the second-largest producer in the world. About half of the country’s workforce is employed in the agriculture sector, which occupies the second-largest area of land in the world. It is anticipated that the agriculture sector will reach a valuation of USD 24 billion by 2025, primarily due to the country’s steady population growth demanding more food to be put on the table.

India is now among the world’s top manufacturers of agrochemicals, primarily as a result of government programs aimed at promoting agriculture and lowering crop loss. World-class agricultural productivity has already been attained through the implementation of a number of ground-breaking initiatives and reforms. Furthermore, the government is also taking initiatives to accomplish the Sustainable Development Goals or the SDGs of the UN through crop-based subsidies for farmer welfare and success of the ancillary industries.

A growing population, altering consumer preferences and changing lifestyles make it imperative to embrace sustainable practices in order to optimize productivity. However, India’s poor use of crop protection agents contribute to its low agricultural productivity and hence it exhibits scope for growth as the correct usage of agrochemical products can be revolutionary for India’s agriculture sector.

**Internal control systems and their adequacy**

The Company has established a comprehensive internal control framework, which includes thoroughly documented policies and procedures. This proactive approach helps in early detection of any financial and operational issues. The Internal Financial Controls have been documented, digitized and embedded in the business process and are continuously monitored through regular internal audits and management reviews.

**Risk management**

High-cost inventory liquidation and pricing pressure from the influx of Chinese generics posed profitability challenges for domestic companies during the year. The destocking of inventories by companies across the globe resulted in lesser opportunities for export. The company countered these challenges by modifying its product profile to cater to the domestic market and strengthening cost position of existing products through process optimization and improved capacity utilization.

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



### Company Overview

The agrochemical sector, like many other sectors, has encountered various setbacks during the year, globally. Factors such as market volatility, adverse market conditions and uncertainties due to erratic monsoon have undoubtedly posed significant challenges to our industry’s growth. Despite the setbacks, our company has been steadfast in its efforts to adapt, innovate and uphold the highest standards of operational excellence. While we faced setbacks, we made strategic investments and laid the ground work for future growth and sustainability. We acknowledge there is room for improvement and we remain dedicated to enhancing our performance, optimizing our operations, and delivering value to our stakeholders.

### Company Outlook

The demand for agrochemicals in the domestic market is expected to be robust with seasonal rainfall across India expected to be above normal and sowing acreage for key crops expected to increase. With destocking of inventories in the previous year complete, demand is expected to set in for the second half of the financial year which should open up opportunities for exports. The company is strategically focusing on certain key products and chemistries for investment in backward integration based on market trends, export opportunities, import competition and domestic advantage. The company would be introducing at least 3 new generic products, going forward.

### Financial Overview

Description	FY 23-24	FY 22-23	% Variance	Explanation
Debtors turnover	3.50	4.47	(21.7)	Owing to reduction in sales turnover as compared to the previous year, the debtors turnover has come down.
Inventory turnover	8.69	18.83	(53.85)	Owing to reduction in sales turnover as compared to the previous year and higher inventory holdings due to adverse market conditions, the inventory turnover has come down.
Interest coverage ratio	4.78	14.06	(66.02)	The profits have come down during the year by 56.25%, resulting in fall in Interest Coverage ratio.
Current ratio	2.59	2.30	12.60	The temporary liquidity on account of receipt of share warrants subscription amount has resulted in improved Current Ratio.
Debt equity ratio	0.15	0.16	(6.75)	The variance is not so significant.
Operating profit margin (%)	9.03	13.95	(35.23)	Owing to fall in profits on account of reduced margins, the operating profit margin has come down.
Net profit margin (%)	4.93	9.21	(46.43)	Owing to fall in selling prices and weak market demand, the sales revenue came down resulting in lowered profit margin.
Return on net worth (%)	4.86	14.74	(67.00)	For the reasons of reduced profits and increase in the equity on account of issue of share warrants on preferential basis, the return on net worth declined.



## Corporate Information

### BOARD OF DIRECTORS

**Sri. Satyanarayana Raju Kanumuru**  
Chairman, Non-Executive Independent Director

**Sri. Chandra Sekhar Singavarapu**  
Managing Director

**Sri. Arvind Kumar Anegondi**  
Executive Director and Chief Executive Officer

**Sri. Sudhakar Kudva**  
Non-Executive Independent Director

**Sri. Krishna Rao S V Gadepalli**  
Non-Executive Independent Director

**Sri. Kishor Shah**  
Non-Executive Independent Director

**Dr. G. Aruna**  
Non-Executive Independent Woman Director

**Sri. Suresh Kumar Somani**  
Non-Executive - Non Independent Director

**Smt. Lalitha Sree Singavarapu**  
Non-Executive - Non Independent Director

### SENIOR MANAGEMENT

**Sri. B. Krishna Mohan Rao**  
Chief Financial Officer

**CS Sharanya. M**  
Company Secretary and Compliance Officer

### BOARD COMMITTEES

#### Audit Committee

**Sri. Sudhakar Kudva**, Chairman  
**Sri. Chandra Sekhar Singavarapu**, Member  
**Sri. Krishna Rao S V Gadepalli**, Member  
**Sri. Kishor Shah**, Member

#### Nomination & Remuneration Committee

**Sri. Sudhakar Kudva**, Chairman  
**Sri. Satyanarayana Raju Kanumuru**, Member  
**Sri. Krishna Rao S V Gadepalli**, Member

#### Stakeholders' Relationship Committee

**Sri. Krishna Rao S V Gadepalli**, Chairman  
**Sri. Sudhakar Kudva**, Member  
**Sri. Chandra Sekhar Singavarapu**, Member

#### CSR Committee

**Sri. Sudhakar Kudva**, Chairman  
**Sri. Chandra Sekhar Singavarapu**, Member  
**Smt. Lalitha Sree Singavarapu**, Member

#### Risk Management Committee

**Sri. Sudhakar Kudva**, Chairman  
**Sri. Krishna Rao S V Gadepalli**, Member  
**Dr. G. Aruna**, Member

### REGISTERED OFFICE

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills,  
Hyderabad – 500 034  
CIN: L24219TG1993PLC015963  
Ph: 040 42221212 / 2323  
E-mail: info@bhagirad.com  
CIN: L24219TG1993PLC015963  
Site: www.bhagirad.com

#### Factory

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

### STATUTORY AUDITORS

M/s R. Kankaria & Uttam Singhi  
Chartered Accountants  
ICAI Firm Regi. No.000442S  
Address: 6-3-1090/C-4, Raj Bhavan Road,  
Somajiguda, Hyderabad, 500 082

#### Internal Auditors

**Sunesh Agarwal & Associates**  
Chartered Accountants  
Membership No. 223768/ICAI  
3-2-333, Chappal Bazar  
Kachiguda, Hyderabad – 500 027

#### Cost Auditors

**M/s. Sagar & Associates**  
Cost Accountants  
Firm Registration No. 000118  
205, 2<sup>nd</sup> Floor  
Raghava Ratna Towers  
Chirag Ali Lane, Abids  
Hyderabad – 500 001



#### Secretarial Auditors

##### **M/s. RPR & Associates**

Company Secretaries

Sri Sai Sarawathi Nilayam,

H.No: 5-5-33/26/A/1, Plot No. 77,

Maitri Nagar, Kukatpally, Hyderabad – 500072

#### **BANKERS**

**State Bank of India**, SME Branch, Saifabad, Hyderabad

**Axis Bank Limited**, Begumpet, Hyderabad Main Branch

**RBL Bank Limited**, Madhapur Branch, Hyderabad

**ICICI Bank Limited**, Jubilee Hills Branch, Hyderabad

#### **LISTING**

**BSE Limited**

**National Stock Exchange of India Limited (NSE)**

#### Stock Code

• BSE – 531719; NSE: BHAGCHEM

• ISIN Code – INE414D01027

(Prior to stock split ISIN Code: INE414D01019)

#### **REGISTRAR AND TRANSFER AGENTS**

##### **M/s. XL Softech Systems Limited**

Plot No. 3, Sagar Society,

Road No. 2, Banjara Hills,

Hyderabad - 500 034

Tel. (040) 23545913

Fax (040) 23553214

Email: xlfield@gmail.com



# Notice of the 31<sup>st</sup> Annual General Meeting

To  
The Members of

## **Bhagiradha Chemicals & Industries Limited**

Notice is hereby given that the thirty First (31<sup>st</sup>) Annual General Meeting (AGM) of the members of Bhagiradha Chemicals and Industries Limited (“the Company”) will be held on Friday, August 09, 2024 at 11:00 a.m. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) to transact the following business:

### **ORDINARY BUSINESS:**

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

- a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024, the Reports of the Board of Directors and Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the members be and are hereby considered and adopted.” and

- b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon, as circulated to the members be and are hereby considered and adopted.”

#### **2. Declaration of Dividend:**

To declare final dividend on equity shares at the rate of (10%) i.e. ₹0.10/- per equity share of face value of ₹1/- (Rupee One) each for the Financial Year ended March 31, 2024 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT dividend at the rate of 10% i.e. ₹0.10/- per equity share of face value of ₹1/- (Rupee One Only) each fully paid-up share of the Company, as recommended by the Board of Directors be and is hereby approved for the financial year ended March 31, 2024.”

#### **3. Re-appointment of Director Retiring by Rotation**

To appoint a Director in place of Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non- Executive Non- Independent Director, who retires by rotation and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 152(6) read with the Companies (Appointment and Qualification

of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non- Executive Non - Independent Director who retires by rotation at this meeting and being eligible, offers herself for re-appointment, be and is hereby appointed as a Director of the Company.”

### **SPECIAL BUSINESS:**

#### **4. To ratify the remuneration of Cost Auditors for the financial year 2024-25:**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors, M/s. Sagar & Associates, Cost Accountants (Firm Registration No. 000118), appointed as Cost Auditors by the Board of Directors to conduct audit of the Cost Records of the Company for the financial year ending March 31, 2025, be paid a remuneration of ₹ 1,00,000/- (Rupees One Lakh) per annum and out of pocket & other expenses and GST at actuals, as approved by the Board of Directors and as set out in the Statement annexed to the Notice convening this Meeting, be and is hereby ratified.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, matters, deeds and things as may be necessary to give effect to the above resolution.”

#### **5. To approve the payment of remuneration to Sri. S. Chandra Sekhar (DIN: 00159543), Managing Director of the company for a period from 01.06.2024 to 31.05.2025**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 201 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘ Listing Regulations’) and subject to the provisions of the Articles of Association of the Company, pursuant to the special resolution passed at the 27<sup>th</sup> AGM held on Friday, September 04, 2020 appointing Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director of the Company, for a period of five years effective from June 01, 2020 to May 31, 2025, and in furtherance of the special resolution passed in the 29<sup>th</sup> Annual General Meeting held on Friday, August 12, 2022, approval of the Members be and is hereby accorded for the remuneration payable to Mr. S. Chandra Sekhar, Managing Director of the Company as



existing till 31.05.2024, for the remaining period of his present term of appointment also i.e. with effect from June 01, 2024 to May 31, 2025 on the terms and conditions as mentioned below and as set out in the Explanatory Statement, which in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and the Listing Regulations and if in any Financial Year, during the period from 01.06.2024 to 31.05.2025, if the Company has no profits or if profits are inadequate the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration to Sri. S. Chandra Sekhar, Managing Director of the company and the approval accorded herein shall also be deemed to be the approval by way of special resolution as contemplated under Section 197 read with Schedule V of the Act and Regulation 17(6)(e) of the SEBI Listing Regulations, as may be applicable.

#### Terms and Conditions:

Gross Salary	₹ 1,44,00,000 (i.e. ₹12, 00, 000 / Per month)
Provident Fund	₹ 10,36,800
Gratuity, Leave	As applicable to the employees of the Company
Commission	1.5 % of Net Profit
Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer

- Where if in any Financial Year, during the period from 01.06.2024 to 31.05.2025, the Company has no profits or if profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration”.

“RESOLVED FURTHER THAT consent of the members is accorded for the aforesaid remuneration payable to Sri. S. Chandra Sekhar, Managing Director of the company for a period from 01.06.2024 to 31.05.2025 even if it exceeds 5% of the Net Profits of the company calculated under section 198 of the Companies Act, 2013, limits as prescribed under Section 197 of the Companies Act, 2013 read with rules made thereunder as amended from time to time and the total managerial remuneration payable to all the executive director(s), Managing Director, whole-time director, manager of the Company taken together during the period of his tenure may exceed the limit of 10% of net profits and overall managerial remuneration payable to all Directors including Executive Directors, Managing Director, Whole- time Director, manager of the Company taken together during the period of his tenure may exceed the limit of 11% of net profits of the Company computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to vary or revise the remuneration (including the minimum remuneration), as agreed to between the Board and Sri. S. Chandra Sekhar, Managing Director of the company, subject to such approvals as may be required by law.”

#### 6. To approve the revision in the payment of remuneration to Sri. Arvind Kumar Anegondi (DIN: 03097192) Executive Director and Chief Executive Officer of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 201 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘ Listing Regulations’) and subject to the provisions of the Articles of Association of the Company and in furtherance of the special resolution passed by the members appointing him as Executive Director with effect from August 04, 2023 till August 03, 2028, by way of Postal Ballot (Notice Dated September 25, 2023) through Remote E-Voting on Thursday, October 26, 2023 (being last date of E-Voting), consent of the members of the company is accorded for the remuneration payable for the Financial Year 2024-25 (with effect from April 01, 2024) to Sri. Arvind Kumar Anegondi (DIN: 03097192), on the terms and conditions as mentioned below and as set out in the Explanatory Statement, which in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and the Listing Regulations and if in Financial Year 2024-25, the Company has no profits or if profits are inadequate the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration to Sri. Arvind Kumar Anegondi (DIN: 03097192), Executive Director and Chief Executive Officer (CEO) of the company and the approval accorded herein shall also be deemed to be the approval by way of special resolution as contemplated under Section 197 read with Schedule V of the Act and/or Regulation 17 of the SEBI Listing Regulations, as applicable.

#### Remuneration:

Particulars	Amt in ₹
Salary (Per Month)	7,50,000
Salary (Per Annum)	90,00,000
PF	5,40,000
Gratuity, Leave, Health Insurance Cover	As applicable to the employees of the Company
Salary (Per Annum) - Total	95,40,000
Commission	1% of PAT

- Where if during the Financial Year 2024-25, the Company has no profits or if profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration”.

“RESOLVED FURTHER THAT consent of the members is accorded for the aforesaid remuneration payable to Sri.



Arvind Kumar Anegondi (DIN: 03097192) Executive Director and CEO of the company during the financial year 2024-25 even if it exceeds 5% of the Net Profits of the company calculated under section 198 of the Companies Act, 2013, limits as prescribed under Section 197 of the Companies Act, 2013 read with rules made thereunder as amended from time to time and the total managerial remuneration payable to all the executive director(s), Managing Director, whole-time director, manager of the Company taken together during the period of his tenure may exceed the limit of 10% of net profits and overall managerial remuneration payable to all Directors

including Executive Directors, Managing Director, Whole-time Director, manager of the Company taken together during the period of his tenure may exceed the limit of 11% of net profits of the Company computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to vary or revise the remuneration (including the minimum remuneration), as agreed to between the Board and Sri. Arvind Kumar Anegondi (DIN: 03097192) Executive Director and CEO of the company, subject to such approvals as may be required by law.”

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

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

**Registered Office:**

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
Road No.2, Banjara Hills,  
Hyderabad - 500 034,  
CIN: L24219TG1993PLC015963  
Ph: 040 42221212 / 2323  
E-mail: info@bhagirad.com

Date: May 24, 2024

Place: Hyderabad



## Notes

1. Pursuant to General Circular No. 09/2023 dated September 25, 2023, General Circular No. 10/2022 dated December 28, 2022, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2022 dated May 05, 2022 issued by Ministry of Corporate Affairs ('MCA Circular') and all other circulars issued by MCA on account of outbreak of Covid- 19 pandemic and in compliance with the provisions of the Companies Act, 2013, read with the rules made thereunder and SEBI Listing Regulations, the 31<sup>st</sup> Annual General Meeting of the Members of the Company is being convened through Video Conference / Other Audio Visual Means (VC/OAVM), without the physical presence of members at a common venue. In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM.
2. In compliance with the above MCA Circulars and SEBI Circular, Notice of the AGM along with the 31<sup>st</sup> Annual Report for FY 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and 31<sup>st</sup> Annual Report for FY 2023- 24 will also be available on the website of the Company <https://www.bhagirad.com/> and websites of the stock exchanges i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)), National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and on the website of Company's Registrar & Transfer Agent.
3. The Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') in respect of Item No. 4, 5, 6, of the Notice, is annexed hereto.
4. GENERALLY, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD THROUGH VC / OAVM PURSUANT TO THE MCA CIRCULARS, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS SHALL NOT BE AVAILABLE FOR THE AGM AND HENCE, THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. In terms of the provisions of Section 152 of the Companies Act, 2013 and rules made there under, Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non-Executive Non-Independent Director, is liable to retire by rotation at this Meeting and offers herself for reappointment.
7. Pursuant to Regulations 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Section 160 of the Companies Act, 2013 and Secretarial Standards on General Meetings (SS- 2), details in respect of Director seeking appointment/reappointment of Directorship at 31<sup>st</sup> AGM of the Company to be held on August 09, 2024 are provided in Annexure-1 of this Notice.
8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e- voting at the time of AGM on the date of the AGM will be provided by NSDL. In terms of the MCA & SEBI Circulars, voting can be done only by Remote E-voting/ E-voting at the AGM. The Members are advised to use the E-voting procedure, as provided in the Notice.  
**Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members through e-Voting Agency M/s. National Securities Depository Limited (NSDL).  
**Voting at the e-AGM:** Members who could not vote through remote e-voting may avail the e-voting system that will be provided during the e-AGM by M/s. National Securities Depository Limited (NSDL).
9. The Company has notified closure of Register of Members and Share Transfer Books from Saturday, August 03, 2024 to Friday, August 09, 2024 (both days inclusive) for determining the names of member(s) eligible for dividend on Equity Shares, if declared at the Meeting:
10. Members may avail facility of nomination in terms of Section 72 of the Companies Act, 2013, by nominating any person to whom their shares in the Company shall vest in the event of their death.
11. Members are requested to note that the dividend remaining unclaimed for a continuous period of seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). In addition, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF authority within a period of thirty days of such equity shares becoming due to be transferred to the IEPF. In the event of transfer of equity shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF authority by submitting an online application in the prescribed Form IEPF-5 available on the website of IEPF i.e. [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with the requisite documents as required and enumerated in Form IEPF-5.
12. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. The Statutory Registers and the documents pertaining to the items of business to be transacted at the AGM are available for inspection in electronic mode.



14. For receiving all communication (including Annual Report) from the Company electronically:

Members holding shares in physical mode and who have not registered / updated their email address are requested to register / update the same by writing to the Company at investor.bcil@bhagirad.com or to RTA i.e. XL Softech Systems Limited at xlfield@gmail.com with details of folio number, attaching a self-attested copy of PAN card and a photocopy of blank cancelled Cheque of their bank account.

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

## 1. PROCEDURE FOR INSPECTION OF DOCUMENTS:

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.

All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of 31<sup>st</sup> AGM. Members seeking to inspect such documents can send an email to info@bhagirad.com

## 2. DIVIDEND RELATED INFORMATION

- i. The Board of Directors recommended a final dividend on equity shares at the rate of 10% i.e. ₹0.10/- per Equity Share of face

value of ₹1/- each for the Financial Year ended on March 31, 2024, subject to approval of the Members at the AGM.

- ii. As per relevant Circulars, payment of dividend shall be made through electronic mode to the members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the members who have not updated their bank account details. To avoid delay in receiving dividend, members are requested to update their bank account details with their Depository Participants in case securities are held in demat mode and members holding securities in physical form should send a request for updating their bank details to the Company's Registrar & Share Transfer Agents.
- iii. Payment of Dividend shall be subject to deduction of tax at source (TDS) at applicable rates as notified by the Government of India.
- iv. Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during any financial year does not exceed ₹5,000/. The withholding tax rate would vary depending on the residential status of the member and documents registered with the Company as follows:

### A. RESIDENT MEMBERS

#### A.1 Tax Deductible at Source for Resident Members

S. No	Particulars	Rate of TDS	Documents required (if any)
1.	Valid PAN updated in the Company's Register of Members	10%	No document required (if no exemption is sought)
2.	No PAN/Valid PAN not updated in the Company's Register of Members	20%	No document required (if no exemption is sought)
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority

A.2 No Tax Deductible at Source on dividend payment to resident members if the Members submit and register following documents as mentioned below table with the Company / or RTA i.e. XL Softech Systems Limited

Sl No	Particulars	Withholding tax rate	Documents required (if any)
1.	Submission of form 15G/15H	Nil	Declaration in Form No. 15G (applicable to any person other than a company or a firm) / Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions
2.	Members to whom section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	Nil	Documentary evidence that the said provisions are not applicable



Sl No	Particulars	Withholding tax rate	Documents required (if any)
3.	Member covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds	Nil	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961
4.	AIF established in India	Nil	SEBI registration certificate to claim benefit under section 197A(1F) of Income Tax Act, 1961
5.	<ul style="list-style-type: none"> <li>• Recognised provident funds</li> <li>• Approved superannuation fund</li> <li>• Approved gratuity fund</li> </ul>	Nil	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes(CBDT)
6.	National Pension Scheme	Nil	No TDS as per section 197A (1E) of Income Tax Act, 1961

**B. NON-RESIDENT MEMBERS:**

Withholding tax on dividend payment to non-resident members if the non-resident members submit and register following document as mentioned in the below table with the Company / RTA.

Sl No	Particulars	Withholding tax rate	Documents required (if any)
1.	Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess) or tax treaty rate whichever is lower	FPI registration number / certificate
2.	Other Non-resident members	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: <ul style="list-style-type: none"> <li>i. Tax Residency certificate issued by revenue authority of country of residence of member for the year in which dividend is received</li> <li>ii. PAN</li> <li>iii. Form 10F filled &amp; duly signed</li> <li>iv. Self-declaration for non-existence of permanent establishment/ fixed base in India</li> </ul> <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident member and review to the satisfaction of the Company)</p>
3.	Indian Branch of a Foreign Bank	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank
4.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority

**Notes:**

- i. The Company will issue soft copy of the TDS certificate to its members through email registered with the Company / XL Softech Systems Limited (RTA) post payment of the dividend. Members will be able to download the TDS certificate from the Income Tax Department's website.
- ii. The aforesaid documents such as Form 15G/ 15H, documents under section 196, 197A, FPI Registration Certificate, Tax Residency Certificate, Lower Tax certificate etc. can be sent on mail to [cs@bhagirad.com](mailto:cs@bhagirad.com) and [xlfield@gmail.com](mailto:xlfield@gmail.com) on or before July 30, 2024 to enable the Company and RTA to determine the appropriate TDS / withholding tax rate applicable. Any communication on the tax determination/deduction received post July 30, 2024 shall not be considered.
- iii. Application of TDS rate is subject to necessary verification by the Company/RTA of the member details as available in Register of Members as on the Record Date and other documents available with the Company / RTA.
- iv. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund.



- v. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.
- vi. This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.
- and address of the bank with pin code number, if not furnished earlier.
- iv) Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents i.e. XL Softech Systems Limited cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the member(s).

## OTHER INFORMATION

- i. Members holding shares in physical mode are:
- Required to submit their Permanent Account Number (PAN) and bank account details to the Company at [cs@bhagirad.com](mailto:cs@bhagirad.com) or RTA i.e XL Softech Systems Limited at [xlfield@gmail.com](mailto:xlfield@gmail.com) along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.
  - Advised to register nomination in respect of their shareholding in the Company.
- ii. Members holding shares in electronic mode are:
- requested to submit their PAN and bank account details to their respective Depository Participants (“DPs”) with whom they are maintaining their demat accounts.
  - advised to contact their respective DPs for registering nomination.
- iii). Non-Resident Indian members are requested to inform RTA/ respective DPs, immediately of:
- Change in their residential status on return to India for permanent settlement.
  - Particulars of their bank account maintained in India with complete name, branch, account type, account number
- v). Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.
- vi). Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Those members, who desire to receive notice / documents through e-mail, are requested to communicate their e-mail ID and changes thereto from time to time to his/ her Depository Participant / the Company’s Registrar & Share Transfer Agent as the case may be. Members who have not registered their e-mail address either with the Company or with the Depository are requested to register as soon as possible.
- vii). Members are requested to follow the process detailed below and intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, XL Softech Systems Limited at <a href="mailto:xlfield@gmail.com">xlfield@gmail.com</a>	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration Form for Opting-out of Nomination	Form ISR-3
	Cancellation or Variation of Nomination	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4
	The forms for updating the above details are available on the website of the company at <a href="https://www.bhagirad.com/">https://www.bhagirad.com/</a>	
Demat	Please contact your DP and register your email address, bank account details in your demat account, as per the process advised by your DP.	



Members may also note that the 31<sup>st</sup> Annual Report for the financial year 2023-24, will be available on the Company's website at <https://www.bhagirad.com/>. For any communication, the members may also send requests to the Company's investor email id: [info@bhagirad.com](mailto:info@bhagirad.com)

#### **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name.
2. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
3. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e Friday, August 02, 2024, may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM.
4. Any member(s) holding shares in physical form or non-individual member who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, August 02, 2024, may obtain the User ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if a person is already registered with NSDL for remote e-Voting then the Members can use their existing User ID and password for casting the vote.

In case of Individual Shareholder holding securities in dematerialized mode and who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holds shares in demat mode as on the cut-off date may follow the steps mentioned under 'Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.'

5. Members will be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not cast their vote on the resolution(s) by remote e-Voting, will be eligible to exercise their right to vote on such resolution(s) upon announcement by the Chairperson. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM. The e-Voting

module on the day of the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.

6. Members are encouraged to join the Meeting through Laptops for better experience.
7. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
9. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at [cs@bhagirad.com](mailto:cs@bhagirad.com). The same will be replied by the company suitably.
10. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as speakers by sending their request in advance at least 10 days prior to meeting, mentioning their name, Demat account number/folio number, email id, mobile number at company email id [cs@bhagirad.com](mailto:cs@bhagirad.com).
11. The shareholders who do not wish to speak during the AGM but have queries, may send their queries in advance 10 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at company email id [cs@bhagirad.com](mailto:cs@bhagirad.com) These queries will be replied to by the company suitably by email.
12. Those shareholders who have registered themselves as speakers will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.

#### **INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the



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

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.bhagirad.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also

available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

**The remote e-voting period begins on Monday, August 05, 2024 at 09:00 A.M. and ends on Thursday, August 08, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, August 02, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 02, 2024.**

#### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### **Step 1: Access to NSDL e-Voting system**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to <b>e-Voting website of NSDL</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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Individual Shareholders (holding securities in demat mode) participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see login through their depository e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

### B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

#### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

#### Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical Your User ID is:

a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.



7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

#### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to yravifcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual

for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 or send a request to (Swapneel Puppala) at [evoting@nsdl.com](mailto:evoting@nsdl.com)

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@bhagirad.com](mailto:cs@bhagirad.com) and [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([cs@bhagirad.com](mailto:cs@bhagirad.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following explanatory Statement sets out all the material facts relating to the Special Business mentioned in Item No. 4,5, 6 of the Notice of 31<sup>st</sup> Annual General Meeting:

### Item No. 4.

#### To ratify the remuneration of Cost Auditors for the financial year 2024-25:

The Board of Directors of the Company, on the recommendation of the Audit Committee, at its meeting held on May 24, 2024, has approved the appointment of M/s. Sagar & Associates, Cost accountants (FRN: 000118), Hyderabad, to conduct the Cost audit of the Company for the Financial Year 2024-25 at a remuneration of ₹1,00,000 (Rupees One Lakh) excluding applicable taxes and reimbursement of actual out of pocket expenses in performance of their duties.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for the ratification of the remuneration payable to the Cost Auditors for the Financial Year 2024-25 as approved by the Board of Directors on the recommendation of the Audit Committee.

Accordingly, consent of the members is sought for item no. 4 of this notice by way of an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year 2024-25.

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

### Item No. 5

#### To approve the payment of remuneration to Sri. S. Chandra Sekhar (DIN: 00159543), Managing Director of the company for a period from 01.06.2024 to 31.05.2025

The members are informed that on the recommendation of the Board, the shareholders at the 27<sup>th</sup> Annual General Meeting (AGM) held on Friday, September 04, 2020, pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 approved the re-appointment of Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director of the Company, for a period of five years effective from June 01, 2020 to May 31, 2025 with revision in remuneration for a period of three years effective from June 01, 2020 to May 31, 2023.

Further, based on the recommendation of the Board, the shareholders at the 29<sup>th</sup> Annual General Meeting (AGM) held on Friday, August 12, 2022, approved the revision in the payment of his remuneration on the terms and conditions as mentioned below for a period from 01.06.2022 to 31.05.2024, which in any financial year may exceed the limits specified in Section 197 and Schedule V of the Act and the Listing Regulations and if in any Financial Year, during the period from 01.06.2022 to 31.05.2024, the Company

has no profits or profits are inadequate the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration to Sri. S. Chandra Sekhar, Managing Director of the company.

#### Terms and Conditions

Gross Salary	₹ 1,44,00,000 (i.e. ₹12, 00, 000 / Per month)
Provident Fund	₹ 10,36,800
Gratuity, Leave	As applicable to the employees of the Company
Commission	1.5 % of Net Profit
Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer

- Where if in any Financial Year, during the period from 01.06.2022 to 31.05.2024, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration”.

The members are further informed that the approval of the shareholders of the company for the payment of above mentioned remuneration to Mr. S. Chandra Sekhar, Managing Director was valid only up to 31.05.2024.

In view of the above and considering the contribution of Mr. S. Chandra Sekhar as the Managing Director of the company and the progress made by the Company under his leadership and guidance, and on the recommendation of the Nomination and Remuneration Committee, the Board recommends to the members to accord their approval for the remuneration payable to Mr. S. Chandra Sekhar, Managing Director of the Company as existing till 31.05.2024, for the remaining period of his present term of appointment also i.e. with effect from June 01, 2024 to May 31, 2025, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year on the following terms and conditions:

#### Terms and Conditions:

Gross Salary	₹ 1,44,00,000 (i.e. ₹12, 00, 000 / Per month)
Provident Fund	₹ 10,36,800
Gratuity, Leave	As applicable to the employees of the Company
Commission	1.5 % of Net Profit
Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer

- Where if in any Financial Year, during the period from 01.06.2024 to 31.05.2025, the Company has no profits or if profits are inadequate,





the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration”.

The aforesaid remuneration shall be payable to Sri. S. Chandra Sekhar, Managing Director of the company for a period from 01.06.2024 to 31.05.2025 even if it exceeds 5% of the Net Profits of the company calculated under section 198 of the Companies Act, 2013, limits as prescribed under Section 197 of the Companies Act, 2013 read with rules made thereunder as amended from time to time and

the total managerial remuneration payable to all the executive director(s), Managing director, whole-time director, Manager of the Company taken together in any financial year may exceed the limit of 10% of net profit and overall managerial remuneration payable to all Directors including Executive Directors/Managing Director/ Whole-time Director may exceed the limit of 11% of net profit of the Company computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.

The company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditor.

### Statement containing additional information as required in Schedule V of the Companies Act, 2013:

I General Information											
1. Nature of Industry	Agro Chemicals Industry										
2. Date of commencement of commercial production	The Company is in operation since 1993										
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	Performance for F.Y. 2023-24: Sales Revenue: ₹ 40,672.07 lakhs Profit after Tax: ₹ 2,030.24 lakhs *EPS: ₹1.95 * EPS is arrived considering face value of ₹ 1 per share (post-split)										
5. Foreign investments or collaborations, if any:	Nil										
II Information about the appointee											
1. Background details	Sri. Singavarapu Chandrasekhar, has been at the helm of company affairs since June 2012. He holds a master's degree in chemical engineering from the University of Illinois, Chicago. He joined the R&D department of the Company on completion of his education in the year 2002. Besides ably managing the affairs of the Company as MD, he has also been instrumental in developing / improving a significant number of non-infringing processes for the products commercialized by the Company and for those in the pipeline										
2. Past remuneration	<table border="1"> <tbody> <tr> <td>Gross Salary</td> <td>₹ 1,44,00,000 (i.e. ₹12, 00, 000 / Per month)</td> </tr> <tr> <td>Provident Fund</td> <td>₹ 10,36,800</td> </tr> <tr> <td>Gratuity, Leave</td> <td>As applicable to the employees of the Company</td> </tr> <tr> <td>Commission</td> <td>1.5 % of Net Profit</td> </tr> <tr> <td>Health Insurance cover</td> <td>Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer</td> </tr> </tbody> </table>	Gross Salary	₹ 1,44,00,000 (i.e. ₹12, 00, 000 / Per month)	Provident Fund	₹ 10,36,800	Gratuity, Leave	As applicable to the employees of the Company	Commission	1.5 % of Net Profit	Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer
Gross Salary	₹ 1,44,00,000 (i.e. ₹12, 00, 000 / Per month)										
Provident Fund	₹ 10,36,800										
Gratuity, Leave	As applicable to the employees of the Company										
Commission	1.5 % of Net Profit										
Health Insurance cover	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer										
3. Recognition or awards:	-										
4. Job profile and his suitability	Sri. S. Chandra Sekhar has been associated with the company since the year 2002 in various capacities including as the Head of the DSIR recognized R&D department. He was appointed as the Managing Director of the Company in the year 2012. The company has about 20 products in its product basket. The process technologies for most of these products have been developed In-House under the guidance of Mr. S. Chandra Sekhar.										
5. Remuneration proposed	As mentioned in the Resolution stated above										
6. Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The executive remuneration in the industry is on the rise. The 'Nomination and Remuneration Committee' constituted by the Board in terms of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, perused remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company; industry benchmarks in general; financial position of the Company; past performance, past remuneration, profile and responsibilities of Mr. S. Chandra Sekhar, before approving the remuneration as proposed herein before.										

7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Sri. S. Chandra Sekhar is the promoter of the company. He is the spouse of Smt. S. Lalitha Sree, Non-Executive Non Independent Director in the company. Except this, Sri. S. Chandra Sekhar is not related to any other Director and Key Managerial personnel of the Company.  Sri. Chandra Sekhar, does not have any pecuniary relationship with the Company other than the above.
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### III. Other Information:

1.	Reasons of loss or inadequate profits	At present, the Company is having adequate profits. However, the remuneration is proposed for a period of one year i.e from 01.06.2024 to 31.05.2025, the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, may be exceeded during aforesaid period.
2.	Steps taken or proposed to be taken for improvement	All adequate steps, as may be necessary will be taken by the Company for improving productivity and profits like bringing efficiency in operations, reduction of costs, adding new customers base etc.
3.	Expected increase in productivity and profits in measurable terms	In view of the steps taken by the Company as stated above, the Company believes that there will be significant increase in productivity and profitability in the years to come.

Accordingly, consent of the members is sought for item no. 5 of this notice by way of a Special Resolution.

Except Sri. S. Chandra Sekhar, Managing Director of the company and Smt. S. Lalitha Sree, Non - Executive Non Independent Director, None of the Directors or the Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested financially or otherwise, in the resolution as set out in item no. 5 of this notice.

## Item No. 6

### To approve the revision in the payment of remuneration to Sri. Arvind Kumar Anegondi (DIN: 03097192) Executive Director and Chief Executive Officer of the Company

The members are informed that, based on the recommendation of the Board, the shareholders of the company by way of postal ballot through remote e-voting on Thursday, October 26, 2023 (being last date of remote e-voting) appointed Sri. Arvind Kumar Anegondi (DIN: 03097192) as an Executive Director of the company for a period of 5 consecutive years with effect from August 04, 2023 till August 03, 2028 on the following terms and conditions:

#### Remuneration:

Particulars	Amt in ₹
Salary (Per Month)	5,75,000
Salary (Per Annum)	69,00,000
PF	4,32,000
Gratuity, Leave, Health Insurance Cover	As applicable to the employees of the Company
<b>Salary (Per Annum) - Total</b>	<b>73,32,000</b>
Commission	1% of PAT

- If in any financial year during his aforesaid term of office, the Company has no profits as computed in accordance with Section 198 of the Companies Act 2013, or such profits are inadequate, the above remuneration shall be paid as Minimum Remuneration in accordance with the allowable limits under the Companies Act, 2013 read with Schedule V to the said Act. The Board of Directors/

Nominations and Remuneration Committee be and are hereby authorized to alter and vary any such terms and conditions of the said appointment and remuneration or revise the remuneration in such manner as may be acceptable subject to the same not exceeding limit or ceiling specified in the Companies Act, 2013 read with Schedule V (or any statutory amendment(s), modification(s) or reenactment(s) thereto, from time to time).

The members are informed that, after evaluating the performance of Sri. Arvind Kumar Anegondi and considering his knowledge, experience, expertise and his contribution to the organisation and the fact that he actively participates in the day to day activities of the company, oversees the marketing strategy, all sales plans, and tracks new product development, the Board recommends to the shareholders to accord their approval for the revision in the remuneration payable to Sri. Arvind Kumar Anegondi (DIN: 03097192) Executive Director and CEO of the company for the financial year 2024-25 (with effect from April 01, 2024) on the following terms and conditions:

#### Remuneration:

Particulars	Amt in ₹
Salary (Per Month)	7,50,000
Salary (Per Annum)	90,00,000
PF	5,40,000
Gratuity, Leave, Health Insurance Cover	As applicable to the employees of the Company
Salary (Per Annum) - Total	95,40,000
Commission	1% of PAT

- Where if during the Financial Year 2024-25, the Company has no profits or if profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time based on the applicable rules and regulations, shall be paid as minimum remuneration”.

The aforesaid remuneration shall be payable to Sri. Arvind Kumar Anegondi (DIN: 03097192) Executive Director and CEO during the



financial year 2024-25, even if it exceeds 5% of the Net Profits of the company calculated under section 198 of the Companies Act, 2013, limits as prescribed under Section 197 of the Companies Act, 2013 read with rules made thereunder as amended from time to time and the total managerial remuneration payable to all the executive director(s), Managing director, whole-time director, Manager of the Company taken together in any financial year may exceed the limit of 10% of net profit and overall managerial remuneration payable

to all Directors including Executive Directors/Managing Director/ Whole-time Director may exceed the limit of 11% of net profit of the Company computed in the manner as laid down in Section 198 read with Schedule V of the Companies Act, 2013.”

The company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditor.

#### Statement containing additional information as required in Schedule V of the Companies Act, 2013:

I General Information															
1. Nature of Industry	Agro Chemicals Industry														
2. Date of commencement of commercial production	The Company is in operation since 1993														
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	Performance for F.Y. 2023-24: Sales Revenue: ₹ 40,672.07 lakhs Profit after Tax: ₹ 2,030.24 lakhs EPS: ₹1.95 * EPS is arrived considering face value of ₹ 1 per share (post-split)														
5. Foreign investments or collaborations, if any:	Nil														
II Information about the appointee															
1. Background details	Sri. Anegondi Arvind Kumar is a B. Tech, M.S. (Chemical Engineering). He is a Post Graduate in Chemical Engineering from Indian Institute of Technology-Madras and has graduated in Chemical Engineering from Osmania University, Hyderabad. He was employed with Invensys India Private Limited in the year 2002 and worked on mathematical modelling and simulation of chemical plants. Later he joined JC Biotech Private Limited in 2007, promoted by late Sri. S. Koteswara Rao and was involved in design and commissioning of the Fermentation Plant. In 2014, he joined Bhagiradha Chemicals & Industries Limited as Chief Operating Officer and was in charge of the day-to-day operations of the company and was involved in key decision making processes of the Company before he was elevated as the CEO of the Company by the Board on 14 <sup>th</sup> May 2019 and was appointed as Executive Director on August 04, 2023.														
2. Past remuneration	Amt in ₹														
	<table border="1"> <thead> <tr> <th colspan="2">Particulars</th> </tr> </thead> <tbody> <tr> <td>Salary (Per Month)</td> <td>5,75,000</td> </tr> <tr> <td>Salary (Per Annum)</td> <td>69,00,000</td> </tr> <tr> <td>PF</td> <td>4,32,000</td> </tr> <tr> <td>Gratuity, Leave, Health Insurance Cover</td> <td>As applicable to the employees of the Company</td> </tr> <tr> <td>Salary (Per Annum) - Total</td> <td>73,32,000</td> </tr> <tr> <td>Commission</td> <td>1% of PAT</td> </tr> </tbody> </table>	Particulars		Salary (Per Month)	5,75,000	Salary (Per Annum)	69,00,000	PF	4,32,000	Gratuity, Leave, Health Insurance Cover	As applicable to the employees of the Company	Salary (Per Annum) - Total	73,32,000	Commission	1% of PAT
Particulars															
Salary (Per Month)	5,75,000														
Salary (Per Annum)	69,00,000														
PF	4,32,000														
Gratuity, Leave, Health Insurance Cover	As applicable to the employees of the Company														
Salary (Per Annum) - Total	73,32,000														
Commission	1% of PAT														
3. Recognition or awards:	-														
4. Job profile and his suitability	Sri. A. Arvind Kumar is associated with the company since 2014 and he is in charge of the day-to-day operations of the company and oversees the marketing strategy, all sales plans, and tracks new product development														
5. Remuneration proposed	As mentioned in the Resolution stated above														



6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The executive remuneration in the industry is on the rise. The 'Nomination and Remuneration Committee' constituted by the Board in terms of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 perused remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company; industry benchmarks in general; financial position of the Company; past performance, past remuneration, profile and responsibilities of Mr. A. Arvind Kumar before approving the remuneration as proposed herein before.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Sri. A. Arvind Kumar is not related to any other Director and Key Managerial personnel of the Company and he has no pecuniary relationship directly or indirectly with the company, or relationship with any managerial personnel of the company
<b>III. Other Information:</b>		
1.	Reasons of loss or inadequate profits	At present, the Company is having adequate profits. However, the remuneration is proposed for Financial Year 2024-25, the future trend in the profitability will largely depend on business environment in the domestic and global markets, cost of inputs and general state of economy as a whole. Therefore, the limits specified under Section 197(1) read with Schedule V of the Companies Act 2013 and the Listing Regulations, may be exceeded during aforesaid period
2.	Steps taken or proposed to be taken for improvement	All adequate steps, as may be necessary will be taken by the Company for improving productivity and profits like bringing efficiency in operations, reduction of costs, adding new customers base etc.
3.	Expected increase in productivity and profits in measurable terms	In view of the steps taken by the Company as stated above, the Company believes that there will be significant increase in productivity and profitability in the years to come

Accordingly, consent of the members is sought for item no. 6 of this notice by way of a Special Resolution.

Except Sri. Arvind Kumar Anegondi, Executive Director and CEO of the company and his relatives, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in item no. 6 of this notice.

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

**Registered Office:**

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
Road No.2, Banjara Hills,  
Hyderabad - 500 034,  
CIN: L24219TG1993PLC015963  
Ph: 040 42221212 / 2323  
E-mail: info@bhagirad.com

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

Date: May 24, 2024

Place: Hyderabad

**ANNEXURE-1****Information of Director seeking re-appointment under Section 152 of the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Requirements) Regulations, 2015 and Secretarial Standard-2**

<b>1. Name of the Director</b>	<b>Singavarapu Lalitha Sree</b>
Director Identification Number	06957985
Designation/ Category of Directorship	Non-Executive Director
Date of Birth	January 03, 1978
Age	46 years
Nationality	Indian
Date of First Appointment	August 11, 2014
A brief resume of the director/ Profile / Qualifications & Experience/ nature of expertise in specific functional areas	Post Graduate in Commerce. Hails from a business family and has been on the Board of the Company. She possesses good business acumen.
Remuneration Proposed to be paid	Will be entitled to Sitting Fees for attending the Board and Committee Meetings of the Company.
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years/ List of Directorships held in other Companies/ LLP as on 31/03/2024*	NIL
Chairman/Member of the Committees of the Boards of other companies in which she is Director as on 31/03/2024	Nil
Shareholding in the company	76,470 Equity Shares as on 31.03.2024
Disclosure of relationships between directors inter-se/ Relationship with Other Directors, Manager and other Key Managerial Personnel of the Company	Spouse of Sri. S. Chandra Sekhar , Managing Director of the company

\* \* Directorship includes Directorship of other Indian Companies and Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not).

\*\* Information pertaining to remuneration paid to the Director who is being appointed/ re-appointed and the number of Board Meetings attended by the Director during the year 2023-24, have been provided in the Corporate Governance Report forming part of the Annual Report.

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

**Registered Office:**

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
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**Sharanya. M**  
Company Secretary & Compliance Officer  
M. No: ACS-63438

Date: May 24, 2024  
Place: Hyderabad

## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty First (31<sup>st</sup>) Annual Report of your Company together with the audited Financial Statements for the year ended 31<sup>st</sup> March, 2024.

### Financial Highlights

The Financial Statements for the year ended March 31, 2024, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 ('Act') and other recognized accounting practices and policies to the extent applicable. Necessary disclosures regarding Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the Financial Year under review as compared to the previous Financial Year is summarized below:

### Financial Results

₹ In Lakhs

Particulars	Standalone		Consolidated	
	Year ended 31.03.2024	Year ended 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2023
Net Sales	40,672.07	50,209.13	40,764.82	50,209.13
Other income	480.97	184.38	267.83	125.91
<b>Total Income</b>	<b>41,153.04</b>	<b>50,393.51</b>	<b>41,032.64</b>	<b>50,335.03</b>
PBDIT	4,769.84	7,968.73	4,559.15	7,858.42
Depreciation	(1,096.12)	(966.63)	(1,097.99)	(980.79)
Interest	(768.81)	(497.95)	(768.94)	(499.32)
<b>Profit Before Exceptional Items and Tax</b>	<b>2,904.91</b>	<b>6,504.15</b>	<b>2,692.22</b>	<b>6,378.31</b>
Exceptional Items	-	-	-	-
Profit after Exceptional Items and Before Tax	2,904.91	6,504.15	2,692.22	6,378.31
Provision for tax (Incl. deferred tax)	(874.67)	(1,863.15)	(870.08)	(1,863.15)
<b>Profit after tax</b>	<b>2,030.24</b>	<b>4,641.00</b>	<b>1,822.14</b>	<b>4,515.16</b>
Earnings per share (EPS) *	1.95	4.56	1.75	4.43
Diluted (EPS) *	1.79	4.56	1.61	4.43

\* EPS is arrived considering face value of ₹ 1 per share (post-split)

### Performance Review and State of Affairs:

#### Standalone Performance

The revenue from operations for the FY 2023-24 was ₹ 40,672.07 lakhs as against the previous year's revenue from operations of ₹ 50,209.13 lakhs in FY 2022-23. The PAT attributable to shareholders for FY 2023-24 was ₹ 2,030.24 lakhs as compared to the previous year's PAT of ₹ 4,641.00 lakhs. The Profit before Tax was ₹ 2,904.91 lakhs as against the previous year's PBT of ₹ 6,504.15 lakhs. The Earnings per Share stood at ₹ 1.95 for the year under review as against ₹ 4.56 per share of the previous year.

#### Consolidated Performance

The revenue from operations for the FY 2023-24 was ₹ 40,764.82 lakhs as against the previous year's revenue from operations of ₹ 50,209.13 lakhs in FY 2022-23. The PAT for FY 2023-24 was ₹ 1,822.14 lakhs as compared to the previous year's PAT of ₹ 4,515.16 lakhs. The Profit before Tax was ₹ 2,692.22 lakhs as against the previous year's PBT of ₹ 6,378.31 lakhs. The Earnings per Share stood at ₹ 1.75 for the year under review as against ₹ 4.43 per share of the previous year.

#### Change in the nature of the business, if any:

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

#### Dividend

The Board of Directors at its meeting held on May 24, 2024, recommended a final dividend for the year ended March 31, 2024 of ₹0.10/- per equity share of face value of ₹1 each (i.e. 10%) and the same shall be paid subject to approval of the shareholders at the ensuing 31<sup>st</sup> Annual General Meeting during the Financial Year 2023-24. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source as per norms.

The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 03, 2024 to Friday, August 09, 2024 (both days inclusive) for ascertainment of shareholders eligible to receive dividend for the financial year ended March 31, 2024.





## Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has formulated and adopted a Dividend Distribution Policy with the objective of providing clarity to its stakeholders on the profit distribution strategies of the Company. During the year, the said Policy has been reviewed by the Board of Directors of the Company and the same is hosted on the website of the Company at <https://www.bhagirad.com/reports/policy/Dividend%20Distribution%20Policymay21.pdf>

## Transfer of Un-Claimed Dividend/Shares

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. The following are the year wise dividends remaining unclaimed as on 31.03.2024.

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2024 (In ₹.)	Due Date for transfer to IEPF
2018-19	09-08-2019	62,246.00	09-09-2026
2021-22 (interim dividend)	30-10-2021	7,961.80	30-11-2028
2021-22 (Final Dividend)	12-08-2022	6,134.40	12-09-2029
2022-23 (interim dividend)	04-11-2022	8,730.66	04-12-2029
2022-23 (Final Divided)	04-08-2023	8,609.40	04-09-2030

- Transfer of unclaimed dividend to IEPF during the year under review**

During the Financial Year 2023-24, no unclaimed/unpaid dividend amount was due for transfer to the Investor Education and Protection Fund, pursuant to Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time.

- Transfer of shares to IEPF**

During the Financial Year 2023-24, no shares of the company were due for transfer to Investor Education and Protection Fund Authority (IEPF). in compliance with the provisions of Section 124 of the Companies Act, 2013,

The shareholders whose shares got transferred to IEPF Authority shall claim the dividends and shares from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website at [www.iepf.gov.in](http://www.iepf.gov.in) as per the procedure prescribed thereon.

Smt. Sharanya M is the Nodal Officer who is appointed by the Company under the provisions of IEPF.

## Transfer to reserves

The closing balance of the retained earnings of the Company for FY 2023-24, after all appropriation and adjustments stood at ₹40,694.73 lakhs.

## Preferential Issue

During the year under review, pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations") including the provisions of Chapter V of the ICDR Regulations, SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, provisions of the Companies Act, 2013 and other applicable provisions, read with the rules made thereunder, the company has on November 17, 2023, allotted 25,61,425 Convertible Warrants of ₹10/- each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company having face value of ₹10/- each at a price of ₹1332/- ("warrant issue price" [including the warrant subscription price (₹333/- per warrant) and the warrant exercise price (₹999/- per warrant] with a premium of ₹1322/- payable in cash, aggregating up to ₹341,18,18,100/- ("Total Issue Size") on a preferential basis to promoter, promoter group and non- promoter category, pursuant to approval of the members of the Company at Extraordinary General Meeting ("EGM") held on November 04, 2023 and pursuant to in-principle approval granted by BSE Limited and National Stock Exchange of India Limited (NSE).

After the end of the financial year under review, as on the date of this report, upon receipt of an amount aggregating to ₹203,59,76,985 (Rupees Two Hundred and Three Crores Fifty-Nine Lakhs Seventy - Six Thousand Nine Hundred and Eighty-Five only) from 56 warrant holders at the rate of ₹999 per warrant (being 75% of the issue price per warrant as "Warrant Exercise Price") for 20,38,015 No. of Convertible warrants, as per the terms of issue of Warrants, the Share Allotment- Sub Committee of the Board of Directors of the Company at its meeting held on May 09, 2024, allotted 2,03,80,150 No of equity shares of face value of ₹1/- each, upon exercising the option to apply for conversion to fully paid up Equity Shares of the Company by 56 warrant holders.

After the end of the financial year under review, as on the date of this report, upon receipt of an amount aggregating to ₹203,59,76,985 from 56 warrant holders at the rate of ₹999 per warrant for 20,38,015 No. of Convertible warrants, the Share Allotment- Sub Committee of the Board of Directors of the Company at its meeting held on May 09, 2024, allotted 2,03,80,150 No of equity shares of face value of ₹1/- each, Consequent to the stock split and conversion of warrants into equity shares as mentioned above, as on the date of this report, the Authorized Share Capital of the Company stood at ₹15,00,00,000/- (Rupees Fifteen Crore only) divided into 15,00,00,000 (Fifteen Crore) Equity shares of ₹1/- each and the issued and paid up capital of the Company increased from ₹10,40,54,830 divided into 10,40,54,830 equity shares of face value of ₹1/- each to ₹12,44,34,980 divided into 12,44,34,980 equity shares of face value of ₹1/- each.

As on the date of this report, 5,23,410 No. of Convertible Warrants are pending for conversion to equity shares of the company.

## Stock Split

After the end of the financial year under review and as on the date of this report, the existing equity shares of the company have undergone sub- division/ split, such that 1 (one) equity share having face value of ₹10/- each, fully paid-up, was sub-divided/split into 10 equity shares having face value of ₹1 /- each, fully paid- up, ranking pari- passu in all respects with effect from May 02, 2024 ("Record

Date”), pursuant to the approvals received from the shareholders of the company through postal ballot by way of remote e-voting on Wednesday, April 10, 2024 (being the last date of remote e-voting).

### Alteration of AOA and MOA of the company

After the end of the financial year under review and as on the date of this report, the Capital Clause (Clause V) of the Memorandum of Association of the Company was altered/amended, pursuant to the split of face value of equity shares of the company from ₹10/- (Rupees Ten) each to ₹1/- (Rupee one) each, through Postal Ballot process (Postal Ballot Notice dated March 05, 2024) by way of remote e-voting. The approval of the members was received on Wednesday, April 10, 2024 (being last date of remote e-voting).

### Share capital

During the year under review, there was no change in the Authorized share capital of the company which stood at ₹15,00,00,000 (Rupees Fifteen Crores Only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares having face value of ₹10/- each and the paid up share capital of the Company stood at ₹10,40,54,830 divided into 1,04,05,483 equity shares of ₹10/- each.

During the year under review, the company has on November 17, 2023, allotted 25,61,425 Convertible Warrants of ₹10/- each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company having face value of ₹10/- each at a price of ₹1332/- (“warrant issue price” [including the warrant subscription price (₹333/- per warrant) and the warrant exercise price (₹999/- per warrant] with a premium of ₹1322/- payable in cash, aggregating up to ₹341,18,18,100/- (“Total Issue Size”) on a preferential basis to promoter, promoter group and non-promoter category, pursuant to approval of the members of the Company at Extraordinary General Meeting (“EGM”) held on November 04, 2023 and pursuant to in-principle approval granted by BSE Limited and National Stock Exchange of India Limited (NSE).

After the end of the financial year under review and as on the date of this report, the existing equity shares of the company have undergone sub-division/ split, such that 1 (one) equity share having face value of ₹10/- each, fully paid-up, was sub-divided/split into 10 equity shares having face value of ₹1/- each, fully paid-up, ranking pari-passu in all respects with effect from May 02, 2024 (“Record Date”).

After the end of the financial year under review, as on the date of this report, upon receipt of an amount aggregating to ₹203,59,76,985 (Rupees Two Hundred and Three Crores Fifty-Nine Lakhs Seventy - Six Thousand Nine Hundred and Eighty-Five only) from 56 warrant holders at the rate of ₹999 per warrant (being 75% of the issue price per warrant as “Warrant Exercise Price”) for 20,38,015 No. of Convertible warrants, as per the terms of issue of Warrants, the Share Allotment- Sub Committee of the Board of Directors of the Company at its meeting held on May 09, 2024, allotted 2,03,80,150 No of equity shares of face value of ₹1/- each, upon exercising the option to apply for conversion to fully paid up Equity Shares of the Company by 56 warrant holders.

Consequent to the stock split and conversion of warrants into equity shares as mentioned above, as on the date of this report, the Authorized Share Capital of the Company stood at ₹15,00,00,000/- (Rupees Fifteen Crore only) divided into 15,00,00,000 (Fifteen Crore) Equity shares of ₹1/- each and the issued and paid up capital of the Company increased from ₹10,40,54,830 divided into 10,40,54,830

equity shares of face value of ₹1/- each to ₹12,44,34,980 divided into 12,44,34,980 equity shares of face value of ₹1/- each.

Apart from the above, the company has not raised any funds or issued further shares in the form of equity during the financial year ended on March 31, 2024.

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

### Buy Back of shares and disinvestment

The Company has not bought back any of its securities and there was no disinvestment during the Financial Year ended March 31, 2024.

### 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 2024, form part of the Annual Report.

### Material changes and commitments affecting the financial position of the company between the end of the financial year and the date of the report

After the end of the financial year and as on the date of this report, the existing equity shares of the company have undergone sub-division/ split, such that 1 (one) equity share having face value of ₹10/- each, fully paid-up, was sub-divided/split into 10 equity shares having face value of ₹1/- each, fully paid-up, ranking pari-passu in all respects with effect from May 02, 2024 (“Record Date”), pursuant to the approvals received from the shareholders of the company through postal ballot by way of remote e-voting on Wednesday, April 10, 2024 (being the last date of remote e-voting).

After the end of the financial year under review, as on the date of this report, upon receipt of an amount aggregating to ₹203,59,76,985 from 56 warrant holders at the rate of ₹999 per warrant for 20,38,015 No. of Convertible warrants, the Share Allotment- Sub Committee of the Board of Directors of the Company at its meeting held on May 09, 2024, allotted 2,03,80,150 No of equity shares of face value of ₹1/- each, Consequent to the stock split and conversion of warrants into equity shares as mentioned above, as on the date of this report, the Authorized Share Capital of the Company stood at ₹15,00,00,000/- (Rupees Fifteen Crore only) divided into 15,00,00,000 (Fifteen Crore) Equity shares of ₹1/- each and the issued and paid up capital of the Company increased from ₹10,40,54,830 divided into 10,40,54,830 equity shares of face value of ₹1/- each to ₹12,44,34,980 divided into 12,44,34,980 equity shares of face value of ₹1/- each.

Apart from the above, there are no material changes and commitments affecting financial position of the company, which occurred between the end of the financial year and the date of this report.

### Management Discussion and Analysis

In terms of the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the Management’s Discussion and Analysis is provided in a separate section and forms an integral part of this Report.



## Directors

The Composition of the Board of Directors as on 31.03.2024 is as under:

Name	Designation
Sri. Satyanarayana Raju	Chairman, Non-Executive
Kanumuru	Independent Director
Sri. Chandra Sekhar	Managing Director
Singavarapu	
*Sri. Arvind Kumar	Executive Director and Chief
Anegondi	Executive Officer
Smt. Lalitha Sree	Non-Executive - Non Independent
Singavarapu	Director
**Sri. Suresh Kumar Somani	Non-Executive - Non Independent
	Director
Sri. Sudhakar Kudva	Non-Executive Independent Director
Sri. Krishna Rao S V	Non-Executive Independent Director
Gadepalli	
Sri. Kishor Shah	Non-Executive Independent Director
Dr. G. Aruna	Non-Executive Independent Woman
	Director

\* Sri. Arvind Kumar Anegondi was appointed as Executive Director of the company with effect from August 04, 2023

\*\*Sri. Suresh Kumar Somani was appointed as Non-Executive - Non Independent Director of the company with effect from November 04, 2023

None of the directors of the company are disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Change in Directors:

During the year under review, based on the recommendation of the Board, the shareholders of the company at the 30<sup>th</sup> Annual General Meeting (AGM) held on Friday, August 04, 2023, re-appointed Sri. Krishna Rao S V Gadepalli as a Non- Executive Independent Director of the Company, for a second term of five consecutive years effective immediately after expiry of his current term on November 12, 2023, i.e. commencing from November 13, 2023, till November 12, 2028, who shall not be liable to retire by rotation.

During the year under review, based on the recommendation of the Board, the shareholders of the company approved by way of postal ballot (notice dated September 25, 2023) through remote e-voting on Thursday, October 26, 2023, being the last date of remote e-voting, the appointment of Sri. Arvind Kumar Anegondi (DIN: 03097192) as an Executive Director of the company for a period of 5 consecutive years with effect from August 04, 2023 till August 03, 2028.

During the year under review, based on the recommendation of the Board, the shareholders of the company approved by way of postal ballot (notice dated December 26, 2023) through remote e-voting on Friday, January 26, 2024, being the last date of remote e-voting, the appointment of Sri. Suresh Kumar Somani (DIN: 00031096), as a Non-Executive - Non Independent Director of the company for a period of 5 consecutive years with effect from November 04, 2023 till November 03, 2028.

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

Pursuant to Sections 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Singavarapu Lalitha Sree (DIN: 06957985) Non-Executive Non Independent Director, of the Company, retires by rotation and being eligible, offers herself for re-appointment. Her appointment is placed for approval of the members and forms part of the notice of the 31<sup>st</sup> Annual General

Meeting. The information about the Director seeking re-appointment as per the Secretarial Standards on General Meetings and Regulation 36 (3) of Listing Regulations has been given in the notice convening the 31<sup>st</sup> Annual General Meeting.

### Key Managerial Personnel ('KMP'):

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

Sri. S. Chandra Sekhar, Managing Director

Sri. A. Arvind Kumar, Executive Director and Chief Executive Officer

Sri. B. Krishna Mohan Rao, Chief Financial Officer

Smt. Sharanya M, Company Secretary & Compliance Officer

There was no change in the KMP of the company during the year under review

### Declaration from Independent Directors

The independent directors have submitted the declaration of independence stating that they meet the criteria of independence as prescribed in sub-section (6) of Section 149 of the Companies Act, 2013 as well as under Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year.

It is hereby declared that in the opinion of the Board, each independent director appointed is a person of integrity and possesses all the relevant expertise and experience (including proficiency).

### Meetings of the Board

During the period under review, seven (7) meetings of the Board of Directors of the Company were held on 13-05-2023, 04-08-2023, 11-10-2023, 04-11-2023, 17-11-2023, 27-01-2024, 05-03-2024, in accordance with the provisions of the Act. The date(s) of the Board Meetings and attendance by the directors are given in the Corporate Governance Report forming an integral part of this report.

The Company also adopted Governance Guidelines on Board Effectiveness which comprise the aspects relating to Composition of Board and Committees, Terms of Directors, Nomination, Appointment, Development of Directors, Code of Conduct, Effectiveness of Board and Committees, review and their mandates.

### Meeting of Independent Directors

A separate meeting of the Independent Directors was held on May 13, 2023, inter-alia, to discuss evaluation of the Performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non- Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that are necessary for the Board to effectively and reasonably perform its duties.

### Committees of the Board

During the period under review, five statutory committees constituted by the Board were functioning i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Risk Management Committee.



A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this Annual Report. The composition of the committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

S. No	Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
1.	Audit committee	Sri. Sudhakar Kudva (C) Sri. Singavarapu Chandrasekhar (M) Sri. Krishna Rao S V Gadepalli (M) Sri. Kishor Shah (M)	All recommendations made by the audit committee during the year were accepted by the Board.  The Audit Committee Shall Review the quarterly/half yearly/annual financial statements, related party transactions before submission to the Board for approval.  It reviews with the management, the performance of statutory auditors, internal auditors, adequacy of internal control systems, etc.
2.	Nomination and Remuneration Committee	Sri. Sudhakar Kudva (C) Sri. Satyanarayana Kanumuru Raju (M) Sri. Krishna Rao S V Gadepalli (M)	The committee oversees and administers the appointments, remuneration, compensation paid to directors and key Managerial Personnel of the company  The nomination and remuneration committee has framed the nomination and remuneration policy of the company.
3.	Corporate Social Responsibility Committee (CSR)	Sri. Sudhakar Kudva (C) Sri. Singavarapu Chandrasekhar (M) Smt. Singavarapu Lalitha Sree (M)	The CSR Committee of the Board reviews and monitors the CSR activities of the company. The CSR Committee formulated and recommended to the Board, a Corporate Social Responsibility (CSR) Policy indicating the CSR activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under.
4.	Stakeholders Relationship Committee	Sri. Krishna Rao S V Gadepalli (C) Sri. Singavarapu Chandrasekhar (M) Sri. Sudhakar Kudva (M)	The committee reviews and ensures redressal of investor grievances. The committee ensures that grievances of the investors if any will be resolved timely.
5.	Risk Management Committee	Sri. Sudhakar Kudva (C) Sri. Krishna Rao S V Gadepalli (M) Smt. G Aruna (M)	Framing, implementing and monitoring the risk management framework of the Company; Identification, prioritization, mitigation and monitoring of the risk reported and recommend to the Board accordingly. Periodical review and assessing the quality, integrity and effectiveness of the risk management system of the company.

C- Chairperson      M-Member

Besides the above, the Board has constituted three non- statutory committees i.e. Management Committee. Rights Issue Committee and Share Allotment Sub Committee.

## Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the corporate policies framed and approved by the Board are available on the Company's website ([www.bhagirad.com](http://www.bhagirad.com)). The policies are reviewed periodically by the Board and updated based on need and new compliance requirements.

In addition to its Code of Conduct and Ethics, key policies that have been adopted by the Company are as follows:

Name of the policy	Brief description	Web link
Whistle-blower Policy (Policy on vigil mechanism)	The Company has adopted the whistle blower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and ethics. It also provides for adequate safeguards against victimization of employees who availed the mechanism and also provides for direct access to the Chairperson of the Audit Committee.	<a href="https://www.bhagirad.com/corporate.html">https://www.bhagirad.com/corporate.html</a>
The Code of Conduct for prevention of Insider Trading and Code of fair disclosure of unpublished price sensitive information	The Company has adopted a Code of Conduct to Regulate, Monitor & Report Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the SEBI (Prohibition of Insider Trading) Regulation 2015, with a view to regulate trading in securities by the Directors and Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed and other certain situations.	
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and senior management of the Company	



Name of the policy	Brief description	Web link
Corporate Social Responsibility Policy	The policy outlines the Company's strategy to bring about a positive impact on Society through its CSR Initiatives relating to hunger, poverty, education, healthcare, environment etc., as per the provisions of the Companies Act, 2013.	<a href="https://www.bhagirad.com/corporate.html">https://www.bhagirad.com/corporate.html</a>
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	
Policy on Preservation of Documents	The policy deals with the preservation of corporate records of the Company.	
Policy on Determination of Materiality of Events	The Policy is to determine materiality of events or information relating to the Company and to ensure timely and accurate disclosure on all material matters concerning the Company	
Risk Management Policy	This Policy is to identify and manage threats that could severely impact organization, establish process for the management of risks faced by the organization and establish effective system of risk identification, analysis, evaluation and treatment within all areas and all levels;	
Archival Policy	The policy deals with the retention and archival of corporate records of the Company.	
Business Responsibility Policy	This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company	
Policy for Determining Material Subsidiaries	This policy is framed as per requirement of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and intended to ensure that Board of Directors has overall supervision of functioning of material Subsidiaries of the Company	
Policy on Board Diversity	The Company recognizes and embraces the benefits of having a diverse Board of Directors and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates	
Dividend Distribution Policy	This Policy endeavours for fairness, consistency and sustainability while distributing profits to the shareholders	
Information Technology & Cyber Security Policy	This policy addresses privacy and usage guidelines for those who access company's Information Technology resources	
Sustainability Policy	This policy defines the framework for sustainability at Bhagiradha and provides a governing platform for Sustainability work streams to create long lasting value for business, environment and society	
Policy on Prohibition of Sexual Harassment	The policy is designed to take effective measures to avoid and to eliminate and if necessary to impose punishment for any sexual harassment at workplace	
Code of Conduct for the Directors and Senior Management	Code of conduct for the directors and senior management for discharging their duties with due diligence and care	

## Subsidiaries, Associates and Joint Ventures

During the year under review, the company has one Wholly Owned Subsidiary Company namely, M/s. Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050).

During the year, the Board of Directors reviewed the affairs of the subsidiary from time to time. The subsidiary's agrochemical manufacturing plant is under construction in phases at Kadachur Industrial Area, Yadgir District, Karnataka and has commenced commercial production during the year under review in one of the process units.

The audited consolidated financial statement of the Company prepared in accordance with the applicable Accounting Standards along with all relevant documents and the Auditors' Report form part of this Annual Report.

No other Company is an associate/joint venture of the Company as on March 31, 2024.

A statement containing the highlights of performance of the Wholly Owned Subsidiary is given in Form AOC-1 annexed as **Annexure I** of

this report (which also forms part of the Financial Statements)

The gist of financial performance of the Subsidiary Company is as follows.

Particulars	₹ In Lakhs	
	31/03/2024	31/03/2023
Total Income	93.38	-
Total Expenses	(94.97)	(67.37)
Profit/ (Loss) before tax	(1.60)	(67.37)
Tax expense Reversal of taxes of earlier years	-	-
Current tax expense	-	-
Deferred tax benefit	4.59	-
Profit/ (loss) for the year	2.99	(67.37)

## Revision of Financial Statements

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

## Transactions with the Related Parties

The particulars of contracts or arrangements with related parties as per Section 188 of the Companies Act, 2013 and clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 and rules made thereof and as per the Related Party Transaction (RPT) policy of the Company during the financial year ended March 31, 2024 in prescribed Form AOC-2 are annexed to this Board's Report at **Annexure-II**.

Further, there are no materially significant related party transactions during the year under review with Promoters, Directors, Key Managerial Personnel and their relatives, which may have potential conflict with interest of the company at large. The related party transactions were placed before the audit committee and the Board at their respective meetings for approval. All related party transactions entered during the year were in the ordinary course of business and on arm's length basis. The details of the related party transactions during the year are part of the financial statements forming part of this Annual Report.

## Audit Committee

The Audit Committee comprises four members. The Committee is chaired by Sri. Sudhakar Kudva, Non-Executive Independent Director. A total of three-fourths of the Committee comprises Independent Directors. Details of the role and responsibilities of the Audit Committee, the particulars of Meetings held and attendance of each Member at such Meetings are given in the Report on Corporate Governance, which forms part of this Annual Report.

There were no instances of any disagreement between the Committee and the Board and all recommendations of the Audit Committee made during the year under review were accepted by the Board.

## Auditors and Auditors' Report

### Statutory Auditors

As per Section 139 of the Companies Act, 2013 ('the Act'), read with the Companies (Audit and Auditors) Rules, 2014, M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (Firm Registration No. 000442S), Address: 6-3-1090/C-4, Raj Bhavan Road, Somajiguda, Hyderabad, 500 082, were appointed as the statutory auditors of the company at the 29<sup>th</sup> Annual General Meeting held on 12<sup>th</sup> August, 2022, for a term of 5 consecutive years i.e. from the conclusion of 29<sup>th</sup> AGM in FY 2022- 2023 till the conclusion of the 34<sup>th</sup> AGM in FY 2027- 2028. Pursuant to amendments in Section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every annual general meeting has been omitted with effect from 7<sup>th</sup> May, 2018. The Board of Directors is empowered to fix the remuneration of the Statutory Auditor on yearly basis.

The Statutory Audit Report for FY 2023-24, given by M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (Firm Registration No. 000442S) on the financial statements of the Company for the Financial year ended March 31, 2024, is forming part of the Annual Report. The Auditors' report does not contain any qualification, reservation or adverse remark.

### Cost Auditors

As per Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the cost records are required to be audited. Based on the

recommendation of the Audit Committee, your Board at its meeting held on May 24, 2024, has appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad (FRN: 000118) as cost auditors for the financial year 2024-25. A resolution seeking Members' ratification for the remuneration payable to the Cost Auditor is being placed for members' approval in this Annual General Meeting.

M/s. Sagar & Associates, Cost Accountants, Hyderabad have confirmed that their appointment is within limits defined under Section 139 of the Act and have also certified that they are free from any disqualifications specified under Section 141 of the Act. The Audit Committee has also received a certificate from the Cost Auditor certifying their independence and arm's length relationship with the Company. Necessary resolution seeking Members' approval for ratification of remuneration payable to the Cost Auditor for the financial year 2024-25 is included in the Notice convening the 31<sup>st</sup> Annual General Meeting.

### Secretarial Auditors

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board at its meeting held on May 24, 2024, based on the recommendation of the Audit Committee appointed Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries, Sri Sai Sarawathi Nilayam, H.No: 5-5-33/26/A/1, Plot No. 77, Maitri Nagar, Kukatpally, Hyderabad – 500072, as the Secretarial Auditor of the Company for the Financial Year 2024-25 to undertake the secretarial audit for the financial year 2024-25.

As per Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Secretarial Audit Report of the company issued by M/s RPR & Associates, Practicing Company Secretaries, Sri Sai Sarawathi Nilayam, Plot No. 77, Maitri Nagar, Kukatpally, Hyderabad – 500072, for the FY 2023-24, does not contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Report in Form MR-3 received from them is annexed herewith as **Annexure III (A)**.

In terms of Regulation 24(A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company has obtained the Secretarial Compliance certificate for FY 2023-24, from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries which is annexed as **Annexure-III(B)** and forms part of the Annual Report. The same was also filed with the Stock Exchanges where the shares of the Company are listed.

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has obtained a certificate from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, which is annexed as **Annexure-III (C)**.

As per Regulation 24A of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Secretarial Audit Report of Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050), unlisted material subsidiary of the company for the Financial Year 2023- 24, issued by M/s RPR &





Associates, Practicing Company Secretaries, Sri Sai Sarawathi Nilayam, Plot No. 77, Maitri Nagar, Kukatpally, Hyderabad – 500072, is annexed herewith as 'Annexure III (D)' to this Report. The Secretarial Audit Report of unlisted material subsidiary does not contain any qualifications, reservation or adverse remark or disclaimer.

#### Internal Auditor:

The Board at its meeting held on May 24, 2024, based on the recommendation of the Audit Committee, re-appointed Sunesh Agarwal & Associates, Chartered accountant in practice, Membership No. 223768/ICAI to conduct the internal audit of the company for the financial year 2024-25.

### Maintenance of Cost Records

In terms of the Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. Accordingly, such accounts and records were made and maintained for the financial year 2023-24.

### Reporting of Fraud

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

### Cyber Security Incidents, Breaches, Loss of Data or Documents

During the year under review, there were no cyber security incidents, breaches or loss of data or documents.

### Credit Rating

During the year under review, India Ratings and Research (Ind-Ra) has assigned Credit Rating as follows:

Rating Agency	Facilities Rated	Amount Rated ₹ in Cr	Rating Assigned	Date of Rating
India Ratings and Research (Ind-Ra)	Rupee term loan	24.80	IND BBB+/Positive	September 11, 2023
	Fund-based Facilities	41.50	IND BBB+/Positive/IND A2+	
	Non-fund-based facilities	42.30	IND BBB+/Positive/IND A2+	
	Proposed bank facilities	21.40	IND BBB+/Positive/IND A2+	

### Corporate Social Responsibility (CSR)

As an integral part of our commitment to good corporate citizenship, we, at Bhagiradha Chemicals and Industries limited believe in actively involving in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Company's CSR efforts focus on Health, Education and Rural development. Through a dedicated CSR committee, we ensure

strategic oversight, managing our CSR activities, initiatives, and budgets. A brief outline of the Corporate Social responsibility (CSR) policy of the Company and the initiatives taken by the Company on CSR activities during the year under review are set out in **Annexure-IV** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) rules, 2014.

The CSR Policy adopted by the Board is available on the Company's website at <https://www.bhagirad.com/corporate.html>

### Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') are enclosed as **Annexure-V** to this Report.

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

#### Human Resources:

At Bhagiradha, we consider employees as our most valuable asset. It is our constant endeavor to upgrade knowledge and skills, enhancing productivity of our employees. Our HR practices focus on collaboration, diversity, and inclusion, fostering innovation, creativity, and driving success. We believe in collaborating across teams, departments, and with external partners, creating a culture of shared success and continuous improvement. Through an inclusive culture, we ensure that every voice is heard, and every individual is valued. Employee engagement is crucial to our success.

The company focuses on developing an inclusive work culture that promotes diversity, equal opportunities and respect for every individual and has created a valuable workplace revolving around the principles of capability building, employee engagement, governance and digitalisation. Suitable training is imparted on various skill-sets to attract quality resources. The Company focused on digitising processes to ensure smooth functioning of its operations. During the year under review, various initiatives were undertaken to enhance the competitive spirit and encourage bonding teamwork among the employees.

### Significant Material Orders Passed by the Regulators

There were no significant and material orders passed by any Regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

### Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year

During the year under review, no application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

There are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on 31 March, 2024.

## 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 along with the reasons thereof

No one time settlement of loans has taken place during the year.

### Extract of the Annual Return

The Annual Return as on March 31, 2024 as required under Section 92(3) and Section 134(3) (a) of the Companies Act, 2013, shall be placed on the Company's website at <https://www.bhagirad.com/>.

### Nomination and Remuneration Policy

The Board on the recommendation of the Nomination & Remuneration Committee adopted a "Nomination & Remuneration Policy", which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or Senior Management Personnel of the Company, along with the criteria for determination of remuneration of Directors, KMPs and other employees and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013.

The Nomination and Remuneration Policy adopted by the Board is available on the Company's website at <http://www.bhagirad.com>

### Procedure for Nomination, Appointment and Remuneration of Directors

The Nomination and Remuneration Committee (NRC) has been empowered to oversee and develop competency requirements for the Board, based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the profiles of potential candidates for appointment of Directors, KMP and senior management. Specific requirements for the position, including expert knowledge expected, are communicated to the appointee.

On the recommendation of the NRC, the Board has adopted and framed a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees pursuant to the applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). The remuneration determined for Executive / Non-Executive Directors and KMP is subject to the recommendation of the NRC and approval of the Board of Directors.

The Executive Directors are not paid sitting fees; however, the Non-Executive Directors are entitled to sitting fees for attending the Board / Committee Meetings.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees are in accordance with the Remuneration Policy of the Company.

### Evaluation of the Board

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Nomination and Remuneration Committee laid down criteria for performance evaluation of individual director(s), the board and its committee(s) as a whole. Accordingly, the Board had carried out an annual evaluation of the Directors individually and of the Board and its committees as a whole.

A structured questionnaire was prepared after taking into consideration, inputs received from the Directors, covering aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, execution and performance of specific duties, obligations and governance.

### Familiarization Programme for Independent Directors

The Company has a structured Familiarization framework for its Directors. It takes due steps for familiarizing the Independent Directors including other directors with the Company's procedures and practices, by providing them the necessary documents, reports and internal policies. Through the Familiarization Programme, the Independent Directors are briefed about their roles, responsibilities, duties, and obligations as a member of the Board and matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

The company follows a well-structured induction programme for orientation and training of Directors at the time of their joining to provide them with an opportunity to familiarize themselves with the Company, its management, its operations and the industry in which the Company operates.

All Independent Directors of the Company are familiarised with the operations and functioning of the Company at the time of their appointment followed by a management presentation and on an ongoing basis. The Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Further, periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company including global business environment, business strategy and risks involved.

The newly appointed Directors are also informed about the Company's Vision, Core Purpose, Core Values and Business Operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Directors on various matters inter-alia covering the business strategies, budgets, review of Internal Audit, risk management framework, operations of subsidiary, management structure, management development, quarterly and financial results.

### Number of Meetings of the Board and its Committees

The Board met seven (7) times during the Financial Year 2023-24. The details of the meetings of the Board and Committees along with its composition and respective terms of reference thereof are given in the Corporate Governance Report, which forms an integral part of this Annual Report.

### Particulars of loans, guarantees and investments

During the year under review, the Company has extended unsecured loan of an amount of ₹ 6700 lakhs at an interest rate of 7.25% p.a to its wholly owned subsidiary Company namely, M/s. Bheema Fine Chemicals Private Limited. (outstanding as on March 31, 2024 was ₹ 6700 lakhs)

During the year under review, the company has not made any investment by way of subscription to the equity share capital of M/s. Bheema Fine Chemicals Private Limited, its Wholly Owned Subsidiary Company.



Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the standalone financial statements provided in this Annual Report

Apart from the above, the Company has not given any loans, guarantees or security in connection with loans or made any investments falling within the ambit of Section 185 and 186 of the Companies Act, 2013 read with rules made thereunder as amended from time to time.

### Internal Financial Controls

Your Company has in place adequate internal financial controls commensurate with its size, scale and operations. These have been designed to provide reasonable assurance about recording and providing reliable financials information, ensuring integrity in conducting business, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. The Company has established a comprehensive internal controls framework, which includes thoroughly documented policies and procedures. This framework guarantees the maintenance of precise accounting records and offers a reasonable level of confidence in the reliability of financial reporting. Additionally, it facilitates efficient monitoring of operations, protects assets from unauthorised use or loss and ensures compliance with relevant regulations.

The internal control systems provide assurance regarding the effectiveness and efficiency of operations, safeguarding of assets, reliability on financial controls and compliance with applicable laws. The Statutory and the Internal Auditors routinely conduct system checks and give their report after evaluation of the efficacy and adequacy of internal control systems including controls with respect to the financial statements, its compliance with operating systems, accounting procedures and policies in the Company. The Board, Audit Committee and the Statutory Auditors are periodically apprised of the internal audit findings and corrective actions taken. The Audit Committee reviews the adequacy and effectiveness of internal control system and suggests improvements if any for strengthening them.

During the year under review, no material weaknesses in the design or operation of Internal Financial Control system was reported.

### Risk Management

Your company believes that effective risk management and mitigation are critical in achieving business objectives and enabling sustainable growth. The company recognises the importance of identifying risks and implementing mitigation plans to reduce their impact. The Company proactively manages various business risks through mitigation strategies tailored to each risk. It constantly reviews and updates risk management policies to ensure that the business is well-positioned to navigate potential risks successfully.

The Risk Management Committee is, inter-alia, authorised to monitor and review the potential risk, assessment, mitigation and risk management plans for the Company from time to time and report the existence, adequacy and effectiveness of the risk management framework to the Board periodically. During the period under review, the Risk Management Committee met two times, reviewed the risks associated with the business of your Company, undertook its root cause analysis and monitored the efficacy of the measures taken to mitigate the same.

The Risk Management Policy adopted by the Board is available on the Company's website at <https://bhagirad.com/corporate.html>

### Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no outstanding deposits as on 31<sup>st</sup> March, 2024.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure - VI**.

### Business Responsibility and Sustainability Report

In compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report of your Company for FY 2023-24, describing the various initiatives undertaken from an environment, social and governance perspective during the year forms part of the Annual Report and is annexed herewith as **Annexure - VII**.

### Corporate Governance

The report on corporate governance for the year ended March 31, 2024, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as **Annexure VIII**. The certificate from practicing Chartered Accountant pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the compliance of conditions of corporate governance is attached to the report on corporate governance.

### Prevention of Sexual Harassment of Women at workplace

The Company is committed to provide a work environment that ensures that every Employee is treated with equal dignity and respect. The Company has zero tolerance towards sexual harassment at its workplace and has adopted a Policy for Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") to provide a safe, secure and enabling environment, free from sexual harassment. The Policy is gender neutral. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The company is intolerant to any discrimination and harassment related issues and takes timely measures to address the grievance. The Company periodically conducts sessions for employees across the organisation to build awareness about the Policy and the provisions of POSH Act. The employees are sensitised from time to time in respect of matters connected with POSH Act.

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the financial year 2023-24, no cases in the nature of sexual harassment was reported in the Company.



## Indian Accounting Standards (Ind AS)

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

## Secretarial Standards

During the financial year 2023-24, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

## CEO & CFO Certification

Pursuant to the Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, the company has obtained certificate signed by Sri. A. Arvind Kumar, Executive Director & Chief Executive Officer and Sri. B. Krishna Mohan Rao, Chief Financial Officer of the Company, certifying the accuracy of the Financial Statements for FY 2023-24, which forms part of this report.

The Chief Executive Officer and the Chief Financial Officer of the Company also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

## Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished price Sensitive information, copies of the same are available on company's website at <https://www.bhagirad.com/corporate.html>

## Vigil Mechanism / Whistle Blower Policy

Your Company is committed to highest standards of professionalism, honesty, integrity, transparency and ethical behaviour. The Board of Directors had formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour.

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy, for the Directors and employees to report genuine concerns, report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct and Ethics, to provide for adequate safeguards against victimization of persons who use such mechanism and make provisions for direct access to the Chairman of Audit Committee. The employees are free to report violations of applicable laws and regulations and the Code of Conduct and to report any suspected, alleged or actual fraud to the Audit Committee.

The mechanism under the policy has been appropriately communicated within the organisation. The Audit Committee periodically reviews the functioning and implementation of the Whistle-blower mechanism

It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is available on the Company's website at <https://www.bhagirad.com/>

## Research & Development

R&D is an integral part of our business strategy and our Company consistently leveraged its R&D proficiency in implementing agile practices which helped our Company to adapt to various business challenges and in meeting the expectations of the customers. The R&D is focused on developing non-infringing processes for products which become off-patent. We believe that augmenting our R&D capabilities is vital to our growth plans and the Company's R&D team is constantly focused on developing non-infringing and commercially viable processes. Few products for which processes have been developed shall be commercialized in due course of time.

All the processes implemented in the manufacture of different products have been developed in-house. The R&D teams incessantly work on optimizing existing manufacturing processes aiming at reduction in cost of manufacturing and creation of intellectual property rights for the company.

## Industrial/trade relations

Your Directors wish to record appreciation to the continued support and co-operation from its customers, suppliers, vendors, trade partners and all others associated with it. Your Company will continue to build and maintain a strong association with its business partners and trade associates. During the year under review, industrial relations remained cordial and stable. The directors wish to place on record their sincere appreciation for the co-operation received from employees at all levels.

## Health, Safety and Environment protection

At Bhagiradha, we prioritize the safety and well-being of our employees and implement measures to create a safe workplace. The Company had adopted a strong-willed and proactive approach to avoid hazards and to safeguard its employees. A holistic approach is taken at work place for all health-related issues to achieve the aim of reducing events to a bare minimum. Our focus on health and safety helped us to avoid any events or fatalities during FY 2023-24.

The company believed that prioritizing responsible health and safety practices is imperative for ensuring long term sustainability. The company has set high standards of occupational safety at all premises. Regular assessments of health and safety practices and working conditions at all plants and offices are made to identify gaps, if any and develop corrective action plans.

Your Company is committed to promoting healthier lives, contributing to the communities where it operates. It accords highest priority to the health and safety as well as to the protection of the environment. From energy-efficient lighting to solar power installation plans, we are committed to conserving resources. We prioritize water conservation and adhere to waste management guidelines. Together, these efforts reflect our unflinching commitment to a greener, more sustainable future.



## Cautionary Statement

Statements in this Report, including those which relate to Management Discussion and Analysis, Corporate Governance Report, describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.

### Directors' Responsibility Statement as required under Section 134 (3)(c) & (5) of the Companies Act, 2013.

Pursuant to the requirement under Section 134 (3)(c) & 134 (5) of the Companies Act, 2013, your Directors confirm as under:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding

the assets of the company and for preventing and detecting fraud and other irregularities;

- d) The directors had prepared the annual accounts on a going concern basis; and
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Acknowledgement

The Board acknowledges and places on record its sincere appreciation to all stakeholders, customers, vendors, banks, Central and State Governments, and all other business partners, for their continued co-operation, guidance and support extended to the company. Your Directors would like to express their gratitude to the Shareholders for their continued trust and confidence. The Board also wishes to place on record its appreciation to the esteemed investors for showing their confidence and faith in the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed services by Company's employees and staff.

For and on behalf of the Board of Directors

**Bhagiradha Chemicals and Industries Limited**

**K. S. Raju**

Chairman

DIN No.: 00008177

**S. Chandra Sekhar**

Managing Director

DIN No.: 00159543

### Registered Office:

8-2-269/S/3/A

Plot No. 3, Sagar Society,

Road No. 2, Banjara Hills,

Hyderabad – 500 034

CIN:L24219TG1993PLC015963

Ph: 040 42221212 / 2323

E-mail: info@bhagirad.com

Place: Hyderabad

Date: May 24, 2024

# Annexures to the Board's Report

Annexure-I

## Form AOC – 1

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

Statement containing salient feature of the financial statements of subsidiaries or associate companies or joint ventures

### PART - A: SUBSIDIARIES

S. No.	Particulars	Details
1	Name of Subsidiary	Bheema Fine Chemicals Private Limited (wholly owned subsidiary)
2	The date since when subsidiary was acquired	July 22, 2020
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 01, 2023 to March 31, 2024
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees (in lakhs)
5	Share capital	4,200
6	Reserves & Surplus	(92.26)
7	Total Assets	12,028.87
8	Total Liabilities	7,921.13
9	Investments	-
10	Turnover	93.38
11	Profit before taxation	(1.60)
12	Provision for taxation	4.59
13	Profit after taxation	2.99
14	Proposed Dividend	-
15	Extent of shareholding (in percentage)	100%

**PART – B** of the Annexure is not applicable as there are no associate companies/ joint ventures of the Company as on March 31, 2024.

Note: The wholly owned subsidiary has commenced its commercial operations from 27.03.2024.

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

**Registered Office:**  
 8-2-269/S/3/A  
 Plot No. 3, Sagar Society,  
 Road No. 2, Banjara Hills,  
 Hyderabad – 500 034  
 CIN: L24219TG1993PLC015963  
 Ph: 040 42221212 / 2323  
 E-mail: info@bhagirad.com

**K. S. Raju**  
 Chairman  
 DIN No: 00008177

**S. Chandra Sekhar**  
 Managing Director  
 DIN No.: 00159543

**A Arvind Kumar**  
 Executive Director and Chief Executive Officer  
 DIN No.: 03097192

**B. Krishna Mohan Rao**  
 Chief Financial Officer

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

Place: Hyderabad  
 Date: May 24, 2024





## FORM AOC-2

**Details of Related Party Transactions**

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2024, which were not at arms' length basis

## 2. Details of material contracts or arrangement or transactions at arm's length basis

₹ In Lakhs

Particulars		Details			
Name (s) of the related party		Bheema Fine Chemicals Private Limited			
Nature of Relationship		Wholly Owned Subsidiary company (WOS)			
Nature of contracts/arrangements/ transaction	Loans given to WOS	Interest Received from WOS	Loans Repaid by WOS	Services rendered to WOS	Sale of asset to WOS
Duration of the contracts/ arrangements/transaction	During FY 2023- 24	During FY 2023- 24	During FY 2023-24	During FY 2023-24	During FY 2023-24
Salient terms of the contracts or arrangements or transactions including the value, if any	6701.06	212.28	1.06	1.49	28.10
Date of approval by the Board, if any	May 13, 2023				
Amount paid as advances, if any	Nil				

Note: Appropriate approvals have been taken from the Audit Committee and Board for the Related Party Transactions made by the Company and no amount was paid as advance for the above Related Party Transaction.

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

**Registered Office:**

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

**S. Chandra Sekhar**  
Managing Director  
DIN No.: 00159543

Place: Hyderabad  
Date: May 24, 2024

**SECRETARIAL AUDIT REPORT****Form No. MR-3**For the Financial Year ended 31<sup>st</sup> March, 2024

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

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

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2024**, (i.e. from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Company is carrying on the business of manufacturing of agrochemicals which are sold in the domestic as well as the overseas markets.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the applicable extent for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the “Act”) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;  
The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iii. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the financial year);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the financial year);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the financial year);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).
- v. The Memorandum and Articles of Association.
- vi. The Company has identified and confirmed the following laws as specifically applicable to the Company.
  - (a) The Insecticides Act, 1968 and the Insecticides Rules, 1971
  - (b) Factories Act, 1948 and Rules made there under
  - (c) The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950
  - (d) Petroleum Act, 1934, Rules, 1976
  - (e) Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
  - (f) The States Shops and Establishments Act
  - (g) Payment of Bonus Act 1965, & Rules, 1965
  - (h) Maternity Benefit Act 1961 & Rules
  - (i) Employees Compensation Act, 1923 & Rules.
  - (j) Minimum Wages Act, 1948, M.W(C) Rules, 1950
  - (k) Child Labour (P&R) Act 1986 & Rules.
  - (l) Air (Prevention and Control of Pollution) Act 1981
  - (m) Water (Prevention and Control of Pollution) Act 1974



- (n) The Noise (Regulation and Control) Rules 2000
- (o) Ozone Depleting Substances (Regulation & Control) Rules 2000
- (p) The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996
- (q) Payment of Wages Act 1936
- (r) Employees State Insurance Act 1948 and Rules and Regulations
- (s) Contract Labour (Regulation & Abolition) Act 1970
- (t) Legal Metrology Act, 2009
- (u) Industrial Disputes Act, 1947 and Rules made there under
- (v) Indian Contract Act, 1872
- (w) Environment Protection Act, 1986 and other environmental laws
- (x) Payment of Gratuity Act, 1972
- (y) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with all the applicable laws.

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act/Listing Regulations.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Further, the Company has issued and allotted 25,61,425 Convertible Warrants of ₹10/- each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company having face value of ₹10/- each at a price of ₹1332/- ("warrant issue price" [including the warrant subscription price (₹333/- per warrant) and the warrant exercise price (₹999/- per warrant] with a premium of ₹1322/- payable in cash, aggregating up to ₹341,18,18,100/- (Rupees Three hundred forty-one crores eighteen lakh eighteen thousand one hundred Only) ("Total Issue Size") on a preferential basis to promoter, promoter group and non-promoter category, pursuant to the approval of the Board of Directors of the Company at its meeting held on October 11, 2023 and approval of the members of the Company at Extraordinary General Meeting ("EGM") held on November 04, 2023 and pursuant to in-principle approval granted by BSE Limited vide its letter Ref: LOD/PREF/TT/FIP/834/2023-24 dated November 06, 2023 and National Stock Exchange of India Limited (NSE) vide its letter Ref: NSE/LIST/37955 dated November 06, 2023 and upon receipt of an amount aggregating to ₹85,29,54,525 (Rupees Eighty-Five Crores Twenty-Nine Lakhs Fifty-Four Thousand Five Hundred and Twenty-Five only) at the rate of ₹333/- per warrant, being 25% of the issue price per warrant as upfront payment ("Warrant Subscription Price") from the 56 allottees.

For **RPR & ASSOCIATES**  
Company Secretaries

**Y. Ravi Prasada Reddy**

Proprietor

FCS No. 5783, C P No. 5360

Peer Review Certificate No. 1425/2021

Place: Hyderabad

Date: 24<sup>th</sup> May, 2024

UDIN: F005783F000444441

This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.



## ANNEXURE TO SECRETARIAL AUDIT REPORT

The Members,

**M/s. BHAGIRADHA CHEMICALS AND INDUSTRIES LIMITED.**

8-2-269/S/3/A, Plot No.3,

Sagar Society, Road No.2, Banjara Hills,

Hyderabad, Telangana – 500034.

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

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

For **RPR & ASSOCIATES**

Company Secretaries

**Y. Ravi Prasada Reddy**

Proprietor

FCS No. 5783, C P No. 5360

Peer Review Certificate No. 1425/2021

Place: Hyderabad

Date: 24<sup>th</sup> May, 2024



## Annual Secretarial Compliance Report of M/s. Bhagiradha Chemicals and Industries Limited for the year ended 31.03.2024

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

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

- (a) all the documents and records made available to us and explanation provided by **Bhagiradha Chemicals and Industries Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034, India;
- (b) the filings/ submissions made by the listed entity to the stock exchanges;
- (c) website of the listed entity; and
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification/report,

for the year ended 31<sup>st</sup> March, 2024 ("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;

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

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

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

Sl. No.	Observations / Remarks of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance Report for the year ended	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Details of violation/ deviations and actions taken/penalty imposed, if any on the listed entity	Remedial actions, if any taken by listed entity	Comments of PCS on the actions taken by the listed entity
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Not applicable during the review period.

We hereby report that, during the Review Period the compliance status of the listed entity with the following requirements:

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





Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
11.	Actions taken by SEBI or Stock Exchange(s), if any: No Action(s) taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	-
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries:	NA	No resignation of statutory auditors during the review period.
13.	Additional Non-compliances, if any: No additional non-compliances observed for any SEBI regulation/circular/guidance note etc. expect as reported above.	Yes	-

### Assumptions & Limitation of scope and Review:

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

For **RPR & ASSOCIATES**

Company Secretaries

**Y. Ravi Prasada Reddy**

Proprietor

FCS No. 5783, C P No. 5360

Peer Review Certificate No. 1425/2021

Place: Hyderabad

Date: 24<sup>th</sup> May, 2024

UDIN: F005783F000448060

**CERTIFICATE**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members,  
**Bhagiradha Chemicals and Industries Limited**  
8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2,  
Banjara Hills, Hyderabad, Telangana – 500034

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. Bhagiradha Chemicals and Industries Limited** having CIN: L24219TG1993PLC015963 and having registered office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of initial appointment in the Company
1	Sri Satyanarayana Raju Kanumuru	00008177	29/07/2005
2	Sri Chandra Sekhar Singavarapu	00159543	27/07/2010
3	Sri Sudhakar Kudva	02410695	31/10/2008
4	Smt Lalitha Sree Singavarapu	06957985	11/08/2014
5	Sri G.S.V. Krishna Rao	08199210	13/11/2018
6	Sri Kishor shah	00193288	14/09/2020
7	Dr G. Aruna	08978947	04/12/2020
8	Sri. Arvind Kumar Anegondi	03097192	04/08/2023
9	Sri. Suresh Kumar Somani	00031096	04/11/2023

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

For **RPR & ASSOCIATES**  
Company Secretaries

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

Place: Hyderabad  
Date: 24<sup>th</sup> May, 2024  
UDIN: F005783F000444936



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**For the Financial Year ended March 31, 2024**

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

To  
The Members

**M/s. BHEEMA FINE CHEMICALS PRIVATE LIMITED**

(CIN: U24299TG2020PTC142050)

8-2-269/S/3/A, Plot No.3, Sagar Society,  
Road No.2, Banjara Hills, Hyderabad-500034.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the "**Financial Year**" ended **31<sup>st</sup> March, 2024, (i.e. from 01.04.2023 to 31.03.2024)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2024 according to the provisions of:

- A. The Companies Act, 2013 (the "Act") and the rules made thereunder;
- B. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- D. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- E. The Company being unlisted, the Regulations and Guidelines prescribed under the Securities and Exchange Board of India (SEBI) are not applicable except The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (The Company being a material subsidiary of **Bhagiradha Chemicals and Industries Limited (BCIL)**, certain employees

of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of (BCIL) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

- F. The management has identified and confirmed the following industry specific laws applicable to the Company.
  - (a) The Insecticides Act, 1968 and the Insecticides Rules, 1971
  - (b) Factories Act, 1948 and Rules made there under
  - (c) The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950
  - (d) Petroleum Act, 1934 and Rules, 1976.

The Company has started its commercial operations in the month of March, 2024.

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

- (i) Revised Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable, since the Company is a material subsidiary of a Listed Company.

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

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, on test check basis, the Company has complied with all the industrial specific applicable laws.

We further report that:

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

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent in

advance as required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the

Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that there are no specific events during the financial year which had impact on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Standards etc.,

For **RPR & ASSOCIATES**

Company Secretaries

**Y. Ravi Prasada Reddy**

Proprietor

FCS No. 5783, C P No. 5360

Peer Review Certificate No. 1425/2021

Place: Hyderabad

Date: 24<sup>th</sup> May, 2024

UDIN: F005783F000444947

This Report is to be read with our letter of even date which is annexed as Annexure and forms part of this report.





## ANNEXURE

To,  
The Members,  
**M/s. BHEEMA FINE CHEMICALS PRIVATE LIMITED**  
8-2-269/S/3/A, Plot No.3, Sagar Society,  
Road No.2, Banjara Hills, Hyderabad-500034.

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

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

For **RPR & ASSOCIATES**  
Company Secretaries

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

Place: Hyderabad  
Date: 24<sup>th</sup> May, 2024

## The Annual Report on CSR Initiatives

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

The CSR framework of the company is built on the foundation of integrity and good corporate governance. The Company continues its endeavour to improve the lives of people through its CSR initiatives focusing on Health, Education, Skill Development and Rural Development. The Corporate Social Responsibility policy lays down the guiding principles and strategies for implementing CSR activities of the Company.

The company's CSR activities are in line with the requirements of Section 135 of the Companies Act, 2013 ('Act') read with the rules thereunder. As per the provisions of the Act, based on the profitability for the year 2020-21, 2021-22 & 2022-23 the Company has come under the purview of CSR obligation. The CSR policy is available on the website of the Company at [www.bhagirad.com](http://www.bhagirad.com)

### 2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sri. Sudhakar Kudva	Chairman	5	5
2	Sri. Chandra Sekhar Singavarapu	Member	5	5
3	Smt. Lalitha Sree Singavarapu	Member	5	5

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

Composition of CSR Committee: [www.bhagirad.com](http://www.bhagirad.com)

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

CSR Projects: [www.bhagirad.com](http://www.bhagirad.com)

### 4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

### 5. The amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2022-23	5,32,783	5,32,783

### 6. Average net profit of the company as per section 135(5):

₹ 49,59,72,950 for FY 2020-21, FY 2021-22, & FY 2022-23

### 7.

Particulars	Amount in ₹
Two percent of average net profit of the company as per section 135(5) [A]	99,19,459
Surplus arising out of the CSR projects or programmes or activities of the previous financial years [B]	-
Amount required to be set off for the financial year, if any [C]	5,32,783
Total CSR obligation for the financial year [A]+[B]+[C]	93,86,676

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

Total Amount Spent for the Financial Year 2023-24 (₹ in Lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
102.22			N.A		



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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in lakhs.).	Amount spent in the current financial Year (₹ in lakhs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakhs).	Mode of implementation - Direct(Yes/No).	Mode of implementation - Through implementing agency.	
				State	District						Name	CSR registration number
1	-	-	-	-	-	-	-	-	-	-	-	-
Total						NIL	-					

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name Of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
1.	Contribution to health care by making available safe drinking water	Schedule VII(i) Promoting Healthcare	Yes	Andhra Pradesh	Prakasam District	22,00,000	No	Singavarapu Koteswara Rao Charitable Trust	CSR00043073
2.	Reconstruction and repair of building which shall be used for providing training, health care services etc.	Schedule VII(ii) Promoting education	Yes	Telangana	Hyderabad	50,00,000	No	Young Men's Improvement Society	CSR00018999
3.	Contribution to eligible trust for purchase of Ambulance for its Blood centre @ Tirupathi	Schedule VII(i) Promoting Healthcare	Yes	Andhra Pradesh	Tirupathi	28,00,000	No	NTR Memorial Trust	CSR00001602
4.	Rural Development	Schedule VII(x)- Rural Development	Yes	Andhra Pradesh	Cheruvukommupalem, Prakasam District	2,22,087	Yes	-Directly by the company	NA
<b>Total</b>						<b>1,02,22,087</b>			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year **(8b+8c+8d+8e)**: ₹1,02,22,087

(g) Excess amount for set off, if any: ₹8,35,411

Sl. No.	Particular	Amount (₹)
1.	Two percent of average net profit of the company as per section 135(5)	99,19,459
2.	Total amount spent for the Financial Year (including the carry forward amount of previous FY) (₹1,02,22,087+ ₹5,32,783)	1,07,54,870
3.	Excess amount spent for the financial year [(ii)-(i)]	8,35,411
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
<b>5.</b>	<b>Amount available for set off in succeeding financial years [(iii)-(iv)]</b>	<b>8,35,411</b>

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs.)	Amount spent in the reporting Financial Year (₹ in lakhs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (₹ in lakhs.)
				Name of the Fund	Amount (₹ in lakhs).	Date of transfer.	
Nil							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project.	Financial Year in Which the project was commenced	Project duration	Total amount allocated for the project (₹ in lakhs)	Amount spent on the project in the reporting Financial Year (₹ in lakhs)	Cumulative amount spent at the end of reporting Financial Year. (₹ in lakhs.)	Status of the project - Completed / Ongoing.
Nil								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **NA**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

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

**Registered Office:**

8-2-269/S/3/A  
 Plot No. 3, Sagar Society,  
 Road No. 2, Banjara Hills, Hyderabad – 500 034  
 CIN:L24219TG1993PLC015963 Ph: 040 42221212 / 2323  
 E-mail: info@bhagirad.com

**B. Krishna Mohan Rao**  
 Chief Financial Officer

**Sudhakar Kudva**  
 Chairman of CSR Committee  
 DIN No.: 02410695

**S. Chandra Sekhar**  
 Managing Director  
 DIN No.: 00159543

Place: Hyderabad

Date: May 24, 2024





## Particulars of Employees

(As per Sub-section (12) of section 197 of the Act and rules made thereof as amended from time to time)

### A. Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. **Remuneration paid to Executive directors:** The Ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director

Name of the director	Category	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration in FY 2023-24 as compared to FY 2022-23
Sri. Chandra Sekhar Singavarapu	Managing Director	61.61	(13.77)
*Sri. Arvind Kumar Anegondi	Executive Director and CEO	32.21	(18.35)

\*During the year under review, Sri. Arvind Kumar Anegondi was appointed as Executive Director of the company with effect from August 04, 2023.

MRE: Median Remuneration of Employees

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

Name of the director	Category	Sitting Fee in FY 2023-24 (₹ in Lakhs)	% increase / (decrease) of Sitting fees in FY 2023-24 as compared to FY 2022-23
Sri. Satyanarayana Raju Kanumuru	Non-Executive Independent Chairman	1.70	N.A
Sri. Krishna Rao S V Gadepalli	Non-Executive Independent Director	2.75	N.A
Dr. G Aruna	Non-Executive Independent Director	2.15	N.A
Sri. Kishor Shah	Non-Executive Independent Director	2.15	N.A
Sri. Sudhakar Kudva	Non-Executive Independent Director	3.35	N.A
Smt. Lalitha Sree Singavarapu	Non-Executive Non- Independent Director	2.20	N.A
*Sri. Suresh Kumar Somani	Non-Executive - Non Independent Director	-	N.A

\*During the year under review, Sri. Suresh Kumar Somani was appointed as Non-Executive - Non Independent Director of the company with effect from November 04, 2023.

- iii. **Remuneration of other Key Managerial Personnel (KMP)**

Name of the KMP	Title	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration over previous year
Sri B. Krishna Mohan Rao	Chief Financial Officer	15.46	2.43
Smt. Sharanya M.	Company Secretary & Compliance Officer	5.48	(9.83)

@ % calculated on annualized basis

- The percentage increase in the median remuneration of employees in the financial year: 6.38 %
- The number of permanent employees on the rolls of the Company as of March 31, 2024 was 530
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable
- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- None of the employees of the company are working outside of India

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;

Average percentile increase already made in the salaries of employees other than the managerial personnel	percentile increase in the managerial remuneration	Justification, if any
10.48	7.18	This is based on the Remuneration Policy of the Company that rewards people differently based on their contribution and also ensures that external market competitiveness and internal relativities are taken care of

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

- Details of employees Employed throughout the financial year was in receipt of remuneration for that year which in the aggregate, was not less than One Crore and Two lakh rupees:  
Sri. S. Chandra Sekhar, Managing Director  
Sri. A. Arvind Kumar, Executive Director and Chief Executive Officer
- Details of employee Employed of the part of the financial year was in receipt of remuneration for any part of that year at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand rupees per month: NIL
- if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: NIL

### Affirmation:

- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

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

### Registered Office:

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills,  
Hyderabad – 500 034  
CIN: L24219TG1993PLC015963  
Ph: 040 42221212 / 2323  
E-mail: [info@bhagirad.com](mailto:info@bhagirad.com)

### K S Raju

Chairman  
DIN No: 00008177

### S Chandra Sekhar

Managing Director  
DIN No.: 00159543

Place: Hyderabad  
Date: May 24, 2024



## ANNEXURE- VI

Conservation of Energy, Technology absorption and foreign exchange earnings and outgo [section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014

**A) Conservation of Energy**

The products manufactured by the company are power intensive. However, consistent efforts are being made for identifying the potential for energy saving.

The requisite information with regard to conservation of energy as required under section 134 of the Companies Act, 2013 and the Rules made therein in Form A are given hereunder:

## FORM – A

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>I. ENERGY CONSERVATION POWER &amp; FUEL CONSUMPTION</b>		
<b>1. Electricity</b>		
(i) purchased units (kwh)	3,06,53,453	2,85,00,368
Total amount ( ₹ In Lakhs ) (including demand charges)	2612.18	2257.99
Unit Rate (₹)	8.52	7.92
(ii) Own generation (on diesel)		
a) Diesel consumption (Ltrs)	68,400	77,800
No of units	2,05,200	2,33,400
Units/ Liter of Diesel	3.000	3.000
Total amount (₹ In Lakhs )	67.42	77.47
unit cost (₹)	32.86	33.19
b) steam Turbine Generation		
No of units	Nil	Nil
Units/ton of Steam	Nil	Nil
Cost/Unit (₹)	Nil	Nil
<b>2. 'C' Grade coal used in Boiler</b>		
Quantity (MT)	17,070	15,883
Total Cost (₹ In Lakhs)	1583.35	1673.37
Average Rate/MT	9,276	10,536
<b>3. Briquettes</b>		
Quantity (MT)	Nil	800
Total Cost (₹ In Lakhs)	Nil	52.84
Average Rate/MT	Nil	6,605
<b>4. Furnace oil</b>		
Quantity ( Ltrs)	Nil	Nil
Total cost (₹)	Nil	Nil
Average Rate/Ltr	Nil	Nil
<b>II. CONSUMPTION PER UNIT OF PRODUCTION</b>		
Electricity purchased & own Generation (units)	10,288	10,410
Furnace Oil (Ltr)	Nil	Nil
Coal Quality 'C' Grade (MT)	5.69	5.75
Briquettes (MT)	Nil	0.29

**FORM – B**

(See Rule - 2)

Form for disclosure of particulars with respect to technology absorption

**B) Research and Development**

Bhagiradha is distinguished globally as an R&D driven Agrochemical Company and R&D forms part of the business strategies. The company has consistently leveraged its R&D proficiency in implementing agile development practices that helped the Company to adapt to various business challenges and in meeting the expectation of the customers. Evolutionary development, adaptive planning, continual improvements and perseverance form core around which the Company has modelled its R&D. A robust product portfolio, prominent customer base and a diverse revenue mix are a testament to our R&D

## 1) Specific areas in which R&amp;D is carried out by the company

- Optimization of existing process technologies
- Development of process technologies for generic pesticides and their intermediates
- Intellectual property development
- Scale up and optimization of process technologies
- Safety studies

## 2) Benefits derived as a result of the above efforts:

During Financial Year 2023- 2024 the company has

- Continued Optimization of the existing process.

## 3) Future plan of action

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

## 4) Expenditure on R&amp;D for the year 2023-24

Particulars	₹ In Lakhs Amount
Capital	331.77
Recurring	250.90
Total	582.67
R&D expenditure as a percentage of total turnover	1.42





### C) Technology, absorption, adaptation and innovation

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

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

2) Benefit derived as a result of above efforts

- Improvement in the quality of products.
- Reduction in cost of manufacture.

3) In case of imported technology (imported during last 5 years), give details of

Technology imported, year of import, whether technology fully absorbed.

- No technology has been imported by the company

Particulars	Amount ₹ In lakhs
Earnings	2,276.70
Outgo	9,202.54

For and on behalf of the Board of Directors

**Bhagiradha Chemicals and Industries Limited**

**Registered Office:**

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills,  
Hyderabad – 500 034  
CIN: L24219TG1993PLC015963  
Ph: 040 42221212 / 2323  
E-mail: info@bhagirad.com

Place: Hyderabad

Date: May 24, 2024

**K S Raju**

Chairman

DIN No: 00008177

**S Chandra Sekhar**

Managing Director

DIN No.: 00159543

# Business Responsibility & Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L24219TG1993PLC015963
2.	Name of the company	BHAGIRADHA CHEMICALS AND INDUSTRIES LIMITED
3.	Year of incorporation	07.07.1993
4.	Registered office address	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad – 500034, Telangana
5.	Corporate address	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad – 500034, Telangana
6.	E-mail ID	info@bhagirad.com
7.	Telephone	Ph: 040-42221212 Fax: 040-23540444
8.	Website	<a href="http://www.bhagirad.com">www.bhagirad.com</a>
9.	Financial year for which reporting is being done	FY 2023-2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital as on 31.03.2024	10,40,54,830/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Sharanya. M Company Secretary and Compliance Officer 040-42221212 info@bhagirad.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance Obtained	Not Applicable

### II. Products/services

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

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

#### 17. Products/Services sold by the Entity (accounting for 90% of the turnover)

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

### III. Operations

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

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



## 19. Markets served by the company

- a. Number of locations

Locations	Number
National (No. of States)	18 (including States & UTs)
International (No. of Countries)	5

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

Exports constitute about 6% of the total revenue.

- c. A brief on types of customers

The customers constitute Agrochemical manufacturers, Pesticide formulators and traders.

## IV. Employees

## 20. Details as at the end of Financial Year i.e. March 31, 2024:

- a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	153	146	95.42	7	4.58
2.	Other than Permanent (E)	-	-	-	-	-
3.	<b>Total employees (D+E)</b>	<b>153</b>	<b>146</b>	<b>95.42</b>	<b>7</b>	<b>4.58</b>
<b>WORKERS</b>						
4.	Permanent (F)	377	364	96.55	13	3.45
5.	Other than Permanent (G)	218	196	89.91	22	10.09
6.	<b>Total workers (F+G)</b>	<b>595</b>	<b>560</b>	<b>94.12</b>	<b>35</b>	<b>5.88</b>

- b. Differently abled Employees and workers:

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

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22.22%
Key Management Personnel	4	1	25%

## 22. Turnover rate for permanent employees and workers

Particulars	FY 2024			FY2023			FY2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.38	15.38	3.02	4.88	-	4.63	4.08	76.92	8.61
Permanent Workers	13.28	-	12.84	8.31	-	8.04	8.00	-	7.71

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. (a) Name of holding/subsidiary/associate companies/joint ventures**

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

**VI. CSR Details**

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No) – Yes**

(ii) Turnover (in lakhs): 41,153.04

(iii) Net worth (in lakhs): 41,735.27

**VII. Transparency and Disclosure Compliances**

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

Stakeholder group from whom compliant is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy) #	FY2024			FY2023		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders)	Yes	NA	NA	NA	NA	NA	NA
Shareholders	Yes <sup>1</sup>	NIL	NIL	NA	1	0	NA
Employees and workers	Yes <sup>2</sup>	NIL	NIL	NA	NIL	NIL	NA
Customers	Yes <sup>3</sup>	NIL	NIL	NA	NIL	NIL	NA
Value Chain Partners	Yes <sup>4</sup>	NIL	NIL	NA	NIL	NIL	NA
Other (please specify)	-	-	-	-	-	-	-

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

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





## 26. Overview of the entity's material responsible business conduct issues

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

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Hazardous and Toxic Waste Management	Risk	Our operations and services result in toxic and hazardous waste which have the potential to negatively affect the environment	Recycling and Disposal of waste as per the regulatory directions.	Negative - Failure to comply with the regulation may result in legal and regulatory risk which may lead to loss of business in case of coercive action by the authorities
2.	Emissions Management	Risk	Failure to comply with emission norms could lead to negative/inevitable long-term impact on the environment and society, with imposition of levies/ fines/ directions, escalation in costs related to monitoring and reporting.	Complying with the regulations, conditions and standards set forth by the regulatory authority and Online Continuous Emission monitoring system to record real time data is implemented.	Negative – Failure to comply with the regulation may result in legal and regulatory risk which may lead to loss of business in case of coercive action by the authorities
3.	Health & Safety	Risk	Workplace hazards directly hamper the company's productivity, finances and reputation. The repercussions and efforts to develop a safe/hazard free environment would take time and resources to recover from. Effective health & safety practices boost employee morale, increase productivity and promote corporate responsibility.	The Company has taken initiatives to ensure the well-being of its employees/workers. Besides the mandatory coverage of eligible employees under ESI scheme, Group Health Insurance Cover is provided to all the employees and their families to cover their hospitalization bills. An Occupational Health Centre is located inside the factory. The company is increasingly investing in preventive measures. Identifying, understanding, controlling and eliminating the risks associated with hazards at workplace are done on a regular basis.	Negative- Poor health & safety practices directly impact the production output and company's finance resulting in stunted growth. Effective systems in place to avoid mishaps and reduce costs associated with accidents and incidents, thereby leading to improved confidence and lower employee turnover rates in the company
4.	Regulatory & Legal Compliances	Risk	Risk of non-compliance exposes the organization to legal penalties and financial losses resulting from failure to comply with the industry laws and regulations. Failure to adhere to the laws would directly affect the company's revenue, valuations and could lead to loss of reputation and business opportunities. More compliant companies tend to have improved performances and better process efficiency. Compliance gives assurance and provides a broader insight to the investors.	The Company has a proper and adequate system of Internal Controls for fair reporting and compliance with all applicable regulatory laws and company policies. The company has code of conduct, whistle-blower and insider trading policies to safeguard the interests of the investors and other stakeholders.	Negative- Non-compliance would lead to loss of reputation and consequently affect the business activities. Companies who are compliant with the regulatory laws have a better ability to manage risks and build a better sense of fairness and loyalty among employees

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Ethical business conduct	Opportunity	Ethical business conduct leads to Better business reputation and improved relations with other business entities.	Company's Code of Conduct makes sure that all business processes are conducted ethically and in a fair and transparent manner.	Positive - following an ethical conduct of business helps in having a competitive advantage in terms of reputation and strong customer base. Helps in drawing more investors towards the business. Aids in avoiding legal issues. Builds trust amongst employees and other business partners.
6.	Risk Management	Opportunity	Integrating risk management into a Company's overall strategy offers several opportunities for businesses. It helps protect against potential disruptions and ensures that the Company is better positioned to respond and adapt to a rapidly changing business landscape. This approach offers businesses the opportunity to enhance their resilience, ensuring continued success and growth	The Company has an effective risk management framework in place to identify, assess and mitigate the risk posed by the organisation	Positive- Effective risk management systems are critical to the company's overall performance and growth

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>										
1.	a. Whether the Entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Weblink of the policies, if available	The Policies are available on the website of the company at <a href="https://www.bhagirad.com/corporate.html">https://www.bhagirad.com/corporate.html</a>								
2.	Whether the Entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	ISO 9001:2015 – Quality Management Systems ISO 14001:2015 – Environmental Management Systems ISO 45001:2018 – Occupational Health & Safety Management RC 14001:2015 – Environment, Health, Safety and Security Management System								



Disclosure Questions	P	P	P	P	P	P	P	P	P																																																																											
	1	2	3	4	5	6	7	8	9																																																																											
5. Specific commitments, goals and targets set by the company with defined timelines, if any.	The Company aims to create value for its stakeholders not only through its products but by striking a balance between sustainability priorities and business. We are constantly endeavouring to reduce our energy consumption in an effort to reduce our carbon footprint. We are consistently moving towards adopting innovative production technologies that are more sustainable and environmental friendly. We have taken proper control measures in addressing issues of climate change, pollution/waste management, and emission control. We acknowledge the necessity of coordinating our ESG endeavours with our business objectives. We shall ensure putting all plans into actions that shall compliment sustainability requirements. We are committed to improving our ESG practices and outcomes																																																																																			
6. Performance of the company against the specific commitments, goals and targets along with reasons, in case the same are not met.	The Company continuously monitors its performance against the said indicators periodically, take corrective action as needed and institutionalise preventive steps to strengthen its performance on the said parameter.																																																																																			
<b>Governance, leadership and oversight</b>																																																																																				
7. Statement by Director, responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Bhagiradha Chemicals is committed to integrate ESG principles into its businesses practices. The Company remains committed to continuous improvement and innovation in sustainability practices. It recognises that ongoing efforts are crucial in creating a greener and healthier world for future generations. The company has integrated sustainability into all aspects of business. Company's sustainability framework aims to reduce carbon footprint, conduct responsible business practices that benefit society at large																																																																																			
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Board of Directors are responsible for implementation and oversight of the Business Responsibility policies.  Sri. A. Arvind Kumar, Executive Director and CEO  Sri. B. Krishna Mohan Rao, Chief Financial Officer																																																																																			
9. Does the Entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company has a Risk Management committee of the Board of Directors which is responsible for making decisions on sustainability issues																																																																																			
10. Details of review of NGRBCs by the Company:	<table border="1"> <thead> <tr> <th rowspan="2">Subject for review</th> <th colspan="9">Indicate whether review was undertaken by Director/ committee of the board/ any other committee</th> <th colspan="9">Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)</th> </tr> <tr> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> <th>P1</th> <th>P2</th> <th>P3</th> <th>P4</th> <th>P5</th> <th>P6</th> <th>P7</th> <th>P8</th> <th>P9</th> </tr> </thead> <tbody> <tr> <td>Performance against above policies and follow up action</td> <td colspan="9">Board of Directors</td> <td colspan="9">Annually</td> </tr> <tr> <td>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances</td> <td colspan="9">Board of Directors</td> <td colspan="9">Annually</td> </tr> </tbody> </table>									Subject for review	Indicate whether review was undertaken by Director/ committee of the board/ any other committee									Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)									P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	Performance against above policies and follow up action	Board of Directors									Annually									Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors									Annually								
Subject for review	Indicate whether review was undertaken by Director/ committee of the board/ any other committee										Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)																																																																									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9																																																																		
Performance against above policies and follow up action	Board of Directors									Annually																																																																										
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors									Annually																																																																										
11. Has the entity carried out independent assessment /evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No																																																																										

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

Not Applicable

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

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable**

### Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Amendments in Corporate laws, Roles and Liabilities of Independent Director, Prohibition of Insider trading, Board Diversity	100%
Key Managerial Personnel	5	Code of conducts for senior management, Business ethics, labour laws, Information Technology changes, POSH Act, Information security, Risk management, safety in supply chain, Technical Training on process safety.	100%
Employees other than BoD and KMPs	8	Ethical Business Practices, POSH Act, labour laws, human rights at workplace, Team skill development, Personality development, Interpersonal Skills, Safety Training to prevent hazards/accident in factory, First Aid Training, pollution control, energy conservation, regulatory compliance, waste reduction and water saving	80%
Workers	20	Safety and Health, Energy Conservation, waste reduction, POSH Act, labour and human rights.	75%

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

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





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

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

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

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

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

	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

Not applicable

8. Number of days of accounts payables ((Accounts payable \*365) / Cost of goods/services procured) in the following format:

	FY 2023-24 (current financial year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payable	69.19	53.34

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (current financial year)	FY 2022-23 (Previous Financial year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	Nil	Nil
	b. Number of dealers/distributors to whom sales are made	Nil	Nil
	c. Sales to Top 10 dealers/ distributors as % of total sales to dealers/ distributors	Nil	Nil

Parameter	Metrics	FY 2023-24 (current financial year)	FY 2022-23 (Previous Financial year)
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties/Total Sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100%	100%
	d. Investments (Investments in related parties/ Total Investments made)	-	100%

### Leadership Indicators

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

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

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

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

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

### Principle 2: Business should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

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

Segment	FY2024 (Current financial year)	FY2023 (Previous financial year)	Details of improvements in environmental and social impacts
R&D	14%	8%	Our emphasis on digitizing operations, leads to a reduced carbon footprint and enhanced efficiency, thus reflecting our intent to make a positive contribution to the environment and society
Capex	42%	38%	We implemented certain technologies to enhance the environmental sustainability of our operations. Effluent treatment plant was modernized over the years with installation of contemporary and energy efficient equipment.

#### 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the company has procedures in place for sustainable sourcing and reviews the sources from the sustainability perspective periodically.

#### b. If yes, what percentage of inputs were sourced sustainably?

70%. The company procures raw materials from reputed manufacturers and ensures that applicable protocols are followed while loading, unloading and during the transportation.

#### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

- Inorganic solid waste generated in the process of manufacture are sent to TSDF for secured land filling as approved by APPCB
- Process Organic residue, ETP sludge, date expired, discarded and off-specification raw materials/product, used membranes from water treatment plant, general waste such as insulation puff, insulation wool, used PPE, nitrile rubber, paper waste, packing material waste, PPRP etc. are sent to pre-processors/authorized cement industries for co-processing (as utilizable waste) as approved by APPCB



- Waste oil & grease is disposed to APPCB authorized agencies as recyclable waste
- Used filters contaminated with oil from DG Sets are disposed to APPCB authorized re-processor/recycler as recyclable waste
- Used lead acid batteries sent to supplier on buy back basis
- Boiler ash is disposed to brick manufacturers

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

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

#### Leadership Indicators

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

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
----------	---------------------------	---------------------------------	--	---	---

The company did not conducted any LCA in FY 2023-24

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

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

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

Indicate input material	Recycled or re-used input material to total material	
	FY2024 (Current financial year)	FY2023 (Previous financial year)
	7.62%	7.52%

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

	FY2024 Current Financial Year			FY2023 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	NIL	NIL	NIL	NIL	NIL
E-waste	NIL	NIL	NIL	NIL	NIL	NIL
Hazardous waste	NIL	NIL	4767.77	NIL	NIL	4868
Other waste	NIL	NIL	NIL	NIL	NIL	NIL

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

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

**Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains**

## Essential indicators:

## 1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	146	146	100%	146	100%	0	0%	0	0%	0	0%
Female	7	7	100%	7	100%	7	100%	0	0%	0	0%
<b>Total</b>	<b>153</b>	<b>153</b>	<b>100%</b>	<b>153</b>	<b>100%</b>	<b>7</b>	<b>4.58%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent employees</b>											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	364	364	100%	364	100%	0	0%	0	0%	0	0%
Female	13	13	100%	13	100%	13	100%	0	0%	0	0%
<b>Total</b>	<b>377</b>	<b>377</b>	<b>100%</b>	<b>377</b>	<b>100%</b>	<b>13</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent Workers</b>											
Male	196	0	0%	0	0%	0	0%	0	0%	0	0%
Female	22	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>218</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

## c. Spending measures towards well-being of employees and workers (including permanent and other that permanent) in the following format:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the company	0.10%	0.05%

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

Benefits	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI*	0%	28.87%	Y	0%	35.97%	Y

Others- please specify

NA

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



**3. Accessibility of workplaces**

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

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

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

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

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

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

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

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	The company has grievance redressal mechanisms in place. This mechanism is a formal process for workers/employees to report any issues or concerns they may face in the organisation. Workers can report grievances in person or can report via email, telephone or letter to managers/ senior management personals of the company. Once a grievance is reported, the company takes necessary actions to resolve it. In addition to the above, the Company has adopted the whistle blower mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct and ethics. It also provides for adequate safeguards against victimization of employees who availed the mechanism and also provides for direct access to the Chairperson of the Audit Committee
Other than permanent workers	
Permanent employees	
Other than permanent employees	

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

Category	FY2024			FY2023		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
<b>Total Permanent Employees</b>	153	0	0%	112	0	0%
-Male	146	0	0%	106	0	0%
-Female	7	0	0%	6	0	0%
<b>Total Permanent Workers</b>	377	0	0%	355	0	0%
-Male	364	0	0%	344	0	0%
-Female	13	0	0%	11	0	0%

## 8. Details of training given to employees and workers:

Category	FY2024					FY2023				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	146	135	92%	118	81%	106	92	89%	86	81%
Female	7	5	71%	4	57%	6	3	50%	2	33%
<b>Total</b>	<b>153</b>	<b>140</b>	<b>92%</b>	<b>122</b>	<b>80%</b>	<b>112</b>	<b>95</b>	<b>85%</b>	<b>88</b>	<b>79%</b>
<b>Workers</b>										
Male	364	364	100%	147	40%	344	344	100%	125	36%
Female	13	13	100%	1	8%	11	11	100%	2	18%
<b>Total</b>	<b>377</b>	<b>377</b>	<b>100%</b>	<b>148</b>	<b>39%</b>	<b>355</b>	<b>355</b>	<b>100%</b>	<b>127</b>	<b>36%</b>

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

Category	FY2024			FY2023		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	146	146	100%	106	106	100%
Female	7	7	100%	6	6	100%
<b>Total</b>	<b>153</b>	<b>153</b>	<b>100%</b>	<b>112</b>	<b>112</b>	<b>100%</b>
<b>Workers</b>						
Male	364	364	100%	344	344	100%
Female	13	13	100%	11	11	100%
<b>Total</b>	<b>377</b>	<b>377</b>	<b>100%</b>	<b>355</b>	<b>355</b>	<b>100%</b>

## 10. Health and safety management system:

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

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

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

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

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

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

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

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

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

Safety Incident /Number	Category	FY2024	FY2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL



Safety Incident /Number	Category	FY2024	FY2023
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

\*Including the contract workers

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

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

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

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

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	NIL	NIL	NA	NIL	NIL	NA
Health & Safety	NIL	NIL	NA	NIL	NIL	NA

## 14. Assessments for the year:

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

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

Not Applicable

### Leadership Indicators

#### 1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees: Yes

(B) Workers: Yes

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

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

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

	Total No. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2024	FY2023	FY2024	FY2023
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

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

5. Details on assessment of value chain partners:

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

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

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

#### Principle 4: Business should respect the interests of and be responsive to all its stakeholders

##### Essential Indicators

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

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

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

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders / investors	No	Emails, annual reports, newspaper advertisement/ notices, the Company's website, annual general meetings	Ongoing	Update on business performance and operation, new developments in the company. Update on financial performance.
Customers	No	Email/newspaper/con-call/ meetings/ feedback	Ongoing	Update on business performance and new product development/ initiatives, customer trust and satisfaction, Timely and efficient redressal of complaints
Suppliers / Value Chain Partners	No	Email/newspaper/con-call/ vendor/ supplier meetings	Ongoing	Regular business updates, performance feedback, update on change in regulations pertaining to supplies/services





Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees/ workers	No	Emails, Telephone, meetings, Website, Notice board, Senior leaders' communication / performance appraisal meetings/ review, wellness initiatives, intranet, circulars, quarterly publication, newsletters	Ongoing	Job satisfaction, performance and Remuneration. Training and development initiatives that support career growth. Safe working conditions. Non-discrimination. Prompt grievance redressal mechanisms
Government and Govt. Officials	No	Emails / Community meetings/ In person meetings	Need based	laws and regulations, positive environmental and social impact of businesses, alignment of businesses with policy priorities for industrial growth
Banks and Financial institutions	No	Email/newspaper/con-call/ meetings/ In person meetings	Need based	Update on business, financial performance, financial assistance

### Leadership Indicators

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

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

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

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

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

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

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

## Principle 5: Business should respect and promote human rights

### Essential Indicators

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

Category	FY2024			FY2023		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	153	108	71%	112	88	79%
Other than Permanent	0	0	0%	0	0	0%
<b>Total Employees</b>	<b>153</b>	<b>108</b>	<b>71%</b>	<b>112</b>	<b>88</b>	<b>79%</b>
<b>Workers</b>						
Permanent	377	377	100%	355	355	100%
Other than Permanent	218	218	100%	205	205	100%
<b>Total Workers</b>	<b>595</b>	<b>595</b>	<b>100%</b>	<b>560</b>	<b>560</b>	<b>100%</b>

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

Category	FY2024					FY2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	153	-	-	153	100%	112	-	-	112	100%
Male	146	-	-	146	100%	106	-	-	106	100%
Female	7	-	-	7	100%	6	-	-	6	100%
<b>Other than Permanent</b>	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
<b>Workers</b>										
<b>Permanent</b>	377	-	-	377	100%	355	-	-	355	100%
Male	364	-	-	364	100%	344	-	-	344	100%
Female	13	-	-	13	100%	11	-	-	11	100%
<b>Other than Permanent</b>	218	-	-	218	100%	205	-	-	205	100%
Male	196	-	-	196	100%	190	-	-	190	100%
Female	22	-	-	22	100%	15	-	-	15	100%

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

- a. Median remuneration/Wages:

	Male		Female	
	Number***	Median remuneration/ salary/wages of respective category**	Number***	Median remuneration/ salary/wages of respective category**
Board of Directors (BoD)*	2	281.44	0	-
Key Managerial Personnel (KMP)#	1	46.39	1	16.44
Employees other than BoD and KMP	143	9.74	6	4.89
Workers	364	3.07	13	2.07

\*There are two Executive Directors on the Company's Board and as such their actual remuneration is given in category of BOD.

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

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

\*\* All median remuneration figures are in ₹ Lakhs

\*\*\* Active headcount as of 31<sup>st</sup> March 2024

- b. Gross wages paid to female as % of total wages paid by the entity, in the following format:

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	3.23%	3.11%



**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

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

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

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

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

	FY2024			FY2023		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other Human rights related issues	Nil	Nil	NA	Nil	Nil	NA

**7. Complaints filed under the Sexual harassment of Woman at Workplace (Prevention, Prohibition and Redressal ) Act, 2013, in the following format:**

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/ workers	NA	NA
Complaints on POSH upheld	NA	NA

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

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

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes

**10. Assessment for the year:**

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

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

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

## Leadership Indicators

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

NIL

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

NIL

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

Yes

4. Details on assessment of value chain partners:

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

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

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

Not Applicable

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

## Essential Indicators

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

Parameter	FY2024	FY2023
<b>From renewable sources</b>		
Total electricity consumption (A)	1,09,540 GJ	1,01,339 GJ
Total fuel consumption (B)	3,56,451 GJ	3,45,705 GJ
Energy consumption through other sources (C)	NIL	NIL
<b>Total energy consumption (A+B+C)</b>	<b>4,65,991 GJ</b>	<b>4,47,044 GJ</b>
<b>From non-renewable sources</b>		
Total Electricity Consumption (D)	-	-
Total Fuel Consumption (E)	-	-
Energy consumption through other sources (F)	-	-
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>-</b>	<b>-</b>
<b>Total energy consumed (A+B+C+D+E+F)</b>	<b>4,65,991 GJ</b>	<b>4,47,044 GJ</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed/ revenue from operations)	1145	887
<b>Energy Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed/ Revenue from Operations adjusted for PPP)	-	-
<b>Energy intensity in terms of physical output</b>	-	-
Energy intensity (optional) – the relevant metric may be selected by the Company	-	-

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

No

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

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





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

Parameter	FY2024	FY2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NIL	NIL
(ii) Groundwater	1,01,080 KL	95,660 KL
(iii) Third party water	NIL	NIL
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	1,01,080 KL	95,660 KL
<b>Total volume of water consumption (in kilolitres)</b>	1,01,080	95,660 KL
<b>Water intensity per rupee of turnover</b> (Total Water consumption / Revenue from Operations)	249	190
<b>Water Intensity per rupee of turnover adjusted for purchasing power parity (PPP)</b> (total water consumption/ Revenue from operations adjusted for PPP)	-	-
<b>Water intensity in terms of physical output</b>	-	-
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

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

No

## 4. Provide the following details related to water discharged:

Zero liquid discharge treatment after treatment water is recycled. No water discharge.

Parameter	FY 2024	FY 2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>	-	-
(i) To surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to third- parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
<b>Total water discharged (in kilolitres)</b>	-	-

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

No

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

- Effluent Treatment Plant Zero Liquid Discharge (ZLD) Details:

The plant has following systems for effluent treatment:

1. Stripper: 100 KL/Day (3 no's).
2. Multiple Effect Evaporator (MEE-I): 3 KL/Hr.
3. Multiple Effect Evaporator (MEE-II): 5 KL/Hr.
4. ATFD: 1KL/Hr (5 No's).

5. Biological Treatment Plant: 150KLD.
6. RO system: 200KLD.
7. Sewage treatment plant: 50KLD.
8. RO system: 100KLD.
9. Electro-oxidation plant (For COD reduction in effluent) : 150 KLD (Upgradation of Biological Treatment plant)

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

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

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

Parameter	Unit	FY2024	FY2023
NOx	µg/m3	16.04	12.15
SOx	µg/m3	18.45	23.78
Particulate matter (PM)	mg/Nm3	49.79	45.78
Persistent organic pollutants (POP)		Not Applicable	Not Applicable
Volatile organic compounds (VOC)	ppm	0.581	0.574
Hazardous air pollutants (HAP)		Not Applicable	Not Applicable
Others – please specify		NIL	NIL

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

No

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

Greenhouse gas emissions are not monitored.

Parameter	Unit	FY2024	FY2023
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover</b> (Total scope 1 and scope 2 GHG emissions/ revenue from operations)	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	-	-	-
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

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

No

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

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

**9. Provide details related to waste management by the Entity, in the following format:**

Parameter	FY2024	FY2023
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	NIL	NIL
E-waste (B)	NIL	NIL
Bio-medical waste (C)	0.007 (7 Kg)	NIL
Construction and demolition waste (D)	NIL	NIL
Battery waste (E)	BUY BACK BY SUPPLIER 2 No's	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous Waste. Please specify, if any. (G)	a). Insulation waste, used PPE, paper waste, packing material waste: 12.25 b). Used membranes from water treatment plant (Polyamide): 4.49 c). Date expired, discarded and off spec raw material/product :4.45 d). ETP sludge: 2.13	4872
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2600	NIL
<b>Total (A+B + C + D + E + F + G + H)</b>	2623.327	4872
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	-	-
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	-	-
<b>Waste intensity in terms of physical output</b>	-	-
<b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	NIL	NIL
(ii) Re-used	NIL	NIL
(iii) Other recovery operations	NIL	NIL
<b>Total</b>	NIL	NIL
<b>For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	473.86	493
(ii) Landfilling	4270.59	4379
(iii) Other disposal operations	NIL	NIL
<b>Total</b>	4744.45	4872

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

No

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

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

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

There is no ecologically sensitive area near the company operations/offices.

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

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

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

No Environmental impact assessments of projects undertaken by the company during the financial year

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

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

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

### Leadership Indicators

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

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

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

(i) Name of the area : NA

(ii) Nature of operations: NA

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024	FY 2023
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater/ desalinated water	NA	NA
(v) Others	NA	NA
<b>Total Volume of water withdrawal (in Kilolitres)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	NA	NA
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	NA	NA



Parameter	FY 2024	FY 2023
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Into Surface water</b>	NA	NA
No treatment	NA	NA
With Treatment—please specify level of treatment	NA	NA
<b>(ii) Into ground water</b>	NA	NA
No treatment	NA	NA
With Treatment—please specify level of treatment	NA	NA
<b>(iii) Into Seawater</b>	NA	NA
No treatment	NA	NA
With Treatment—please specify level of treatment	NA	NA
<b>(iv) Sent to third-parties</b>	NA	NA
No treatment	NA	NA
With Treatment—please specify level of treatment	NA	NA
<b>(v) Others</b>	NA	NA
No treatment	NA	NA
With Treatment—please specify level of treatment	NA	NA
<b>Total water discharge (in kilolitres)</b>	NA	NA

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

No

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

Scope 3 emissions are not monitored

Parameter	Unit	FY 2024	FY 2023
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	-	-
<b>Total Scope 3 emissions per rupee of turnover</b>	-	-	-
<b>Total Scope 3 emission intensity (optional)</b> – the relevant metric may be selected by the entity	-	-	-

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

No

3) With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company does not have any operations in ecologically sensitive areas. There has been no significant direct or indirect impact on biodiversity.

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

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

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

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



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

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

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

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

### Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

#### Essential indicators

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

Company is a member of 3 associations

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

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

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

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

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

#### Leadership Indicators

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

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

NIL

### Principle 8: Businesses should promote inclusive growth and equitable development

#### Essential Indicators

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

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

Not Applicable

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)

Not Applicable

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

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



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

	FY2024	FY 2023
Directly sourced from MSMEs/small producers	8.2%	9.6%
sourced directly from within the districts and neighbouring districts	4.9%	4.8%

## 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024	FY 2023
Rural	-	-
Semi-urban	-	-
Urban	79.83%	79.12%
Metropolitan	20.17%	20.88%

## Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not applicable	

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

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

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

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

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

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

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

## 7. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Education	2023	100%
2	Rural Development	850	100%
3	Health Care	5965	100%

**Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner****Essential indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

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

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

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

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

	FY2024		Remarks	FY2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber- security	NIL	NIL	NA	NIL	NIL	NA
Delivery of essential services	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Other (product related)	NIL	1	Consumer complaint filed in the Consumer forum Osmanabad, Maharashtra	NIL	1	Consumer complaint filed in the Consumer forum Osmanabad, Maharashtra

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

	Number	Reasons for recall
Voluntary recalls	NIL	NA
Forced recalls	NIL	NA

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

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

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

No such instances

**7. Provide the following information relating to data breaches:**

a. Number of instances of data breaches : NIL

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

c. Impact, if any, of the data breaches : Not Applicable



### Leadership Indicators

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

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

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

Safety data sheets are provided to the customers.

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

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

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

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

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

# Corporate Governance Report

The Board of Directors of the Company have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year 2023-24 in pursuance to Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy of Corporate Governance is built on the foundation of business ethics, integrity, honesty, fairness, transparency, accountability. Your Company believes that effective corporate governance is about creating long-term sustainable value for its stakeholders.

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and is guided by a strong emphasis on transparency, accountability and integrity. The Company has adopted Corporate Governance practices, which are in line with the best practices, while meeting all the relevant legal and regulatory requirements.

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

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Company has established systems and procedures to ensure that its Board is well-informed and well-equipped to discharge its overall responsibilities and to provide the management with the strategic direction needed to create long-term stakeholder's value.

At the core of its Corporate Governance practice is the Board, which oversees how the management serves and protects the long-term interests of all the stakeholders of the company. The company believes that an active, well informed and independent Board is necessary to ensure the highest standards of Corporate Governance.

In compliance with the Corporate Governance requirements as prescribed under the Companies Act, 2013 read with the Rules made thereunder ("Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws, the company has adopted various codes and policies to carry out business in an ethical manner which are hosted on the website of the company at <https://www.bhagirad.com/corporate.html>

The Company in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with the Regulations/Acts and Rules. During the financial year under review, adequate monitoring systems were followed to safeguard against major risk and to ensure implementation of policies and procedures in order to fulfil the Company's social, legal and ethical responsibilities.

## 2. BOARD OF DIRECTORS:

### a. Composition and category of Directors

Your Company's Board is constituted of highly experienced professionals from diverse backgrounds possessing values of collaborative spirit, expert thinking and a primary role of trusteeship to protect and enhance stakeholders' value through strategic supervision. The Board provides direction and exercises appropriate controls. The Company's Board has an appropriate mix of Independent and Non-Independent Directors as well as Non-Executive and Executive Directors.

The Board represents the interest of the Company's stakeholders, oversees and directs the Company's overall business and affairs, reviews corporate performance, monitors strategic decisions and has an oversight on regulatory compliances and corporate governance matters and provides the management with guidance and strategic direction. The Board, along with its various Committees, provides leadership and guidance to the Company's management and directs, supervises and ensures functioning of the Company in the best interest of all the stakeholders.

The present strength of the Board is nine Directors including Women Directors. The Board comprises Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. Two Directors, including the Managing Director are Executive Directors. There are seven Non-Executive Directors, of which, five are Independent Directors.

As on March 31, 2024, the Board comprises 9 directors i.e

- One Managing Director
- One Executive Director
- Two Non Independent, Non- Executive Directors
- Five Non- Executive Independent Directors

The Board has two woman directors out of which one is an Independent Director. The composition of the Board is in conformity with the Companies Act, 2013, read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with an optimal mix of Executive and Non-Executive Directors.





Composition of Board as on 31.03.2024 is as follows:

Name	Designation
Sri. Satyanarayana Raju Kanumuru	Chairman, Non-Executive Independent Director
Sri. Chandra Sekhar Singavarapu	Managing Director
*Sri. Arvind Kumar Anegondi	Executive Director and Chief Executive Officer
Smt. Lalitha Sree Singavarapu	Non-Executive - Non Independent Director
**Sri. Suresh Kumar Somani	Non-Executive - Non Independent Director
Sri. Sudhakar Kudva	Non-Executive Independent Director
Sri. Krishna Rao S V Gadepalli	Non-Executive Independent Director
Sri. Kishor Shah	Non-Executive Independent Director
Dr. G. Aruna	Non-Executive Independent Woman Director

\* Sri. Arvind Kumar Anegondi was appointed as Executive Director of the company with effect from August 04, 2023

\*\*Sri. Suresh Kumar Somani was appointed as Non-Executive - Non Independent Director of the company with effect from November 04, 2023

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2024, have been made by the Directors. None of the Directors are related to each other except Smt S. Lalitha Sree (Non-Executive - Non Independent Woman Director) and Sri S. Chandra Sekhar (Managing Director).

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

Name of Director	Category	Attendance at Board Meetings		Whether present at the previous AGM
		Held	Attended	
Sri. Satyanarayana Raju Kanumuru	Chairman, Non-Executive Independent Director	7	6	No
Sri. Chandra Sekhar Singavarapu	Managing Director	7	7	Yes
*Sri. Arvind Kumar Anegondi	Executive Director and Chief Executive Officer	7	7 (out of 7 attended 2 Board meetings in capacity of Chief Executive Officer)	Yes (attended in capacity of Chief Executive Officer)
Smt. Lalitha Sree Singavarapu	Non-Executive - Non Independent Director	7	6	Yes
**Sri. Suresh Kumar Somani	Non-Executive - Non Independent Director	3	3	**NA
Sri. Sudhakar Kudva	Non-Executive Independent Director	7	7	Yes
Sri. Krishna Rao S V Gadepalli	Non-Executive Independent Director	7	7	Yes
Sri. Kishor Shah	Non-Executive Independent Director	7	7	Yes
Dr. G. Aruna	Non-Executive Independent Woman Director	7	7	Yes

\* Sri. Arvind Kumar Anegondi was appointed as Executive Director of the company with effect from August 04, 2023

\*\*Sri. Suresh Kumar Somani was appointed as Non-Executive - Non Independent Director of the company with effect from November 04, 2023

**c. Number of other board of directors or committees in which a director is a member or chairperson**

Name of the Director	No of Directorships in listed entities including this listed entity	Number of memberships / chairmanships in Audit / Stakeholder Committee(s) including this listed entity		Name of the other listed Company as on 31-03-2024	Category of Directorship
		Chairman	Member		
Sri. Satyanarayana Raju Kanumuru	1	-	-	-	-
Sri. Chandra Sekhar Singavarapu	1	-	2	-	-
*Sri. Arvind Kumar Anegondi	1	-	-	-	-
Smt. Lalitha Sree Singavarapu	1	-	-	-	-
**Sri. Suresh Kumar Somani	2	-	-	Astra Microwave Products Limited	Non-Executive Non-Independent Director
Sri. Sudhakar Kudva	3	1	4	NACL Industries Ltd Nagarjuna Fertilizers and Chemicals Ltd	Non-Executive Independent Non-Executive Independent
Sri. Krishna Rao S V Gadepalli	1	1	2	-	-
Sri. Kishor Shah	3	2	4	GKW Limited Dhampur Bio Organics Limited	Non-Executive Independent Non-Executive Independent
Dr. G. Aruna	1	-	-	-	-

\* Sri. Arvind Kumar Anegondi was appointed as Executive Director of the company with effect from August 04, 2023

\*\*Sri. Suresh Kumar Somani was appointed as Non-Executive - Non Independent Director of the company with effect from November 04, 2023

**Note:**

- The directorships held by directors as mentioned above, do not include directorships in Foreign Companies.
- In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all Public Limited Companies have been considered.

None of the Directors on the Board serve as an independent director in more than seven listed entities and none of the Directors on the Board is a member of more than 10 Committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 ("the Act") and Chairman of more than 5 Committees as specified in Regulation 26 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, across all the Companies in which he/ she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

**d. Board Meeting**

The meetings of the Board are held in compliance with the requirements under regulation 17(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, seven meetings of the Board of Directors of the Company were held on

13-05-2023, 04-08-2023, 11-10-2023, 04-11-2023, 17-11-2023, 27-01-2024, 05-03-2024, in accordance with the provisions of the Act and the gap between two meetings did not exceed one hundred and twenty days. Necessary quorum was present for all the meetings.

All material information was circulated to the directors before the meeting or the same has been placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part-A of Schedule II of sub-regulation 7 of Regulation 17 of the Listing Regulations.

Pursuant to Schedule IV of the Companies Act, 2013 & Rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. The meeting shall review the performance of non-independent directors and the Board as a whole; review the performance of the Chairperson of the Board, taking into account the views



of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Management and the board that is necessary for it to effectively and reasonably perform its duties.

During the year, a separate meeting of the Independent Directors was held on 13<sup>th</sup> May, 2023, without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

#### Agenda and relevant information to Directors:

The agenda for each Board/ Committee meeting is circulated well in advance to the Directors. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Every Board/ Committee Member is free to suggest items for inclusion in the agenda. The agendas and other relevant documents/ information to Board/ Committee members are provided in electronic/physical mode.

#### Ethics and integrity:

The Board of the Company is committed to the highest ethics and integrity standards. Directors commit to abide by the Code of Conduct, policies and procedures, endeavouring to demonstrate intent and actions consistent with stated values.

#### Responsible conduct:

The Boards emphasize the Company's role in contributing to neighbourhoods, communities and societies. The Board is suitably equipped to understand the ever changing business dynamics of the industry in which the Company operates and ensures that appropriate strategies are articulated benefitting the Company in the long run. The Directors provide their treasured inputs and guidance in the Meetings of the Board and committees which have been of immense help to the Company in pursuing its goals.

#### e. Disclosure of relationship between Directors inter-se

As on 31.03.2024 there were 9 directors on the Board, comprising One Managing Director, One Executive Director, Two Non Independent, Non- Executive Directors, Five Non- Executive Independent Directors including the Chairman of the Board.

None of the Directors are related to each other except for Sri. S. Chandra Sekhar, Managing Director, who happens to be the spouse of Smt S. Lalitha Sree, Non Independent, Non- Executive Director.

#### f. Number of shares and convertible instruments held by non- executive directors

None of the Non-executive directors of the Company are holding any shares and convertible instruments in the company except

- i. Smt. Lalitha Sree Singavarapu, Non-Executive Non Independent Director of the Company, who is holding 76,470 equity shares as on March 31, 2024 and

- ii. \*Sri. Suresh Kumar Somani, Non-Executive Non Independent Director of the company who is indirectly holding through Ratnabali Investment Private Limited 14,49,457 equity shares and 3,75,375 convertible warrants as on March 31, 2024.

\* Sri. Suresh Kumar Somani holds 19.58% of shareholding in Ratnabali Investment Private Limited

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

The Directors immediately upon appointment are familiarized inter-alia with the Company, its management, operations, nature of industry in which the Company operates, business model, Code of Conduct, policies of the Company as part of their induction programme. The Directors are also regularly familiarized by way of periodic presentations in the Board and Committee meetings inter alia with respect to updates on projects, business opportunities, updates on Risk Management, demand supply scenario, statutory and regulatory changes.

On being introduced onto the board of the company, every director including Independent director is given an induction and is made aware about the organization's Vision, mission, Challenges, risk and opportunities. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and industry sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. The Independent Directors are facilitated to meet without the presence of the Company's management to discuss matters pertaining to the Company's affairs.

The details of familiarization programme imparted to independent directors during the Financial Year 2023-24 is available on the company website at: <https://www.bhagirad.com/>

#### h) Skills/Expertise/Competencies of the Board of Directors.

The Board comprises highly qualified and experienced members who possess required skills, expertise and competencies.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business (es) for it to function effectively and those available with the Board as a whole.

- i. **Sales & Marketing:** Experience in sales and marketing management based on understanding of the chemical and agrochemical industry, developing strategies to grow sales and market share, build brand awareness, equity and enhance enterprise reputation.

- ii. **General management/Governance and Compliance:** Service on a company board to develop insights about maintaining board and management accountability, Strategic thinking, decision making, protecting shareholder interests, and observing appropriate governance practices. Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.
- iii. **Financial skills:** Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc. Management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a financial officer, accounting officer, controller, auditor or person performing similar functions
- iv. **Technical and professional skills/ Policy Development:** Ability to identify key issues and opportunities for the Company and develop appropriate policies to define the parameters within which the organization should operate and also the knowledge including legal and regulatory aspects.
- v. **Operational Skill/ Strategy planning, Mergers and Acquisitions:** Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities. Leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyse the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plan.
- vi. **Leadership:** Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth. Oversee strategic human resource management including workforce planning, employee and industrial relations and oversee large scale organisational change.
- vii. **Information Technology:** A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models. Knowledge and experience in the strategic use and governance of information management and information technology within the organisation.
- viii. **International Business:** Knowledge of and experience in companies with operations outside of India.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Director	Area of Expertise							
	Financial	Policy Development	Leadership	Information Technology	Strategy planning, Mergers and Acquisitions	Governance and Compliance	Sales & Marketing	International Business
Sri. Satyanarayana Raju Kanumuru	✓	✓	✓		✓	✓	✓	
Sri. Chandra Sekhar Singavarapu	✓	✓	✓		✓	✓	✓	✓
Sri. Sudhakar Kudva	✓	✓	✓		✓	✓	✓	✓
Smt. Lalitha Sree Singavarapu		✓	✓		✓	✓		
Sri. Krishna Rao S V Gadepalli	✓	✓	✓		✓	✓	✓	
Sri. Kishor Shah	✓	✓	✓	✓	✓	✓		
Dr. G Aruna		✓	✓	✓	✓	✓	✓	✓
Sri. Arvind Kumar Anegondi	✓	✓	✓		✓		✓	✓
Sri. Suresh Kumar Somani	✓	✓	✓		✓		✓	✓



These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

**i. Confirmation from the Board**

All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of Independence as provided under Section 149(6) & (7) of the Companies Act, 2013 and Regulation 16(1)(b) & 25 of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. They also declare that apart from receiving director's remuneration (i.e sitting fees) they did not have any pecuniary relationship or transactions with the company, its promoter, its directors, senior management and they are not a material supplier, service provider or customer or a lessor or lessee of the company, which may affect their independence, and was not a substantial shareholder of the company i.e. owning two percent or more of the block of voting shares.

Further, the Board after taking these declarations / disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and fulfil the conditions specified in the Listing Regulations and are Independent of the Management

**j. During the year under review, none of the independent directors had resigned from the Board.**

**Committees of the Board**

During the period under review, the Board has five committees i.e.

- i. Audit Committee,
- ii. Nomination and Remuneration Committee,
- iii. Corporate Social Responsibility Committee
- iv. Stakeholders Relationship Committee and
- v. Risk Management Committee.

The Composition of all the committees meets the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The details of the role and composition of Committees of the Board including number of meetings held during the year and attendance there at, are provided below. The quorum for committee meetings is as per the Companies Act, 2013 and Listing Regulations. The Company Secretary of the company is acting as the Secretary in each Committee

### 3. AUDIT COMMITTEE

**a. Brief description of Terms of Reference**

The Committee composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. Members of the Audit Committee possess financial, accounting expertise/exposure.

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. All the members of the Audit Committee are financially literate and have accounting or related financial management expertise.

The Audit Committee of the Company inter alia, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Review of the Company's accounting policies, internal accounting controls, financial and such other matters;
- Review the functioning of Whistle Blower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Discuss and review, with the management and auditors, the annual/quarterly Financial Statements before submission to the Board;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit;
- Evaluate auditors' performance, qualification, independence and effectiveness of audit process;
- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Scrutinise inter-corporate loans and investments, and review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary;
- Reviewing the adequacy of internal control system, internal audit function and risk management function;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Companies Code of Conduct for Prevention of Insider Trading. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, verifying that the systems for



Internal Controls are adequate and are operating effectively;

- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other functions, activities, discharging such other duties as is mentioned in the terms of reference of the Audit Committee under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as delegated by the Board from time to time.

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

**b. Composition, name of members and chairperson:**

Your Company has duly constituted Audit Committee in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time.

Name	Category	Designation
Sri. Sudhakar Kudva	Non- Executive Independent Director	Chairman
Sri. Chandra Sekhar Singavarapu	Executive Director	Member
Sri. Krishna Rao S.V Gadepalli	Non -Executive Independent Director	Member
Sri. Kishor Shah	Non -Executive Independent Director	Member

The Chairman of the Audit Committee, Sri. Sudhakar Kudva, was present at the Annual General Meeting of the Company held on August 04, 2023.

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

The meetings of the Audit Committee are held in compliance with the requirements under regulation 18(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Four Audit Committee meetings were held during the financial year 2023-24 i.e. 13-05-2023, 04-08-2023, 04-11-2023, 27-01-2024.

Meetings of the Committee as on March 31, 2024:

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

Sri. Sudhakar Kudva, Chairperson of the Audit Committee is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India. He has over 40 years of experience in various senior positions in India and abroad. The industry spectrum of his experience includes International Trading and Contracting, Financial Services, Manufacturing of alloy and carbon steel, seamless tubes, Mining, Port operations and Logistics. All Members of the Audit Committee are financially literate.

Sri. B. Krishna Mohan Rao, Chief Financial Officer of the Company is the permanent invitee and Statutory Auditors and Internal Auditors are also invited to the Audit Committee Meeting and the Company Secretary acts as the Secretary to the Committee. The Committee, from time to time, also invites such other executive's/cost auditor, as it considers appropriate, to be present at the Meetings.

## 4. NOMINATION AND REMUNERATION COMMITTEE

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

The Company has a duly constituted Nomination and Remuneration Committee and the terms of reference, constitution, powers, quorum and other matters in relation to the Nomination and Remuneration Committee are as per Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations, Section 178 of the Companies Act, 2013 as amended from time to time.

**Terms of reference**

The terms of reference of the Nomination & Remuneration Committee is as follows:

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



- Formulate criteria for evaluation of Directors and the Board;
- Recommend to the Board, the appointment or removal, remuneration of KMP and executive team members;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Review and recommend to the Board on an annual basis, the performance, remuneration payable to Directors, KMP of the Company;
- Devise a policy on Board diversity;
- Recommend to the Board the appointment or re-appointment of Directors;
- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/Executive Director(s), KMP and executive team members;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Oversee familiarization programmes for Directors;
- Provide guidelines for remuneration of Directors on material subsidiaries;
- Carrying out any other functions, activities, discharging such other duties as is mentioned in the terms of reference of the Nomination & Remuneration Committee under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as delegated by the Board from time to time.

#### b. Composition, name of members and chairperson

The Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 as amended from time to time.

##### Composition of the Committee as on March 31, 2024:

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

Sri Sudhakar Kudva, Chairperson of the Committee, was present at the last AGM held on August 04, 2023. The Chief Financial Officer of the Company is the invitee to the Nomination & Remuneration Committee Meeting and the Company Secretary acts as the Secretary to the Committee.

#### c. Meetings and attendance during the year

During the year under review, three meetings of the Nomination & Remuneration Committee were held on 13-05-2023, 04-08-2023, 04-11-2023.

Name	No. of Meetings		
	Designation	Held	Attended
Sri. Sudhakar Kudva	Chairman	3	3
Sri. Satyanarayana Raju Kanumuru	Member	3	2
Sri. Krishna Rao S V Gadepalli	Member	3	3

#### d. Performance evaluation criteria for independent directors

One of the key functions of the Committee is to monitor and review the board evaluation framework. Your Board is committed to assessing its own performance in order to identify its strengths and areas in order to improve its functioning. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors. The questionnaire is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback on each director is encouraged to be provided as part of the questionnaire.

**Selection of Independent Directors:** Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other Companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

**Independent Directors' Meeting:** A separate meeting of the Independent Directors of the Company was held on May 13, 2023, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed (i) the performance of Non- Independent Directors, the Chairperson of the Company; and (ii) assessed the quality, quantity and timeliness of flow of information between the Company management and the Board required to effectively and reasonably perform their duties. All Independent Directors attended the meeting.

**Nomination/Remuneration Policy:**

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

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

**5. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Your Company has a duly constituted Stakeholders' Relationship Committee and its composition, terms of reference are as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as specified in Section 178 of the Companies Act, 2013 & rules made thereof as amended from time to time.

The Stakeholders' Relationship Committee meeting was held during the financial year 2023-24 on 13-05-2023.

**Composition, name of members and chairperson, meetings and attendance as on March 31, 2024:**

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

The Company Secretary acts as the Secretary to the Committee.

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

**a. Name of non-executive director heading the committee:**

Sri. Krishna Rao S.V Gadepalli, Non- Executive Independent Director is heading the committee

**b. Name and designation of compliance officer****Sharanya M**

Company Secretary & Compliance Officer  
Bhagiradha Chemicals & Industries Limited  
Plot No.3, Sagar Society  
Road No.2, Banjara Hills

**Terms of reference**

The terms of reference of the Stakeholders' Relationship Committee is as follows:

- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Reviewing details of transfer of unclaimed dividend / securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialization of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Reviewing the issue of duplicate certificates.
- Carrying out any other functions, activities, discharging such other duties as is mentioned in the terms of reference of the Stakeholders Relationship Committee under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as delegated by the Board from time to time.

Hyderabad-500034.

Ph: 040 42221212

E-mail: info@bhagirad.com

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

d. number of complaints not solved to the satisfaction of shareholders: Nil

e. number of pending complaints: Nil

**5A. RISK MANAGEMENT COMMITTEE****a. brief description of terms of reference**

In accordance with the provisions of Regulation 21 of the SEBI (LODR) Regulations, 2015, the Board constituted Risk Management Committee. The Committee's prime responsibility is to implement, review and monitor



the risk management plan and policy of the Company. The Committee shall be aware of the significant risk exposures of the Company and assess whether Management is responding appropriately towards them in timely manner. The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013 and rules made thereunder and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The terms of reference of the Risk Management Committee is as follows:

- Framing, implementing and monitoring the risk management policy of the Company;
- Identification, prioritization, mitigation and monitoring of the risk reported
- Periodical review and assessing the quality, integrity and effectiveness of the risk management system
- Reporting to the Board of Directors the status of risk management system from time to time

#### b. Composition, name of members and chairperson

The Committee's composition and terms of reference are in compliance with the provisions of Regulation 21 of SEBI Listing Regulations

Name	Category	Designation
Sri. Sudhakar Kudva	Non-Executive Independent Director	Chairman
Sri. Krishna Rao S V Gadepalli	Non-Executive Independent Director	Member
Dr. G. Aruna	Non-Executive Independent Director	Member

#### c. Meetings and attendance during the year

During the Financial Year under review, two (2) meetings of the Risk Management Committee were held on 15-07-2023 and 08-01-2024 with necessary quorum being present at the meeting.

The meetings of the risk management committee were conducted in compliance with the provisions of Regulation 21 of SEBI Listing Regulations.

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

The Company Secretary acts as the Secretary to the Committee

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

#### a. brief description of terms of reference

The Corporate Social Responsibility (CSR) Committee's composition and terms of reference are in compliance with the provisions of section 135 of the Companies Act, 2013.

The CSR Committee is responsible for reviewing, implementing and monitoring the CSR initiatives of the company. The scope of the CSR Committee also includes recommending the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

#### Terms of reference

The terms of reference of the CSR Committee is as follows:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the activities for the above said purpose.
- To review and monitor the Company's CSR Policy periodically and activities of the Company on behalf of the Board to ensure that the company is in compliance with appropriate laws and regulations;
- To review periodic reports on performance of corporate social responsibility.

#### b. Composition, name of members and chairperson

The Committee's composition and terms of reference are in compliance with the provisions of section 135 of the Companies Act, 2013.

Name	Category	Designation
Sri. Sudhakar Kudva	Non -Executive Independent Director	Chairman
Sri. Chandra Sekhar Singavarapu	Executive Director	Member
Smt. Lalitha Sree Singavarapu	Non- Executive Non Independent Director	Member

Sri. B. Krishna Mohan Rao, Chief Financial Officer of the Company is the invitee to the CSR Committee Meeting and the Company Secretary acts as the Secretary to the Committee.

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

During the financial year 2023-24, five meeting of the CSR Committee were held i.e. on 02-05-2023, 13-05-2023, 26-08-2023, 02-11-2023, 24-01-2024

Name	No. of Meetings		
	Designation	Held	Attended
Sri. Sudhakar Kudva	Chairman	5	5
Sri. Chandra Sekhar Singavarapu	Member	5	5
Smt. Lalitha Sree Singavarapu	Member	5	5

## 5B. Senior Management

Particulars of senior management including the changes therein since the close of the previous financial year

S. No	Name	Designation	Change (Appointment/Resignation) during FY 2023-24
1.	Sri. B. Krishna Mohan Rao	Chief Financial Officer	-
2.	Smt. Sharanya. M	Company Secretary & Compliance Officer	-
3.	Dr. Venkatesan Subbu Samy	Vice President (Regulatory Affairs & Registration)	-
4.	Sri. Sadaram Ramakrishna	Head - International Business	-
5.	Sri. M. Venkateswara Rao	Executive Director (Operations)	-
6.	Sri. K. Hari Babu	Factory Manager	-
7.	Sri. Siva Rami Reddy	Asst Vice President (R&D)	-

## 6. REMUNERATION OF DIRECTORS

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to director(s). All Board-level compensation shall be approved by the shareholders and disclosed separately in the financial statements.

The compensation payable to the Independent/ Non-Executive Directors is limited to sitting fees and reimbursement of actual conveyance, travelling and other expenses for attending the Board & Committee meeting(s), as approved by the Board & shareholders, as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

### (a) All pecuniary relationship or transactions of the Non-Executive Directors

There is no pecuniary relationship or transactions between the company and Non-Executive directors except the sitting fees they are getting for attending the board/committee meeting and reimbursement of actual conveyance, travelling and other expenses for attending the Board & Committee meeting(s) and dividend on shares if any held by him/her.

### (b) Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of actual expenses for attending the Board/ Committee Meeting. The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company except as mentioned above.

### (c) Other disclosures with respect to remuneration:

#### i. The Details of remuneration paid/payable for the year ended March 31, 2024 is as follows:

Name	Sitting Fees	Remuneration	Perquisites	Commission	Total
<b>Independent Directors</b>					
Sri. Satyanarayana Raju Kanumuru	1.70	-	-	-	1.70
Sri. Sudhakar Kudva	3.35	-	-	-	3.35
Sri. Krishna Rao S V Gadepalli	2.75	-	-	-	2.75
Sri. Kishor Shah	2.15	-	-	-	2.15
Dr. G Aruna	2.15	-	-	-	2.15
<b>Non-Executive Directors</b>					
Smt. Lalitha Sree Singavarapu	2.20	-	-	-	2.20
*Sri. Suresh Kumar Somani	-	-	-	-	-
<b>Whole Time Directors</b>					
Sri. Chandra Sekhar Singavarapu	-	144.00	10.37	30.45	184.82
**Sri. Arvind Kumar Anegondi	-	72.00	4.32	20.30	96.62

\*Sri. Suresh Kumar Somani was appointed as Non-Executive - Non Independent Director of the company with effect from November 04, 2023

\*\* Sri. Arvind Kumar Anegondi was appointed as Executive Director of the company with effect from August 04, 2023





ii. **Details of fixed component and performance linked incentives, along with the performance criteria:**

The Non-Executive Directors of the Company were paid only sitting fees and reimbursement of actual expenses for attending the Board/ Committee meetings. The performance criteria for Executive Director entitled for Performance Linked Incentive are as determined by the Nomination & Remuneration Committee, Board of Directors and approved by the members of the Company.

iii. **Service Contract, Notice Period, Severance Fees**

Terms of Employment	Sri. Chandra Sekhar Singavarapu Managing Director	Sri. A. Arvind Kumar Executive Director and CEO
Period of Contract	5 years up to May 31, 2025	5 years up to August 03, 2028
Severance fees/notice period	The employment may be terminated earlier, without any cause, by either Party by giving 3 months' Notice to the other, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated incentive Remuneration (paid at the discretion of the Board, in lieu of such notice).  There is no separate provision for payment of severance fees.	The employment may be terminated earlier, without any cause, by either Party by giving 3 months' Notice to the other, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated incentive Remuneration (paid at the discretion of the Board, in lieu of such notice).  There is no separate provision for payment of severance fees.

iv. **Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:**

The Company has not granted any stock option to any of its directors.

## 7. GENERAL BODY MEETINGS

a. **Location and time, where last three annual general meetings held:**

Financial Year	Date	Time (IST)	Venue
2022-23	August 04, 2023	11:00 a.m	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars) and SEBI.
2021-22	August 12, 2022	11:00 a.m	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars) and SEBI.
2020-21	August 10, 2021	11:00 a.m	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") in compliance with General Circulars issued by Ministry of Corporate Affairs (MCA Circulars) and SEBI.

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

Financial Year	Date	Special Resolutions passed during last 3 AGMs
2022-23	August 04, 2023	<ul style="list-style-type: none"> <li>To increase the overall Borrowing Limits of the Company</li> <li>To approve the re-appointment of Sri. Krishna Rao S V Gadepalli (DIN: 08199210), as an Independent Director of the Company for a second term of five consecutive years</li> </ul>
2021-22	August 12, 2022	<ul style="list-style-type: none"> <li>To approve the revision in remuneration to be paid to Sri. S. Chandra Sekhar, Managing Director of the company</li> </ul>
2020-21	August 10, 2021	No Special Resolutions were passed

c. **Postal Ballot**

During the last Financial year i.e. FY 2022-23, no special resolutions were passed through postal ballot

During the year under review, the following Resolutions were passed by the Company through Postal Ballot.

During the financial year 2023-24,

- i. Members of the company have approved the resolution, stated below by requisite majority, by means of Postal ballot, conducted by the company by way of remote e-voting pursuant to section 110 of the Companies Act, 2013, on Thursday, October 26, 2023 (being last date of e-voting), the results of which was declared on October 27, 2023.

The details of the voting pattern are given below:

S.No	Resolution	Type of Resolution	No of Votes Polled	Votes Cast in favour		Votes Cast against	
				No of Votes	%	No of Votes	%
1.	Appointment of Sri. Arvind Kumar Anegoni (DIN: 03097192) as an Executive Director of the Company	Special Resolution	35,36,862	35,36,839	99.9993	23	0.0007

- ii. Members of the company have approved the resolution, stated below by requisite majority, by means of Postal ballot, conducted by the company by way of remote e-voting pursuant to section 110 of the Companies Act, 2013, on Friday, January 26, 2024 (being last date of e-voting), the results of which was declared on January 26, 2024.

The details of the voting pattern are given below

S.No	Resolution	Type of Resolution	No of Votes Polled	Votes Cast in favour		Votes Cast against	
				No of Votes	%	No of Votes	%
1.	Appointment of Mr. Suresh Kumar Somani (DIN: 00031096) as a Non-Executive - Non Independent Director of the company	Special Resolution	57,02,308	5,701,451	99.9850	857	0.0150

- iii. Members of the company have approved the resolutions, stated below by requisite majority, by means of Postal ballot, conducted by the company by way of remote e-voting pursuant to section 110 of the Companies Act, 2013, on Wednesday, April 10, 2024 (being last date of e-voting), the results of which was declared on April 11, 2024.

The details of the voting pattern are given below

S.No	Resolution	Type of Resolution	No of Votes Polled	Votes Cast in favour		Votes Cast against	
				No of Votes	%	No of Votes	%
1.	Sub-Division/ Split of existing 1 (One) Equity Share of face value of ₹10/- (Rupees Ten Only) each of the company fully paid up into 10 (ten) equity shares of face value of ₹1 /- (Rupee one only) each, fully paid up	Ordinary Resolution	41,71,260	41,71,134	99.9970	126	0.0030
2.	Alteration of Capital Clause (Clause V) of Memorandum of Association of the Company	Ordinary Resolution	41,71,260	41,71,099	99.9961	161	0.0039
3.	Modification in the Objects and Utilization of Gross Proceeds of the funds raised through issue of convertible warrants by way of preferential allotment dated November 17, 2023 and further monies to be received under the same issue, approved by the shareholders of the company at the EGM held on November 04, 2023, without deviating from the end use of the funds towards wholly owned subsidiary	Special Resolution	41,71,260	41,71,114	99.9965	146	0.0035

#### Person who conducted the postal ballot exercise

The Company has appointed Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries, as Scrutinizer to conduct the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.

As on date, no special resolution is proposed to be conducted through postal ballot;

#### Procedure followed for postal ballot

Pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and

Administration) Rules, 2014 as amended, the Company had issued Postal Ballot Notice to the Members, seeking their consent with respect to the resolutions stated in the notice. In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Companies Act, 2013 read with rules thereunder, the Company had provided remote e-voting facility to all the Members of the Company. The Company engaged the services of National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically. The Board of Directors had appointed Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates,



Practicing Company Secretaries, as Scrutinizer for Postal Ballot process. The Scrutiniser, after the completion of scrutiny, submitted his report to the Chairperson of the Company. Based on the scrutinizer Report, the voting results were declared by the Company in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

#### Extra Ordinary General Meeting

During the year under review, the First Extra-Ordinary General Meeting ("EGM") of the Members of the company for the Financial Year 2023-24 was held on Saturday, November 04, 2023 at 11.00 am through Video Conferencing ("VC") / Other Audio Video Means ("OAVM"), in accordance with the Circulars

issued by Ministry of Corporate Affairs and Securities and Exchange Board of India.

The following Resolution as set out in the Notice of First Extra-Ordinary General Meeting ("EGM") for the Financial Year 2023-24 was passed with requisite majority on the date of the EGM i.e. November 04, 2023.

#### Special Resolution:

Issue of up to 25,61,425 (Twenty-five lakh sixty-one thousand four hundred twenty-five only) Convertible Warrants of ₹10/- each convertible into, or exchangeable for, one equity share of ₹10/- each of the Company within the period of 18 (eighteen months) in accordance with the applicable laws to the persons belonging to promoter, promoter group and non-promoter category on preferential basis.

Type of Poll	Total Number of votes polled	Votes in favour of the Resolution		Votes against the Resolution		Invalid Votes	
		Nos.	%	Nos.	%	Nos.	%
Remote e-Voting	5545661	5539737	99.89	5924	0.11	0	0
e-Voting on the day of EGM	10	10	100.00	-	-	0	0
Total	5545671	5539747	99.89	5924	0.11	0	0

## 8. MEANS OF COMMUNICATION:

The Company believes that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Company disseminates information on its operations and initiatives on a regular basis. The Company's website (<https://www.bhagirad.com/>) serves as an information dissemination platform for all its stakeholders, allowing them to access various details of the Company at their own convenience. It provides comprehensive information about the Company including Company's products, financial performance, Board of Directors and Board Committees, management/key personnel, customer service related, and other statutory/ public disclosures

#### a. Quarterly results

The quarterly/ half-yearly/ annual financial results of the Company are intimated to the Stock Exchanges immediately after the Board Meeting in which they are approved. The quarterly/half-yearly/annual financial results are displayed under 'Investors' section of the Company's website viz. [www.bhagirad.com](http://www.bhagirad.com). They are also filed with the BSE Limited and National Stock Exchange of India Limited (NSE) through their Online Portal, as per the applicable provisions of the SEBI (LO&DR) Regulations, 2015 as amended from time to time. The shareholders are provided with the necessary information with notices sent for the Annual General Meeting / Extraordinary General Meeting. Any other information sought by shareholders is being provided on request.

#### b. Newspapers wherein results normally published

The quarterly/annual Financial results are published in Financial Express (all editions), English Language National Daily; and Mana Telangana (Hyderabad edition), regional language where the Registered Office of the company is situated i.e. Hyderabad

#### c. Website:

The Company's website i.e., <https://www.bhagirad.com/> contains a separate dedicated section 'Investors' where shareholder's information is available. Full text of Annual Report is also available on the website in a user friendly and downloadable format as per the requirement of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

#### d. News Releases, Presentations etc:

The Quarterly results, Shareholding Patterns, Official News releases, analysis and information to investors, etc. are displayed on the company's website: <https://www.bhagirad.com/> as well as the website of the Stock Exchanges where the shares of the Company are listed. The quarterly/annual Financial results are also published in the newspapers. Annual Report containing, inter alia, Audited Standalone Financial Statements and Consolidated Financial Statements, Board's Report, Auditors' Report and other important information, is circulated to members and others entitled thereto. The document is also placed on the Company's website and submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

#### e. Presentations made to institutional investors or to the analysts

During the year under review, the company has not made any presentations to the institutional investors or to the analysts

**Stock Exchange Intimations:** All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the shares of the Company are listed.

**Presentations to Shareholders/ Annual Report:** The Annual Report containing inter - alia Notice of the 31<sup>st</sup> Annual General Meeting, Audited Annual Accounts (Standalone & Consolidated), Directors' Report including Annexure thereto, Auditors Report, Management Discussion and Analysis, Report on Corporate Governance, Secretarial Audit Report and other important information is circulated to Members and others entitled thereto.

**Reminder to Investors:** Reminders for unclaimed/ unpaid dividend and shares thereof, are sent to shareholder. All periodical compliance filings like shareholding pattern, corporate governance report, among others are also filed with BSE Limited and National Stock Exchange of India

Limited (NSE) through their Online Portal.

**Address for communication:** All communication, service requests, queries, such as change of address, bank mandates, nominations, etc. should be addressed to the Registrar and Share Transfer Agent (RTA) of the Company at the following address:

**XL Softech Systems Limited:**

8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034  
Phone: 91-40-23545913/5  
Fax : 91-40-23553214  
E-mail : xlfield@gmail.com

## 9. GENERAL SHAREHOLDER INFORMATION

(a)	<b>Date, time and venue of the Annual General Meeting</b>	Friday, August 09, 2024 at 11:00 a.m. through video conference/ other audio visual means
(b)	<b>Financial year</b>	April 01, 2023 to March 31, 2024
(c)	<b>Dividend Payment date</b>	The Board of Directors of the Company at their meeting held on May 24, 2024, have recommended a final dividend on equity shares at the rate of (10%) i.e. ₹0.10 per equity share of face value of ₹1/- (Rupee One) for the Financial Year ended March 31, 2024 The final dividend, if approved, by the members at the 31 <sup>st</sup> AGM, would be paid within 30 days from the date of the AGM.
	<b>Book Closure</b>	Saturday, August 03, 2024 to Friday, August 09, 2024 (both days inclusive)
(d)	<b>Listing on stock exchanges</b>	i. <b>BSE Limited (BSE)</b> , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 ii. <b>National Stock Exchange of India Limited (NSE)</b> , Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 The annual listing fees for the year 2024-25 has been paid to the above stock exchanges.
(e)	<b>BSE Scrip Code</b>	531719
	<b>NSE Symbol</b>	BHAGCHEM
	<b>Corporate Identification Number(CIN)</b>	L24219TG1993PLC015963
	<b>International Securities Identification Number (ISIN) for equity shares of face value of ₹10/- each under Depository System</b>	INE414D01019
	<b>International Securities Identification Number (ISIN) for equity shares of face value of ₹ 1/- each under Depository System, after Sub-division of face value of Equity Shares from ₹ 10/- to ₹ 1/- with effect from May 02, 2024 "Record Date"</b>	INE414D01027

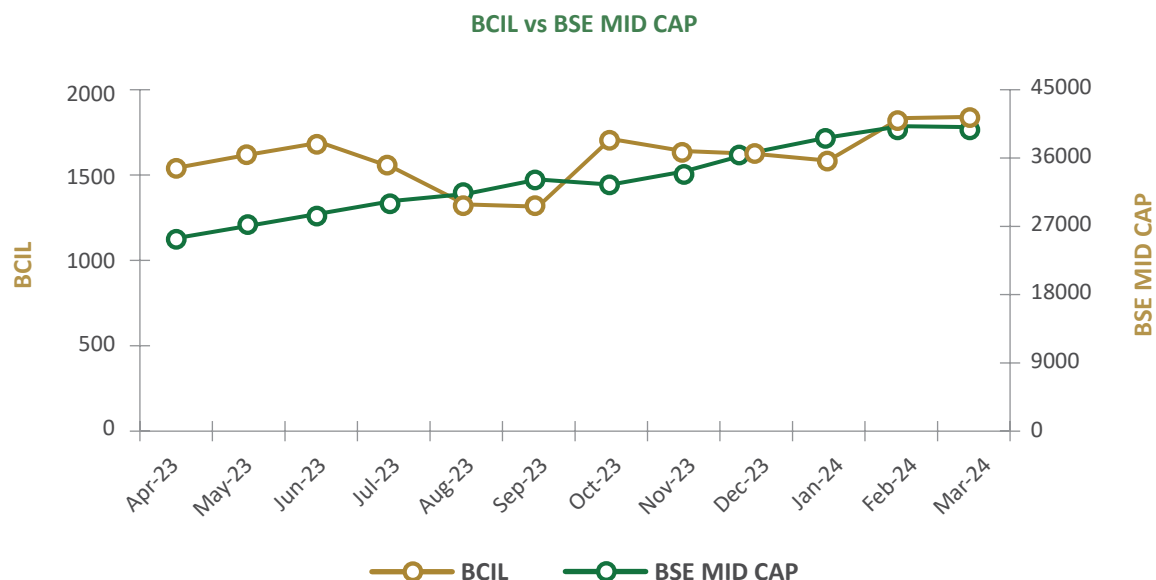
**(f) Market Price Data High, Low during each month in last Financial year**

The monthly high and low price quotations of the company's shares at the BSE Limited during the period from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024

Month	Open Price	High Price	Low Price	Close Price
Apr-23	1225.3	1550	1214	1363.1
May-23	1368.3	1627.05	1301.05	1574.95
Jun-23	1576.05	1699.95	1477.05	1529.2
Jul-23	1523.05	1553	1300	1325.15
Aug-23	1325.7	1336.25	1100	1216.6
Sep-23	1214.15	1323.95	1143.5	1217.1
Oct-23	1243	1720	1243	1520.3
Nov-23	1520.2	1650	1460.2	1498.75
Dec-23	1503.1	1632.6	1420	1531.85
Jan-24	1532.85	1593.9	1165.1	1418.05
Feb-24	1443.35	1841.7	1277	1753.4
Mar-24	1700	1849.95	1525	1611
Apr-24	1643.25	2174	1603.9	1963.3

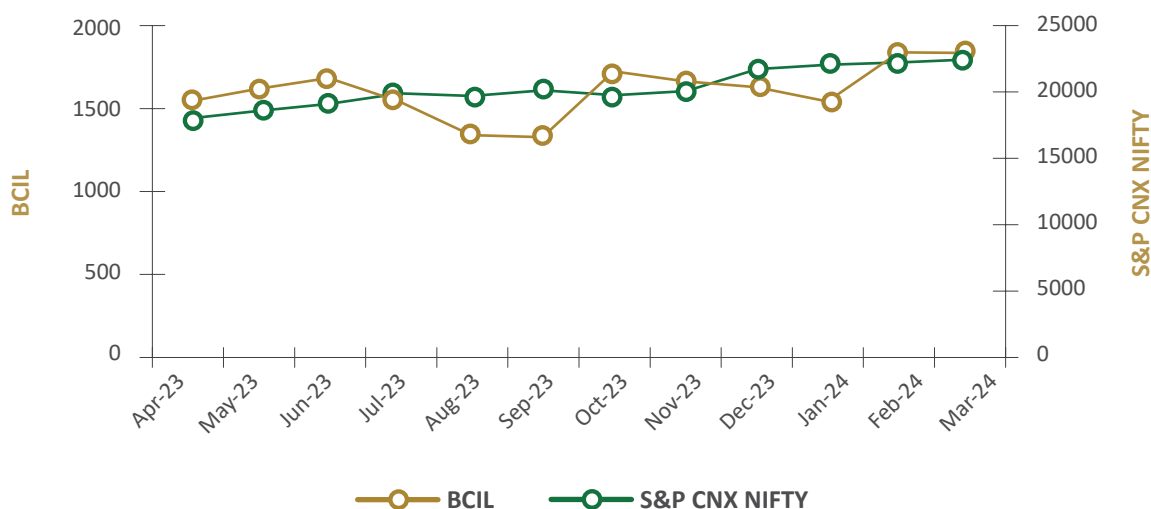
The monthly high and low price quotations of the company's shares at the National Stock Exchange of India Limited (NSE) during the period from 01<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024

Month	Open Price	High Price	Low Price	Close Price
Apr-23	1230	1547	1209.10	1368.60
May-23	1369.50	1625	1338.20	1572.60
Jun-23	1579.25	1689.90	1500	1530.75
Jul-23	1548.35	1548.95	1300	1324.30
Aug-23	1348	1348	1124.95	1208.65
Sep-23	1222	1335.95	1134.95	1216.70
Oct-23	1231.40	1730	1231.40	1524.85
Nov-23	1531	1670	1464.90	1502.15
Dec-23	1517.15	1635	1472.50	1534.85
Jan-24	1549.25	1550	1376.95	1433.25
Feb-24	1468.30	1844	1433.35	1755.05
Mar-24	1794	1840	1512.55	1608.40
Apr-24	1648	1999	1604	1959.45

**(g) Performance in comparison to broad- based indices**



## BCIL vs S&amp;P CNX NIFTY



(h) During the year under review the shares of your Company are not suspended from trading by any of the stock exchange where the shares are listed.

Phone: 91-40-23545913/5

Fax : 91-40-23553214

E-mail : xlfield@gmail.com

(i) **Registrar to an issue and share transfer agents**

For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address

**XL Softech Systems Limited:**

8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034

(j) **Share Transfer System**

All the valid transfers received are processed and approved by the Registrar and Share Transfer Agent of the company i.e XL Softech Systems Limited

(k) **Distribution of Shareholding**

Distribution of shareholding as on 31<sup>st</sup> March, 2024

S. No.	Shareholding of nominal value (₹)	Shareholders		Amount of shareholding	
		Number	%	In (₹)	%
1	up to 5000	3839	90.24	2118070	2.04
2	5001-10,000	137	3.22	1015900	0.98
3	10,001-20,000	92	2.16	1324470	1.27
4	20,001-30,000	36	0.85	931790	0.90
5	30,001-40,000	22	0.52	777620	0.75
6	40,001-50,000	17	0.40	777710	0.75
7	50,001-1,00,000	37	0.87	2678900	2.57
8	1,00,001 & above	74	1.74	94430370	90.75
	<b>Total</b>	<b>4254</b>	<b>100.00</b>	<b>104054830</b>	<b>100.00</b>



## Shareholding Pattern as on March 31, 2024

S.No	Description	No. of shareholder's/ warrant holders	Total Shares held	% Equity	Total Convertible warrants held
<b>A. PROMOTERS</b>					
1.	Promoters	7	19,70,541	18.94	1,12,610
2.	Promoters Bodies Corporate	1	4,76,823	4.58	-
<b>A. Total holding of the Promoter and Promoter Group</b>		<b>8</b>	<b>24,47,364</b>	<b>23.52</b>	<b>1,12,610</b>
<b>B. PUBLIC</b>					
3.	Alternative Investments Funds	3	-	-	3,90,385
4.	Foreign Portfolio Investors	5	16,676	0.16	-
5.	Directors and their relatives (excluding independent directors and nominee directors)	1	1132	0.01	7,505
6.	Key Managerial Person	1	9	0.00	1,875
7.	IEPF	1	19,286	0.19	-
8.	Individuals – i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	3,915	9,29,953	8.94	1,27,145
9..	Individuals – ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	25	25,45,933	24.47	6,53,145
10.	Non Resident Indians	69	1,74,022	1.67	7,505
11.	Bodies Corporate	122	42,17,066	40.53	12,61,255
12.	H U F	142	54,042	0.52	-
<b>B. Total holding of Public</b>		<b>4,284</b>	<b>79,58,119</b>	<b>76.48</b>	<b>24,48,815</b>
<b>Total (A+B)</b>		<b>4,292</b>	<b>1,04,05,483</b>	<b>100</b>	<b>25,61,425</b>

\*The shareholding pattern also includes warrant holders i.e 25,61,425 convertible warrants allotted by the company on November 17, 2023.

## Shareholding pattern of the Promoter and Promoter Group as on March 31, 2024

S.No	Name of the Shareholder	No. of Shares held	Shares as a % of total number of Shares	No of Convertible Warrants held as on 31.03.2024
1.	Singavarapu Chandrasekhar	1590194	15.28	82580
2.	Eadara Jayalaxmi	247321	2.38	-
3.	Singavarapu Lalitha Sree	76470	0.73	-
4.	Kudaravalli Rama Krishna	30882	0.30	30030
5.	T Kalyan Chakravarthi	12500	0.12	-
6.	K Baby (Deceased)	10000	0.10	-
7.	Potini Vijaya Lakshmi	3174	0.03	-
8.	Greenpath Energy Private Limited	476823	4.58	-
Total		2447364	23.52	112610

## Details of Shareholding in physical mode and electronic mode as on March 31, 2024

S.No	Description	No of shares	% of equity
1.	Physical	2,916	0.03
2.	NSDL	74,19,688	71.31
3.	CDSL	29,82,879	28.67
Total		<b>1,04,05,483</b>	<b>100.00</b>

## Categories of Shareholding as on March 31, 2024

Category	*No. of shareholders	No. of shares held	% to Equity	No of Convertible Warrants held
Promoters & Promoter group	8	2447364	23.52	112610
Public	4284	7958119	76.48	2448815
<b>Total</b>	<b>4292</b>	<b>1,04,05,483</b>	<b>100.00</b>	<b>2561425</b>

\*The number of shareholders mentioned above also includes warrant holders to whom the convertible warrants were allotted on November 17, 2023.

### Reconciliation of Share Capital

As stipulated by SEBI, a Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges. The Audit confirms that the total issued / paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### (l) Dematerialization of Shares and liquidity

99.97% of the Company's paid-up equity share capital is in dematerialised form as on March 31, 2024. The total shareholding of promoters and Promoter group is in dematerialised form. The trading of the Equity shares of the company is permitted only in dematerialised form as per the notification issued by SEBI.

The shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in compliance with Regulation 31(2) of SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015

#### (m) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

During the year under review, based on the approval of the members of the Company at Extraordinary General Meeting ("EGM") held on November 04, 2023 and pursuant to in-principle approval granted by BSE Limited and National Stock Exchange of India Limited (NSE), the Board of Directors of the Company at their meeting held on November 17, 2023, allotted 25,61,425 Convertible Warrants of ₹10/- each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company having face value of ₹10/- each at a price of ₹1332/- ("warrant issue price" [including the warrant subscription price (₹333/- per warrant) and the warrant exercise price (₹999/- per warrant] with a premium of ₹1322/- payable in cash, aggregating up to ₹341,18,18,100/- (Rupees Three hundred forty-one crores eighteen lakh eighteen thousand one hundred Only) ("Total Issue Size") on a preferential basis to promoter, promoter group and non-promoter category.

The aforesaid warrants were allotted upon receipt of an amount aggregating to ₹85,29,54,525 (Rupees Eighty-Five Crores Twenty-Nine Lakhs Fifty-Four Thousand Five Hundred and Twenty-Five only) at the rate of ₹333/- per warrant, being 25% of the issue price per warrant as upfront payment ("Warrant Subscription Price") from the 56 allottees,

Each warrant, so allotted, is convertible into or exchangeable for one fully paid-up equity share of the Company having face value of ₹10/- (Rupee Ten) each in accordance with the provisions of SEBI (Issue of Capital and Disclosure

Requirements) Regulations, 2018, on payment of the balance consideration of ₹999/- (Rupees Nine Hundred and Ninety-Nine only) per warrant ("Warrant Exercise Price"), being 75% of the issue price per warrant by the Allottees pursuant to exercise of conversion option against each such warrant, within 18 months from the date of allotment of warrants.

The diluted equity shares capital of the company assuming that the full warrants will be converted to equity shares is ₹12,96,69,080 divided into 12,96,69,080 equity shares of face value of ₹1 each.

After the financial year under review, as on the date of this report, upon receipt of an amount aggregating to ₹203,59,76,985 (Rupees Two Hundred and Three Crores Fifty-Nine Lakhs Seventy Six Thousand Nine Hundred and Eighty-Five only) from 56 warrant holders at the rate of ₹999 per warrant (being 75% of the issue price per warrant as "Warrant Exercise Price") for 20,38,015 No. of Convertible warrants, as per the terms of issue of Warrants, the Share Allotment-Sub Committee of the Board of Directors of the Company at its meeting held on May 09, 2024, allotted 2,03,80,150 No of equity shares of face value of ₹1/- each, upon exercising the option to apply for conversion to fully paid up Equity Shares of the Company by 56 warrant holders

As on the date of this report, 5,23,410 No. of Convertible Warrants are pending for conversion to equity shares of the company.

The Company has not issued any GDRs or ADRs or any other Convertible Instruments except as mentioned above during the period under review.

#### (n) Commodity price risk or foreign exchange risk and hedging activities

As the company is not engaged in commodity business, commodity risk is not applicable. The foreign exchange risk is managed/ hedged to the extent considered necessary as per the policy of the company.

#### (o) Plant Location

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

#### (p) Address for Correspondence

Bhagiradha Chemicals & Industries Limited  
8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2  
Banjara Hills, Hyderabad - 500 034,  
Tel : 0091-40-42221212, 42212323, 23540616  
Fax : 0091-40-23540444  
E-mail : info@bhagirad.com  
Site : [www.bhagirad.com](http://www.bhagirad.com)

**(q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year**

Rating Agency	Facilities Rated	Amount Rated ₹ in Cr	Rating Assigned	Date of Rating
India Ratings and Research (Ind-Ra)	Rupee term loan	24.80	IND BBB+/Positive	September 11, 2023
	Fund-based Facilities	41.50	IND BBB+/Positive/IND A2+	
	Non-fund based facilities	42.30	IND BBB+/Positive/IND A2+	
	Proposed bank facilities	21.40	IND BBB+/Positive/IND A2+	

**10. OTHER DISCLOSURES****a. Disclosure on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large. The details of the related party transactions entered during the year and disclosures as required by the Indian Accounting Standards (IND AS 24) are disclosed in the notes forming part of the financial statements. The policy on Related Party Transactions is hosted on the website of the Company at <https://www.bhagirad.com/>

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

The Company has complied with all applicable rules and regulations prescribed by stock exchanges i.e BSE Limited

and National Stock Exchange of India Limited (NSE), Securities and Exchange Board of India (SEBI) or any other statutory authority relating to the capital markets.

No penalty and/ or stricture has been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**c. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee: (Regulation 22 of the SEBI Listing Regulations)**

The Board of Directors of the Company had adopted the Whistle Blower Policy. A mechanism has been established for employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who avail the mechanism and allows direct access to the Chairperson of the Audit Committee. The Audit Committee reviews periodically the functioning of whistle blower mechanism. There is no complaint received during the Financial Year ended March 31, 2024. No personnel have been denied access to the audit committee. The whistle blower policy has been hosted on the Company's website at <https://www.bhagirad.com/>

**d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with the mandatory requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to the non-mandatory requirements, the Company has complied to the extent stated below:

a	Shareholder rights	Quarterly financial results are published in leading newspaper i.e Financial Express and in vernacular Language where the registered office of the company is situated i.e Mana Telangana. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
b	Modified opinion(s) in audit Report	The Statutory Auditors of the company have issued a unmodified opinion on the financial statements of the company for the FY 2023-24
c	Separate post of Chairman	The Company has a separate post of Chairman
d.	Reporting of Internal Auditors:	Reporting of Internal Auditors: The Internal Auditors make presentations to the Audit Committee on their reports on a regular basis. They submit the Internal Audit Report with observations, reviews, comments and recommendations which they have observed during their Audit along with follow up actions taken by the management. The internal auditor directly reports to the audit committee.
e.	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

**e. Web link where policy for determining 'material' subsidiaries is disclosed**

The Company has a policy of determining 'material' subsidiaries which is hosted on the company's website at <https://www.bhagirad.com/>

**f. Web link where policy for dealing with related party transactions is disclosed**

The Policy on dealing with related party transactions is hosted on the website at <https://www.bhagirad.com/>

**g. Disclosure of commodity price risks and commodity hedging activities.**

As the Company is not engaged in commodity business, commodity risk is not applicable

**h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

The details of utilization of funds raised through issue of convertible warrants on preferential basis are given hereunder:

Mode of Fund Raising	Preferential Issue of Fully Convertible Warrants
Date of Raising Funds	November 17, 2023
Amount Raised	₹85,29,54,525 Allotment of 25,61,425 Convertible Warrants of ₹10/- each convertible into, or exchangeable for, 1 fully paid-up equity share of the Company having face value of ₹10/- each at a price of ₹1332/-, upon receipt of an amount aggregating to ₹85,29,54,525 at the rate of ₹333/- per warrant, being 25% of the total issue price of share warrants as upfront payment ("Warrant Subscription Price") from 56 allottees.
Funds Utilised as on March 31, 2024	₹43,30,00,000

**i. Certificate from a company secretary in practice**

A certificate obtained from Mr. Y. Ravi Prasada Reddy, (M. No: FCS 5783, CP No: 5360), Proprietor of M/s RPR & Associates, Practicing Company Secretaries, Flat No: 401, 4<sup>th</sup> Floor, Sri Sai Sarawathi Nilayam, H.No. 5-5-33/26/A/1, Plot No. 77, Maitri Nagar, Kukatpally, Hyderabad – 500072 stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority, forms part of the Annual Report at Annexure-3 (C) in the Board's Report

**j.** During the year there were no instances where Board had not accepted any recommendation of any Committee of the Board which is mandatorily required.

**k. Remuneration/Fees of Statutory Auditor**

During the year under review, the Company and its Wholly Owned Subsidiary Company had paid the following remuneration/fees to the Statutory Auditors on a consolidated basis:

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

Particulars	Bhagiradha Chemicals and Industries Limited	Bheema Fine Chemicals Private Limited (WOS)
Statutory Auditor	R. Kankaria & Uttam Singhi Chartered Accountants (FRN. No.000442S)	S. Singhvi & Co., Chartered Accountants (FRN. 003872S)
Statutory Audit fee	10.00	1.00
Tax Audit	2.00	-
Others	1.60	-
<b>Total</b>	<b>13.60</b>	<b>1.00</b>

**l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company addresses complaints pertaining to sexual harassment in accordance with the POSH Act.

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace ('POSH') and the same is uploaded on the website of the Company at [www.bhagirad.com](http://www.bhagirad.com). During the year under review, the Company has not received any complaint and no complaints were pending as at the end of the financial year.

The Company periodically conducts awareness programmes for its employees. The following are the summary of sexual harassment complaints received and disposed off during the year:





S. No	Particulars	Status of the No. of complaints received and disposed off
1.	No of complaints filed during the financial year	Nil
2.	No of complaints disposed of during the financial year	Not applicable
3.	No of complaints pending as on end of the financial year	Not Applicable

**m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount - Nil**

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

Bheema Fine Chemicals Private Limited, Wholly Owned Subsidiary Company was being considered to be a Material Subsidiary of the company with effect from April 01, 2023 (being the net worth of Bheema Fine Chemicals Private Limited exceeding ten percent of the consolidated net worth

of the company) as per Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

**11.** The Company has complied with the requirements of corporate governance report under Schedule V, sub-para (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance.

The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

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

a	Shareholder rights	Quarterly financial results are published in leading newspaper i.e Financial Express and in vernacular Language where the registered office of the company is situated i.e Mana Telangana. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
b	Modified opinion(s) in audit Report	The Statutory Auditors of the company have issued a unmodified opinion on the financial statements of the company for the FY 2023-24
c	Separate post of Chairman	The Company has a separate post of Chairman
d.	Reporting of Internal Auditors:	Reporting of Internal Auditors: The Internal Auditors make presentations to the Audit Committee on their reports on a regular basis. They submit the Internal Audit Report with observations, reviews, comments and recommendations which they have observed during their Audit along with follow up actions taken by the management. The internal auditor directly reports to the audit committee.
e.	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

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

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/NA
1.	Board of Directors	17	Yes
2.	Audit Committee	18	Yes
3.	Nomination and Remuneration Committee	19	Yes
4.	Stakeholders Relationship Committee	20	Yes
5.	Risk Management Committee	21	Yes
6.	Vigil Mechanism	22	Yes
7.	Related Party Transaction	23	Yes
8.	Corporate governance requirements with respect to subsidiary of listed entity	24	Yes
9.	Secretarial Audit and Secretarial Compliance Report	24A	Yes
10.	Obligations with respect to Independent Directors	25	Yes
11.	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	26	Yes
12.	Other Corporate Governance requirements	27	Yes
13.	Website	46(2)	Yes

#### Statement of deviation

During the period under review, the company has submitted to the stock exchanges where the shares of the company are listed, a statement of deviation, stating that there was no deviation or variation in the utilization of Preferential Issue proceeds after the same has been reviewed by the Audit Committee and Board. The company shall continue to submit the Statement of deviation till such time the issue proceeds have been fully utilised or the purpose for which these proceeds were raised has been achieved as per the provisions of Regulation 32 of SEBI (LODR) Regulations, 2015.

There was no deviation or variation in the use of proceeds from the preferential issue of convertible warrants from the objects as stated in the explanatory statement to the Notice of the Extra Ordinary General meeting dated October 11, 2023, for the year ended March 31, 2024.

#### Monitoring Agency

During the period under review, the Board has appointed India Ratings and Research (Ind-Ra), Credit Rating agency registered with SEBI as Monitoring Agency for monitoring use of proceeds of the preferential issue of Convertible Warrants (Convertible Warrants allotted on November 17, 2023).

The monitoring agency report issued by India Ratings and Research (Ind-Ra) is submitted to the stock exchange(s) on which the equity shares of the company are listed and is also placed on the website of the company in compliance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

#### Declaration on Code of Conduct

Pursuant to Regulation 26 read with schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I, K. S. Raju, Chairman of the Company, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed the

compliance of the Company's Code of Conduct of the Board of Directors and Senior Management for the financial year 31<sup>st</sup> March, 2024.

#### Compliance Certificate from the Auditors

Certificate from Statutory Auditors of the Company, R Kankaria & Uttam Singhi, Chartered Accountants (FRN. No. 000442S), Hyderabad, confirming Compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

#### CEO and CFO Certification

The Chief Executive Officer and the Chief Financial Officer of the Company had given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The annual certificate given by Chief Executive Officer and the Chief Financial Officer forms part of the Annual Report.

The Chief Executive Officer and the Chief Financial Officer of the Company also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015.

#### Disclosure with respect to Demat suspense account/unclaimed suspense account

There are no shares in Demat suspense account/ unclaimed suspense account

- aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; NIL
- number of shareholders who approached listed entity for transfer of shares from suspense account during the year; NIL



- c. number of shareholders to whom shares were transferred from suspense account during the year; NIL
- d. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares; NIL

#### Disclosure of Agreements Binding Listed Entities under Clause 5A of Paragraph A of Part A of Schedule III

During the year under review, no such agreements as provided under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations were entered by the company.

#### Green Initiative

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the

Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, to Shareholders at their e-mail address registered with the Depository Participants ('DPs') and RTA. Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA.

#### Code of conduct for prevention of insider trading

The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company.

#### Transfer of Un-Claimed Dividends/Shares

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, dividend which remains unclaimed for consecutive 7 (seven) years from the date of transfer to unclaimed dividend account shall be transferred to the Investor Education and Protection Fund ('IEPF') Authority. The following are the year wise dividends remaining unclaimed as on 31.03.2024:

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2024 (In ₹.)	Due Date for transfer to IEPF
2018-19	09-08-2019	62,246.00	09-09-2026
2021-22 (interim dividend)	30-10-2021	7,961.80	30-11-2028
2021-22 (Final Dividend)	12-08-2022	6,134.40	12-09-2029
2022-23 (interim dividend)	04-11-2022	8,730.66	04-12-2029
2022-23 (Final Dividend)	04-08-2023	8,609.40	04-09-2030

#### Nomination Facility

Shareholders whose shares are in physical form and wish to make/change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Companies Act, 2013, may submit to RTA the prescribed Forms SH-13/SH-14. Further, shareholders who want to opt out of the nomination, may submit Form ISR-3, after cancelling his existing nomination, if any, through Form SH-14. The Nomination Forms can be downloaded from the Company's website at <https://www.bhagirad.com/reports/cg/others/investorcomm.pdf>

#### Shares held in Electronic Form

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

#### Shares held in Physical Form

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, e-mails IDs, nomination and power of attorney should be given to the Company's RTA i.e., XL Softech Systems Limited.

#### Mandatory Bank details for Payment of Dividend

As per Regulation 12 of the SEBI Listing Regulations, the Company is providing the facility for payment of dividend through electronic mode permissible by the Reserve Bank of India. The dividend amount will thereby directly be credited to the Member's bank account, maintained with Registrar and Transfer Agents in case of shares held in physical mode or maintained with the Depository Participants in case of shares are held in demat mode. This facility ensures speedier credit of the dividend amount and eliminates the risk of loss / interception of dividend warrants in postal transit and / or fraudulent encashment of Dividend warrants. Members are requested to avail of the facility by registering their complete and correct bank details. The request for registration of the Bank details should be accompanied by an original cancelled cheque and should be sent to XL Softech Systems Limited, Registrar and Transfer Agents of the company (in case of shares held in physical mode) and Depository Participants (in case shares held in demat mode).

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

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, SEBI has mandated all holders of physical securities in listed companies to furnish

PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

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

Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs.

### Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS)

### Registrar & Share Transfer Agents (RTA)

#### XI Softech Systems Limited

Address: Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills, Hyderabad  
500 034, Tel. (040) 23545913/14  
Fax (040) 23553214  
Email: xlfield@gmail.com

### Investor Correspondence:

#### Registered Office Address:

Plot No. 3, Sagar Society,  
Road No.2 Banjara Hills,  
Hyderabad - 500 034,  
Telangana, India.  
Tel : 0091-40-42221212, 42212323, 23540616  
Fax : 0091-40-23540444  
E-mail : info@bhagirad.com  
Site : [www.bhagirad.com](http://www.bhagirad.com)

to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

### Risk Management

The company has constituted a Risk Management Committee of the Board of Directors to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Committee oversees the Risk Management framework of the company. The risk assessment parameters were reviewed and modified, wherever needed.

### Factory Address:

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

### Company Secretary & Compliance Officer:

#### Smt. Sharanya. M

Plot No. 3, Sagar Society,  
Road No.2 Banjara Hills,  
Hyderabad - 500 034, Telangana, India.  
Tel : 0091-40-42221212,  
Fax : 0091-40-23540444  
E-mail : info@bhagirad.com  
Site : [www.bhagirad.com](http://www.bhagirad.com)

## DECLARATION ON CODE OF CONDUCT

Pursuant to Regulation 26 read with schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I, K. S. Raju, Chairman of the Company, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance of the Company's Code of Conduct of the Board of Directors and Senior Management for the financial year 31<sup>st</sup> March, 2024.

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

### Registered Office:

8-2-269/S/3/A  
Plot No. 3, Sagar Society,  
Road No. 2, Banjara Hills,  
Hyderabad – 500 034  
CIN:L24219TG1993PLC015963  
Ph: 040 42221212 / 2323  
E-mail: info@bhagirad.com

**K. S. Raju**  
Chairman  
DIN No.: 00008177

**S. Chandra Sekhar**  
Managing Director  
DIN No.: 00159543

Place: Hyderabad  
Date: May 24, 2024



## CEO & CFO Certification

(As per Regulation 17(8) of SEBI (LO&DR) Regulations, 2015)

To  
The Board of Directors,

**Bhagiradha Chemicals and Industries Limited**

We, Anegondi Arvind Kumar, Executive Director and Chief Executive Officer and B. Krishna Mohan Rao, Chief Financial Officer of Bhagiradha Chemicals and Industries Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed the Financial Statements and the Cash Flow Statements for the financial year ended March 31, 2024 and to the best of our knowledge and belief, we state that:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations..
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and 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, based on our most recent evaluation, wherever applicable, to the auditors and the Audit Committee
  - i. Significant changes, if any, in the internal controls over financial reporting during the year;
  - ii. Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For **Bhagiradha Chemicals and Industries Limited**

Place: Hyderabad  
Date: May 24, 2024

**Anegondi Arvind Kumar**  
Executive Director & Chief Executive Officer  
DIN: 03097192

**B. Krishna Mohan Rao**  
Chief Financial Officer



## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To the Members of

**Bhagiradha Chemicals & Industries Limited**

We have examined the compliance of conditions of corporate governance by **Bhagiradha Chemicals & Industries Limited** (CIN: L24219TG1993PLC015963) ('the Company') for the year ended March 31, 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations for the year ended March 31, 2024.

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

For **R. Kankaria & Uttam Singhi**

Chartered Accountants

ICAI Firm Regi. No.000442S

**Uttam Kumar Singhi**

Partner

Membership No. 027481/ICAI

UDIN No.: 24027481BKGUCF8210

Place: Hyderabad

Date: 24.05.2024



# Independent Auditor's Report

The Members of  
Bhagiradha Chemicals and Industries Limited

## Report on the Audit of the Standalone financial statements

### Opinion

We have audited the accompanying standalone financial statements of **Bhagiradha Chemicals and Industries Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Sl.No	Key Audit Matter	Auditor's Response
1.	<b>Valuation of inventories</b>	
	<p>a) Inventories represent a significant portion of total assets as at March 31, 2024. The Group writes down inventories to net realisable value on account of quality, shelf life and non or slow moving inventories, based on the management's assessment. Assessing net realizable value and identification of quality, non or slow moving inventories are areas which require use of significant judgements and owing to the inherent complexities.</p> <p>Therefore, it has been considered as a key audit matter.</p>	<p>Our principal procedures included the following, but were not limited to:</p> <p>a) Evaluated the design and tested operating effectiveness of internal controls over inventory valuation. Tested the valuation of inventories, on sample basis, by comparing the value of raw materials with the underlying supporting documents. For work in process and manufactured finished goods, verified the bill of materials and tested overhead absorption;</p> <p>b) Evaluated the design of internal controls relating to the management judgments and estimates relating to quality, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls.</p> <p>c) Understood and evaluated the process relating to determination of net realizable value of inventories and identification of quality, shelf life of inventories;</p> <p>d) Obtained age wise analysis of inventories, and evaluated the adequacy of write-down of inventories provided by the management;</p> <p>and</p> <p>e) Assessed the appropriateness of disclosures in standalone financial statements in accordance with the applicable accounting standards.</p>

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

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

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

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

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

## Management's Responsibility for the Standalone financial statements

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

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

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

## Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred on account of unpaid dividend, to the Investor Education and Protection Fund by the Company as at 31<sup>st</sup> March, 2024.
  - iv. (a) As per the written representation received from the management and to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether, directly Or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) As per the written representation received from the management and to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or

- invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with Section 123 of the Companies Act, 2013
- (b) The Board of Directors have proposed final dividend for the year which is subject to the approval of the members at the ensuing annual general meeting. The amount of dividend proposed is in accordance with section 123 of the Companies Act, 2013 as applicable.
- vi. Based on our examination which included test checks and that performed by us, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

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

**Uttam Kumar Singhi**  
Partner

Place: Hyderabad  
Date: 24.05.2024

Membership No.: 027481/ICAI  
UDIN No.: 24027481BKGUCG9815





## Annexure “A” to the Auditor’s Report

Referred to in paragraph 1 under the head “Report on other legal & regulatory requirements” of our report of even date.

- i) a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- c. According to the information and explanations given to us and the records examined by us and based on the examination of the registered title deeds of immovable properties provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold and included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.
- d. The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii). a. The inventory has been physically verified during the year by the management at reasonable intervals and coverage and procedure of such verification is appropriate. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the physical verification and the book records that were more than 10% in the aggregate of each class of inventory.
- b. The Company has been sanctioned working capital limit of ₹ 6150.00 Lakhs, in aggregate, during the year, from bank on the basis of security of its current assets. In our opinion and based on the information and explanations given to us and our verification of the stock statements submitted by the Company to the bank in relation to the aforesaid working capital limits, such stock statements are, broadly in all material respect, in agreement with the books of account of the Company except for the deviations detailed in Note No. 49 of the audited standalone financial statements.
- iii). The Company has made investments in and granted loans or advances in the nature of loans, unsecured, to its subsidiary company during the year. However the company has not provided any guarantee or security to the companies, firms, limited liability partnership or any other parties during the year.
- a. According to the information and explanations given to us, during the year the Company has provided loans to its subsidiary company and the aggregate amount of loan given was ₹ 6700.00 Lakhs and balance outstanding as at balance sheet date is ₹ 6700.00 Lakhs.
- b. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that during the year investment made and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company.
- c. The company has granted loans to its subsidiary amounting to ₹ 6700.00 Lakhs out of which ₹ 2370.00 lakhs is repayable on demand and balance amount of ₹ 4330.00 Lakhs where the schedule of repayment of principal and payment of interest has been stipulated. The company is regular in receipt of interest as per the stipulated terms on the entire amount of loan.
- d. In respect of loans granted by the Company to its subsidiary, there is no overdue amount remaining outstanding as at the balance sheet date.
- e. No loans granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans to the same parties.
- f. According to the information and explanations given to us company has granted loans and advances in the nature of loans which are repayable on demand. The aggregate amount of loan given which is repayable on demand to its subsidiary was ₹ 2370.00 Lakhs which is 35% of the total loan granted, and balance outstanding as at balance sheet date is ₹ 6700.00 Lakhs.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence, the reporting under clause 3(v) of the Order is not applicable.
- vi) The Company has made and maintained cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information and explanations given to us, none of the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues in respect of disputed amount to be deposited in respect of provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues as on 31<sup>st</sup> March, 2024. The dues outstanding in respect of goods and service tax and entry tax on account of any dispute, are as follows:

Nature of Statute	Nature of dues	Amount (₹ In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	71.50	A Y 2010-11	Commissioner of Income Tax (Appeals)
Telangana Tax in Entry of Goods into Local Areas Act, 2001	Entry Tax	3.75	2012-13	High Court for the State of Telangana
	Entry Tax	8.64	2013-14	High Court for the State of Telangana
	Entry Tax	1.61	2014-15	High Court for the State of Telangana
Goods and Service Tax Act, 2017	Goods and Service Tax	65.69	2017-18	Appeal is pending (awaiting for the formation of Tribunal)

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to bank or financial institutions or any other lender during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- c. According to the information and explanations given to us, and on the basis of our examination of the records, the company has taken term loan during the year and has applied the funds for the purpose for which the loans were obtained.
- d. According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the standalone financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- e. According to the information and explanations given to us, and on an overall examination of the standalone financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us, and the audit procedures performed by us, we report that the company has not raised any loans during the year on the pledge of its securities held in its subsidiary, joint ventures or associate company, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x) a. In our opinion, and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of warrants (fully convertible into equity shares) during the year. The Company has received 25% of the issue size amounting to ₹ 8529.54 Lakhs till March 31, 2024. The funds raised, have been used for the purposes for which the funds were raised. The Company has not issued any shares or debentures during the year.
- xi) a. In our opinion, and according to the information and explanations given to us, no fraud has been noticed or reported either on company or by the company during the year.



- b. According to the information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act, 2013 has been filed by auditors in form ADT – 4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with central government.
- c. As represented to us by management, there are no whistle blower complaints received by the company during the year.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with the requirements of section 177 and 188 of Companies Act, 2013 and the same has been disclosed in the Note No. 51 of the audited standalone financial statements, as required by the applicable Ind AS.
- xiv) a. In our opinion and based on our examination, the Company has an internal audit system, commensurate with its size and nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into non cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 is not applicable to the company.
- xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, reporting under clause 3(xv) (a), (b), (c) and (d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors during the year and accordingly clause 3((xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that no material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) According to the information and explanations given to us, there is no unspent amount for projects / ongoing project covered under section 135 of the Companies Act, 2013. Accordingly, reporting requirement in the clause 3(XX) (a) and (b) of the Order is not applicable.
- XXI) According to the information and explanations given to us clause (xxi) of paragraph 3 of the Order is not applicable to the company.

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

**Uttam Kumar Singhi**  
Partner

Place: Hyderabad  
Date: 24.05.2024

Membership No.: 027481/ICAI  
UDIN No.: 24027481BKGUCG9815

## Report on Internal Financial Controls Over Financial Reporting

# Annexure “B” to the Independent Auditor’s Report

of even date on the Standalone financial statements of Bhagiradha Chemicals and Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bhagiradha Chemicals and Industries Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the standalone financial statements.

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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R Kankaria & Uttam Singhi**  
Chartered Accountants  
ICAI Firm Regi. No.0004425

**Uttam Kumar Singhi**  
Partner

Place: Hyderabad  
Date: 24.05.2024

Membership No.: 027481/ICAI  
UDIN No.: 24027481BKGUCG9815



# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	As at 31-03-2024	As at 31-03-2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	17583.54	16388.94
Capital Work - in - Progress	4	325.13	562.54
Other Intangible Assets	5	11.23	12.62
Intangible Assets under Development	6	209.07	33.11
<b>Financial Assets</b>			
Investments	7	4200.00	4200.00
Other Financial Assets	8	667.19	644.04
Loans	9	4330.00	-
Other Non Current Assets	10	41.34	73.81
<b>Total Non Current Assets</b>		<b>27367.50</b>	<b>21915.06</b>
<b>Current assets</b>			
Inventories	11	11014.78	9131.74
<b>Financial Assets</b>			
Investments	12	3849.13	-
Trade receivables	13	10600.81	12876.52
Cash and cash equivalents	14	672.34	216.67
Bank balances other than cash and cash equivalents	15	99.06	94.17
Loans	16	2370.00	-
Other Financial Assets	17	29.15	22.81
Current Tax Assets (Net)	18	.53	11.94
Other Current Assets	19	748.50	366.53
<b>Total Current Assets</b>		<b>29384.31</b>	<b>22720.39</b>
<b>Total Assets</b>		<b>56751.81</b>	<b>44635.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	20	1040.55	1040.55
Other Equity	21	40694.73	30440.28
<b>Total Equity</b>		<b>41735.28</b>	<b>31480.83</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	22	1694.14	1657.19
Other Financial Liabilities	23	91.48	106.73
Deferred tax Liabilities (Net)	24	1877.30	1506.10
<b>Total Non Current Liabilities</b>		<b>3662.92</b>	<b>3270.02</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	25	4447.94	3339.97
Trade payables	26		
a) Total Outstanding dues of Micro and Small enterprises		456.78	219.68
b) Total Outstanding dues of Trade Payables other than Micro and Small enterprises		5832.56	5644.49
Other Financial Liabilities	27	405.89	395.53
Other current liabilities	28	65.14	215.04
Provisions	29	118.83	69.88
Current Tax Liabilities (Net)	30	26.46	-
<b>Total Current Liabilities</b>		<b>11353.60</b>	<b>9884.60</b>
<b>Total Liabilities</b>		<b>15016.53</b>	<b>13154.62</b>
<b>Total Equity &amp; Liabilities</b>		<b>56751.81</b>	<b>44635.45</b>
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the standalone financial statements	3 to 67		

As per our report of even date

**For R Kankaria & Uttam Singhi**  
Chartered Accountants

Firm Registration No.: 000442S

**Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited****K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place : Hyderabad

Date : 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary



## Standalone Statement of Profit & Loss

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>I. Income:</b>			
Revenue from Operations	31	40672.07	50209.13
Other Income	32	480.97	184.38
<b>Total Income (I)</b>		<b>41153.04</b>	<b>50393.50</b>
<b>II Expenses:</b>			
Cost of Materials Consumed	33	27086.70	33739.92
Change in inventories of finished goods and Work in progress	34	(2487.92)	(2398.55)
Employee benefits expense	35	3321.04	2953.83
Financial costs	36	768.81	497.95
Depreciation and amortization expense	37	1096.12	966.63
Other expenses	38	8463.38	8129.57
<b>Total Expenses (II)</b>		<b>38248.13</b>	<b>43889.36</b>
<b>III Profit/(Loss) Before Exceptional Items and Tax (I-II)</b>		<b>2904.91</b>	<b>6504.15</b>
Exceptional Items		-	-
<b>IV Profit/(Loss) After Exceptional Items and Before Tax</b>		<b>2904.91</b>	<b>6504.15</b>
<b>V Tax expense:</b>	41		
Current tax		513.60	1109.32
MAT Credit Utilisation		137.47	556.52
Deferred tax charge/ (credit)		223.60	196.81
Earlier years Tax		-	.50
		<b>874.67</b>	<b>1863.15</b>
<b>VI Profit/(Loss) for the year</b>		<b>2030.24</b>	<b>4640.99</b>
Other Comprehensive Income	39		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain / (loss) on employees defined benefit plan		34.65	(154.99)
Deferred tax credit on above		(10.09)	45.13
<b>Total other Comprehensive Income, net of tax</b>		<b>24.56</b>	<b>(109.86)</b>
<b>Total Comprehensive Income for the year, net of tax</b>		<b>2054.79</b>	<b>4531.14</b>
Earning per equity share of ₹ 1/- each fully paid:	42		
Basic (Annualised) (₹)		1.95	4.56
Diluted (Annualised) (₹)		1.79	4.56
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of			
the standalone financial statements	3 to 67		

As per our report of even date

**For R Kankaria & Uttam Singhi**  
Chartered Accountants

Firm Registration No.: 000442S

**Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited****K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place : Hyderabad

Date : 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary



## Standalone Cash Flow Statement

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	As at 31-03-2024	As at 31-03-2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit Before Tax	2904.91	6504.15
Adjustments for :		
Depreciation and amortization expenses	1096.12	966.63
Loss on sale/ Impairment of property, plant & equipment	12.81	.47
Interest paid	527.38	241.59
Interest income and notional interest income	(310.50)	(108.36)
Net unrealised foreign exchange loss / (gain)	(5.56)	(25.55)
Net income on disposal of investments	(129.11)	-
Gratuity and compensated absence	87.82	81.83
<b>Operating profit before working capital changes</b>	<b>4183.87</b>	<b>7660.75</b>
Changes in working capital :		
(Increase)/Decrease in inventories	(1883.03)	(2338.42)
(Increase)/Decrease in trade receivable	2275.71	(3217.66)
(Increase)/Decrease in other financial and non financial assets	(396.07)	183.59
Increase/(Decrease) in trade payable	425.17	405.56
Increase/(Decrease) in other financial, non financial liabilities & provisions	(239.54)	(210.46)
<b>Cash generated from operations</b>	<b>4366.10</b>	<b>2483.37</b>
Direct taxes paid (Net of refund)	(476.33)	(1194.43)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>3889.77</b>	<b>1288.94</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment (tangible & intangible both), capital work in progress, capital advances and capital creditors	(2122.72)	(2757.16)
Proceeds from sale of property, plant and equipments	-	10.52
Investments in subsidiary company	-	(3300.00)
(Investments)/Disposal of Quoted & unquoted investments (Net)	(3720.03)	-
Loan received back from / (given) to subsidiary company (Net)	(6700.00)	40.49
Investment in or redemption of bank and margin money deposit (having original maturity of more than 12 months)	(15.39)	(12.75)
Investment in or redemption of bank and margin money deposit (having original maturity of more than 3 months)	(4.80)	(11.15)
Investment in or redemption of bank and margin money deposit (having original maturity of less than 3 months)	(500.35)	-
Interest received	295.26	93.12
<b>Net cash flow used in investing activities (B)</b>	<b>(12768.04)</b>	<b>(5936.93)</b>

# Standalone Cash Flow Statement

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	As at 31-03-2024	As at 31-03-2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of equity share capital (Net of right issue expenses)	-	8244.78
Proceeds from issuance of equity share warrants (Net of issue expenses)	8511.82	
Proceeds/(Repayment) of long term borrowings (Net)	36.95	654.18
Proceeds/(Repayment) of short term borrowings (Net)	1107.96	(3711.50)
Dividend Paid	(312.16)	(312.16)
Interest paid	(511.75)	(227.39)
<b>Net cash used in financing activities ( C )</b>	<b>8832.82</b>	<b>4647.91</b>
Effect of exchange differences on translation of balance in EEFC account - cash and cash equivalents (D)	.77	(1.42)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	(45.46)	(.08)
Cash and cash equivalents at the beginning of the year	216.67	218.17
	<b>171.98</b>	<b>216.67</b>
<b>Cash and cash equivalents includes</b>		
Balances with banks		
In current accounts	171.17	215.88
Cash on hand	.81	.79
<b>Total cash and bank balances at the end of year</b>	<b>171.98</b>	<b>216.67</b>

- (i) Refer Notes no. 22.5 - Reconciliation of liabilities arising from financing activities
- (ii) Refer note 40 for amount spent on CSR activities during the years ended March 31, 2024 and 2023.
- (iii) The above cash flow statement has been prepared using the 'Indirect Method' as set out in the IND AS - 7 on Cash Flow Statement as notified by the Central Government under the Companies Act, 2013

As per our report of even date

**For R Kankaria & Uttam Singhi**  
Chartered Accountants

Firm Registration No.: 000442S

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited**

**Uttam Kumar Singhi**

Partner  
Membership No.: 027481/ICAI

**K S Raju**

Chairman  
DIN NO. 00008177

**S Chandra Sekhar**

Managing Director  
DIN NO. 00159543

Place : Hyderabad  
Date : 24.05.2024

**A Arvind Kumar**  
Chief Executive Officer

**B Krishna Mohan Rao**  
Chief Financial Officer

**M Sharanya**  
Company Secretary



## Standalone Statement of Changes in Equity

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### a Equity Share Capital

	AS AT 31-03-2024	
	No. of shares	Amount
<b>For the year ended 31<sup>st</sup> March, 2024</b>		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at April 01, 2023	10,405,483	1040.55
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2023	<b>10,405,483</b>	<b>1040.55</b>
Changes in equity share capital during the current year	-	.00
<b>Balance as at March 31, 2024</b>	<b>10,405,483</b>	<b>1040.55</b>
<b>For the year ended 31<sup>st</sup> March, 2023</b>		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at April 01, 2022	8,309,700	830.97
Changes in Equity Share Capital due to prior period errors	2,095,783	209.58
Restated balance as at April 01, 2022	10,405,483	1040.55
Changes in equity share capital during the current year	-	.00
<b>Balance as at March 31, 2023</b>	<b>10,405,483</b>	<b>1040.55</b>

### b Other Equity

Particulars	Reserves and Surplus			Share warrants	Other items of other comprehensive income	Total
	Security Premium Reserve	General Reserve	Retained Earnings			
<b>As at April 01, 2023</b>	13562.42	902.74	16056.86	-	(81.74)	30440.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at April 01, 2023</b>	<b>13562.42</b>	<b>902.74</b>	<b>16056.86</b>	-	<b>(81.74)</b>	<b>30440.28</b>
Add: Profit for the year transferred to retained earnings	-	-	2030.24	-	-	2030.24
Add: Other Comprehensive Income for the year :						
Remeasurement of employees defined benefit plans	-	-	-	-	34.65	34.65
Deferred tax on above	-	-	-	-	(10.09)	(10.09)
Add : Amount Received against equity share warrants	-	-	-	8529.55	-	8529.55
Less: Issue Expenses	-	-	-	(17.73)	-	(17.73)
Less : Equity Dividend (refer note no. 20.7)	-	-	(312.16)	-	-	(312.16)
<b>As at March 31, 2024</b>	<b>13562.42</b>	<b>902.74</b>	<b>17774.93</b>	<b>8511.82</b>	<b>(57.18)</b>	<b>40694.73</b>
<b>As at April 01, 2022</b>	5524.76	902.74	11728.03	-	28.11	18183.65
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at April 01, 2022</b>	<b>5524.76</b>	<b>902.74</b>	<b>11728.03</b>	-	<b>28.11</b>	<b>18183.65</b>
Add: Profit for the year transferred to retained earnings	-	-	4640.99	-	-	4640.99
Add: Other Comprehensive Income for the year :						
Remeasurement of employees defined benefit plans	-	-	-	-	(154.99)	(154.99)
Deferred tax on above	-	-	-	-	45.13	45.13
Add: Share premium received during the year	8173.55	-	-	-	-	8173.55
Add : Forfeiture of Shares - transfer from share capital	2.46	-	-	-	-	2.46
Less: Right Issue Expenses	(138.35)	-	-	-	-	(138.35)
Less : Equity Dividend	-	-	(312.16)	-	-	(312.16)
<b>As at March 31, 2023</b>	<b>13562.42</b>	<b>902.74</b>	<b>16056.86</b>	-	<b>(81.74)</b>	<b>30440.28</b>
Summary of Significant Accounting Policies	1 to 2					
The accompanying notes are an integral part of the standalone financial statements	3 to 67					

As per our report of even date

**For R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No.: 000442S

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited****Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

**K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place : Hyderabad

Date : 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary

# Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 1. Overview of the Company

Bhagiradha Chemicals & Industries Limited was incorporated on 7<sup>th</sup> July, 1993 in Hyderabad (Telangana). The Company is a public limited company incorporated and domiciles in India and has its registered office at Hyderabad (Telangana). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh and is engaged in manufacture of Crop Protection Chemicals.

The standalone financial statements are approved for issue by the Company's Board of Directors on May 24, 2024.

## 2. Accounting policies

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

### 2.1 Basis of preparation and compliance with IND AS

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited standalone financial statements have been discussed in the respective accounting policies mentioned here below.

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

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy on financial instruments)
- Defined benefit and other long term Employee Benefits.

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

### 2.2 Uses of Estimates & judgments

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

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

### 2.3 Measurement of Fair Values

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

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

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

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

### 2.4 Property Plant and Equipment and Depreciation

- Items of property, plant and equipment are measured





## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes non refundable taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

- b) Subsequent expenditure is capitalised only when cost can be measured reliably and it is probable that the future benefits will flow to the company.
- c) Capital work-in-progress includes property, plant and equipment not ready for their intended use and related incidental expenses and attributable interest.
- d) Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as "Other Non-Current Assets".
- e) Expenditure during construction period:

Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition / construction of property, plant and equipment, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets, if any.

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

Building	03 - 60 Years
Plant and equipment	20 - 25 Years
Plant and equipment - R & D	10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer and data processing equipment	3 Years

- g) The accounting policy related to Leases has been disclosed in Note 2 (13).
- h) Depreciation on tangible property, plant and equipment has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.
- i) Items of property, plant and equipment that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- j) The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

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

### 2.5 Intangible Assets

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets is added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) In respect of Intangible assets amortised on straight line basis - Technical know how over a period of their useful life of 4 years. Computer software over a period of useful life of 3 years and Product development expenses are to be amortised over a period of their useful life of 4 years.
- d) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- e) Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

### 2.6 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidencethat a nonfinancial asset or assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss. The recoverable amount of an asset or cash-generating unit (as defined below) is higher of an asset's fair value less costs of disposal and its value in use. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the

# Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”).

## 2.7 Borrowing Costs

Borrowing cost directly attributable to acquisition and construction of qualifying assets (Qualifying asset is an asset which necessarily takes substantial period to get ready to use or sale) should be capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are interest and other costs that the company incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing cost include interest costs measured at EIR.

## 2.8 Research and Development Cost

Research and development costs incurred for development of products are expensed as incurred. Capital expenditure on research and development is included as part of assets and depreciated on the same basis as other assets.

## 2.9 Non Current Assets held for Sale

Non-current assets are classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Statement of Profit and Loss. Once classified as held-for sale they are no longer depreciated.

## 2.10 Inventories

- Inventories are valued at lower of cost or net realizable value on an item-by-item basis.
- Raw materials, packaging materials, consumables and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.
- Work in progress and manufactured finished goods are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress is determined by considering direct materials, labour costs, conversion costs, including an appropriate share of fixed production overheads based on normal operating capacity and other related costs incurred in bringing the inventories to their present condition and location. Cost of traded goods is determined on a cost basis and other related

costs incurred in bringing the inventories to their present condition and location

- Goods in transit/warehouse are valued at cost which represents the cost incurred up to the stage at which the goods are in transit/warehouse.
- Provision of obsolescence on inventories is considered on the basis of management’s estimate based on demand and market of the inventories.
- Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

## 2.11 Cash and Cash Equivalents

Cash comprises of cash at bank and on hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

## 2.12 Cash Flow Statement

Cash flows are reported using indirect method as set out in IND AS 7, “Statement of Cash Flows”, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the Company are segregated.

## 2.13 Leases

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

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

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

As a lessee, the Company recognises a right of-use asset and a lease liability at the lease commencement date. The right



## Notes to Standalone Financial Statements

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

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

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

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

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

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

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

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

### 2.14 Revenue Recognition

- a) Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to the performance obligation. The transaction price of goods sold and services rendered is net off variable consideration on account of various discounts and schemes offered by the company as a part of contract including Taxes.
- b) Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

- c) Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of exports made.
- d) Duty drawback received pursuant to the Duty Drawback Scheme is accounted on an accrual basis, to the extent it is probable that realization is certain.
- e) Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate method to the net carrying amount of the financial assets.

### 2.15 Income Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

#### a) Current Tax

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

#### b) Deferred Tax

Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are

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re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in other equity.

Deferred tax assets and liabilities are offset only if: a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

The Company does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

### c) Minimum Alternate Tax

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

## 2.16 Employees Benefits

### a) Short-term obligations

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

### b) Other long-term employee benefit obligations

#### i. Defined contribution plans

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company

does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

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

#### ii. Defined benefit plans

**Gratuity:** The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise. The gratuity benefit is funded with the Life Insurance Corporation of India (LIC).

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

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

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

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

## 2.17 Foreign Currency Transactions

### a) Functional and presentation currency

Initial recognition - Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction. The financial statements are



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presented in Indian rupee (INR), which is the Company's functional and presentation currency.

### b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss. All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.18 Provisions and Contingencies

- a) A provision is recognised, if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.
- b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made but disclosed in the notes.

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

### 2.19 Government Grants

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

### 2.20 Earnings per Shares

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

and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### 2.21 Operating Cycles

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products/ activities of the Company, the management has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### 2.22 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in other equity as a deduction, net of tax, from the proceeds.

### 2.23 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's board of directors.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable taxes

### 2.24 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

### 2.25 Financial Instruments

#### a) Financial Assets

##### i) Recognition and initial measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value through profit and loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss. However, Trade receivables that do not contain a significant financing component are measured at transaction price.

##### ii) Subsequent measurement

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

##### Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are



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recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

### Financial assets at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

### Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.

### Financial instruments measured at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

### iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

### iv) Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require

the Company to track changes in credit risk. Rather, It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### b) Financial Liabilities

#### i) Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial liability is initially measured at fair value, in case of financial liability which is recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the issue of a financial liability.

#### ii) Subsequent measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is classified as held-for-trading, or as a derivative or if designated as such on initial recognition. Financial liabilities 'at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

#### iii) Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability is extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

#### iv) Setting off financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### c) Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a



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derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

### 2.26 Investments

#### Investments in Subsidiary

Investment in subsidiary are measured at cost less impairment loss, if any.

#### Investments in Debt Mutual Funds

Fair value of investments in debt mutual funds is determined on the basis of quoted market price at the reporting date.

### 2.27 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

#### a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### b) Taxes

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

#### c) Defined benefit plans (gratuity benefits and Compensated Absences)

The cost of the defined benefit plans such as gratuity and Compensated Absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

#### d) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

### 2.28 Segment reporting

The Company operates only in one business segment viz. 'manufacturing and sales of crop protection chemicals' and hence no separate information for primary segment wise disclosure as per Ind AS 108 is required.

The Company prepares the segment information as per geographic location and prepare the Company's revenues and non-current assets as per country of domicile and other continents. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

### 2.29 Standards that became effective during the year

Ministry of corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting standards) Rules as issued from time to time. For the year ended March 31 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

### 2.30 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

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### 3 PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
<b>Gross carrying value</b>									
Balance as at April 01, 2023	430.78	2199.69	19400.70	1822.86	47.55	66.79	51.30	114.23	24133.91
Additions	190.50	295.23	1597.55	105.10	5.57	9.77	25.48	60.95	2290.15
Deductions / Adjustments	-	-	250.95	-	-	-	-	-	250.95
<b>Balance as at March 31, 2024</b>	<b>621.28</b>	<b>2494.92</b>	<b>20747.30</b>	<b>1927.96</b>	<b>53.12</b>	<b>76.56</b>	<b>76.78</b>	<b>175.17</b>	<b>26173.11</b>
<b>Accumulated Depreciation</b>									
Opening Accumulated depreciation	-	719.24	5782.49	1064.17	30.93	53.48	25.84	68.82	7744.97
Depreciation charge during the year	-	78.72	845.61	127.41	2.64	5.79	13.38	9.17	1082.72
Disposal/Adjustments	-	-	238.14	-	-	-	-	-	238.14
Closing Accumulated depreciation	-	<b>797.96</b>	<b>6389.97</b>	<b>1191.58</b>	<b>33.57</b>	<b>59.27</b>	<b>39.22</b>	<b>77.99</b>	<b>8589.56</b>
<b>Net Carrying amount as at 31.03.2024</b>	<b>621.28</b>	<b>1696.96</b>	<b>14357.33</b>	<b>736.38</b>	<b>19.55</b>	<b>17.29</b>	<b>37.56</b>	<b>97.18</b>	<b>17583.54</b>
<b>Gross carrying value</b>									
Balance as at April 01, 2022	440.46	2119.86	17216.25	1704.09	43.77	63.85	31.08	71.22	21690.58
Additions	-	79.84	2207.18	130.24	3.78	2.93	20.22	43.01	2487.21
Deductions / Adjustments	9.68	-	22.73	11.47	-	-	-	-	43.88
<b>Balance as at March 31, 2023</b>	<b>430.78</b>	<b>2199.69</b>	<b>19400.70</b>	<b>1822.86</b>	<b>47.55</b>	<b>66.79</b>	<b>51.30</b>	<b>114.23</b>	<b>24133.91</b>
<b>Accumulated Depreciation</b>									
Opening Accumulated depreciation	-	652.66	5050.35	953.07	28.71	48.04	15.76	63.35	6811.95
Depreciation charge during the year	-	66.58	746.64	119.82	2.22	5.44	10.08	5.46	956.23
Disposal/Adjustments	-	-	14.49	8.72	-	-	-	-	23.21
Closing Accumulated depreciation	-	<b>719.24</b>	<b>5782.49</b>	<b>1064.17</b>	<b>30.93</b>	<b>53.48</b>	<b>25.84</b>	<b>68.82</b>	<b>7744.97</b>
<b>Net Carrying amount as at 31.03.2023</b>	<b>430.78</b>	<b>1480.45</b>	<b>13618.21</b>	<b>758.69</b>	<b>16.62</b>	<b>13.31</b>	<b>25.47</b>	<b>45.41</b>	<b>16388.94</b>

3.1 The company has not carried out any revaluation of property, plant and equipment during the current or previous reporting year.

3.2 Property, plant and equipment charged as security: Refer to Note no 22 and 25 for information on property, plant and equipment charged to lenders as security.



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for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 4 CAPITAL WORK IN PROGRESS (Assets under installation)

Particulars	Buildings	Plant and equipment	Electrical Installations	Total Capital Work in progress
<b>As at April 01, 2023</b>	133.89	414.17	14.48	562.54
Additions	252.36	1404.40	103.71	1760.47
Deductions / Capitalised	295.23	1597.55	105.10	1997.88
<b>As at March 31, 2024</b>	<b>91.02</b>	<b>221.02</b>	<b>13.09</b>	<b>325.13</b>
<b>As at April 01, 2022</b>	-	300.95	2.35	303.30
Additions	213.73	2320.40	142.37	2676.50
Deductions / Capitalised	79.84	2207.18	130.24	2417.26
<b>As at March 31, 2023</b>	<b>133.89</b>	<b>414.17</b>	<b>14.48</b>	<b>562.54</b>

#### 4.1 Capital Work in Progress - Ageing Schedule :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>AS AT 31-03-2024</b>					
Project in Progress					
Capital Expenditure related to Buildings	91.02	-	-	-	91.02
Capital Expenditure related to Plant and equipment	221.02	-	-	-	221.02
Capital Expenditure related to Electricals installations	13.09	-	-	-	13.09
<b>Total</b>	<b>325.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>325.13</b>

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>AS AT 31-03-2023</b>					
Project in Progress					
Capital Expenditure related to Buildings	133.89	-	-	-	133.89
Capital Expenditure related to Plant and equipment	414.17	-	-	-	414.17
Capital Expenditure related to Electricals installations	14.48	-	-	-	14.48
<b>Total</b>	<b>562.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>562.54</b>

## Notes to Standalone Financial Statements

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### 5 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2023	1.79	40.70	50.73	93.22
Additions	-	-	12.00	12.00
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>1.79</b>	<b>40.70</b>	<b>62.73</b>	<b>105.22</b>
Amortisation				
As at April 01, 2023	1.72	40.70	38.18	80.59
Charge for the year	-	-	13.40	13.40
Disposal	-	-	-	-
<b>As at March 31, 2024</b>	<b>1.72</b>	<b>40.70</b>	<b>51.57</b>	<b>93.99</b>
<b>Net Carrying amount as at 31.03.2024</b>	<b>.07</b>	<b>-</b>	<b>11.16</b>	<b>11.23</b>
Gross carrying value				
Balance as at April 01, 2022	1.79	40.70	50.73	93.22
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at March 31, 2023</b>	<b>1.79</b>	<b>40.70</b>	<b>50.73</b>	<b>93.22</b>
Amortisation				
As at April 01, 2022	1.72	40.70	27.78	70.20
Charge for the year	-	-	10.40	10.40
Disposal	-	-	-	-
<b>As at March 31, 2023</b>	<b>1.72</b>	<b>40.70</b>	<b>38.18</b>	<b>80.59</b>
<b>Net Carrying amount as at 31.03.2023</b>	<b>.07</b>	<b>-</b>	<b>12.55</b>	<b>12.62</b>

5.1 The company has not carried out any revaluation of intangible assets during the current or previous reporting year.

### 6 INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible Assets under development	Product Registration	Computer Software	Total Capital Work in progress
As at April 01, 2023	33.11	-	33.11
Additions	44.96	142.99	187.95
Deductions	12.00	-	12.00
<b>As at March 31, 2024</b>	<b>66.08</b>	<b>142.99</b>	<b>209.07</b>
As at April 01, 2022	29.81	-	29.81
Additions	3.30	-	3.30
Deductions	-	-	-
<b>As at March 31, 2023</b>	<b>33.11</b>	<b>-</b>	<b>33.11</b>





## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 6 INTANGIBLE ASSETS UNDER DEVELOPMENT (Contd.)

#### 6.1 Capital Work in Progress - Ageing Schedule :

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>AS AT 31-03-2024</b>					
Project in Progress					
Product Registration	44.96	21.11	-	-	66.08
Computer Software	142.99	-	-	-	142.99
<b>Total</b>	<b>187.95</b>	<b>21.11</b>	<b>-</b>	<b>-</b>	<b>209.07</b>

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>AS AT 31-03-2023</b>					
Project in Progress					
Product Registration	3.30	21.41	-	8.40	33.11
<b>Total</b>	<b>3.30</b>	<b>21.41</b>	<b>-</b>	<b>8.40</b>	<b>33.11</b>

6.1.a. Intangible Assets under Development as at 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023 comprise expenditure for the development and registration of product, considering there are no stipulated timelines for completion of registration activities.

### 7 FINANCIAL ASSETS - INVESTMENTS - NON CURRENT

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Investments in Equity Instruments (Unquoted)</b>		
<b>Investments in Subsidiary (Valued at cost unless stated otherwise)</b>		
Bheema Fine Chemicals Private Limited		
(420,00,000 Equity Shares (Previous Year 420,00,000 Equity Shares) face value of ₹ 10/- each per Share)	4200.00	4200.00
<b>Total</b>	<b>4200.00</b>	<b>4200.00</b>

### 8 OTHER FINANCIAL ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Non Current</b>		
Security Deposits	381.97	374.21
<b>Balances with Banks:</b>		
In Fixed deposit towards Margin Money maturing after 12 months from the balance sheet date.*	188.35	174.77
In Fixed deposit accounts maturing before 12 months from the balance sheet date.#	74.41	71.02
Interest accrued on margin money & fixed deposits	22.46	24.04
<b>Total</b>	<b>667.19</b>	<b>644.04</b>

\*Under lien against letter of credit and bank guarantee

#Deposit made against liability towards sales tax deferment as per the orders of the Honorable High Court of Andhra Pradesh.

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 9 NON CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Unsecured, considered good</b>		
Loan to Subsidiary	4330.00	-
<b>Total</b>	<b>4330.00</b>	<b>-</b>

9.1 Loan provided to subsidiary Bheema Fine Chemicals Private Limited. The interest is charged at a rate between 7.25% to 9.65% per annum on the amount outstanding.

### 10 OTHER NON CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured - considered good unless otherwise stated		
Capital Advances	41.34	73.81
<b>Total</b>	<b>41.34</b>	<b>73.81</b>

### 11 INVENTORIES

Particulars	As at 31-03-2024	As at 31-03-2023
Valued at Cost or net realisable value whichever is lower		
Raw Materials	1951.62	1668.40
Raw Materials in bonded ware house	685.36	1547.43
Work in progress	1896.86	1704.56
Finished Goods	5830.57	3534.95
Packing Materials	16.43	32.39
Coal & Fuel	326.12	313.45
Stores, spares & consumables	307.83	330.56
<b>Total</b>	<b>11014.78</b>	<b>9131.74</b>

11.1 The above inventories stand hypothecated in favour of banks against short term-borrowings. (Refer note no 25)

### 12 INVESTMENTS - CURRENT

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Mutual funds (Quoted)</b>		
(carried at fair value through profit and loss)		
AXIS - OVERNIGHT FUND REGULAR GROWTH (No. of units 31 March 2024: 1,34,697.379, 31 March 2023: Nil)	1701.26	-
SBI - OVERNIGHT FUND REGULAR GROWTH (No. of units 31 March 2024: 55,803.230, 31 March 2023: Nil)	<b>2147.87</b>	-
<b>Total</b>	<b>3849.13</b>	<b>-</b>



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 13 TRADE RECEIVABLE

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Unsecured:</b>		
Considered good	10600.81	12876.52
Which have significant increase in credit risk	-	-
Credit impaired	-	-
	<b>10600.81</b>	<b>12876.52</b>
Less : Allowance for bad debts	-	-
<b>Total</b>	<b>10600.81</b>	<b>12876.52</b>

#### 13.1 Receivables from related parties

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor from firms or Private companies in which a director is interested as on 31.03.2024. As on 31.03.2023, a receivable amount of ₹ Nil was due under this category.

13.2 Trade receivables are non - interest bearing and generally on terms of 30 to 180 days

13.3 Refer Note. 25 for details of security charge on Trade receivables.

13.4 Ageing of trade receivables (Unsecured - Current) :

As at 31.03.2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	8206.79	2394.02	-	-	-	-	10600.81
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

As at 31.03.2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	10085.22	2791.30	-	-	-	-	12876.52
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 13 TRADE RECEIVABLE (Contd.)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

### 14 CASH & CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Balances with banks in current accounts	11.26	5.37
Balances with banks in EEFC accounts	159.92	210.50
Deposits with original maturity of less than 3 months	500.35	-
Cash on hand	.81	.79
<b>Total</b>	<b>672.34</b>	<b>216.67</b>

### 15 OTHER BANK BALANCES

Particulars	As at 31-03-2024	As at 31-03-2023
Margin Money with original maturity of more than 3 months but less than 12 months *	97.51	92.71
Balances with banks in unclaimed dividend accounts	.94	.85
Others - PGSI Card	.61	.61
<b>Total</b>	<b>99.06</b>	<b>94.17</b>

\*Under lien against letter of credit and bank guarantee

### 16 CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured, considered good		
Loan to Subsidiary	2370.00	-
<b>Total</b>	<b>2370.00</b>	<b>-</b>

16.1 Loan provided to subsidiary (Bheema Fine Chemicals Private Limited) is repayable on demand. The interest is charged at a rate between 7.25% to 9.65% per annum on the amount outstanding.

### 17 OTHERS FINANCIAL ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Current (Unsecured - considered good unless otherwise stated)		
Staff Advances	6.11	9.38
Accrued Interest on deposits	23.04	13.43
<b>Total</b>	<b>29.15</b>	<b>22.81</b>



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 18 CURRENT TAX ASSETS (NET)

Particulars	As at 31-03-2024	As at 31-03-2023
Income tax refund receivable (Net of provision)	.53	11.94
<b>Total</b>	<b>.53</b>	<b>11.94</b>

### 19 OTHER CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Current (Unsecured - considered good unless otherwise stated)		
Advance to suppliers	44.62	90.13
Advance towards expenses	24.97	35.76
Prepaid Expenses	171.24	174.06
Balance with statutory/Government Authorities	507.67	66.59
<b>Total</b>	<b>748.50</b>	<b>366.53</b>

### 20 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Authorised</b>		
15,000,000 Equity Shares of ₹ 10/- each	1500.00	1500.00
<b>Total</b>	<b>1500.00</b>	<b>1500.00</b>
<b>Issued, Subscribed &amp; Paid up</b>		
1,04,05,483 Equity Shares of ₹ 10/- each with Voting Rights Fully Paid up	1040.55	1040.55
<b>Total</b>	<b>1040.55</b>	<b>1040.55</b>

#### 20.1 RECONCILIATION OF NUMBER OF SHARES:

Particulars	As at 31-03-2024	As at 31-03-2023
Number of Equity Shares at the beginning of the year	10,405,483	8,309,700
Add: Number of shares issued during the year	-	2,095,783
Number of Equity Shares at the end of the year	<b>10,405,483</b>	<b>10,405,483</b>

#### 20.2 RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### 20.3 SHARES HELD BY ASSOCIATE COMPANY :

Particulars	As at 31-03-2024	As at 31-03-2023
	Number of Shares	Number of Shares
Greenpath Energy Private Limited	<b>476,823</b>	<b>476,823</b>



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 20 EQUITY SHARE CAPITAL (Contd.)

#### 20.4. DETAILS OF SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri. Singavarapu Chandra Sekhar	1,590,194	15.28%	1,590,194	15.28%
Ratnabali Investment Private Limited	1,449,457	13.93%	1,449,457	13.93%
Sri. R Venkata Narayana	620,005	5.96%	627,305	6.03%

**20.4.1.** As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### 20.4.2 DETAILS OF SHARES HELD BY PROMOTERS AT THE END OF THE YEAR :

##### 20.4.2 (a) As at 31.03.2024

Particulars	No. Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	1,590,194	15.28%	0.00%
Greenpath Energy Private Limited	476,823	4.58%	0.00%
Smt. Edara Jayalaxmi	247,321	2.38%	0.00%
Smt. Singavarapu Lalitha Sree	76,470	0.73%	0.00%
Sri. Kudaravalli Rama Krishna	30,882	0.30%	0.00%
Sri. T Kalyan Chakravarthi	12,500	0.12%	0.00%
Smt. K Baby	10,000	0.10%	0.00%
Smt. Potini Vijaya Lakshmi	3,174	0.03%	0.00%

##### 20.4.2 (b) As at 31.03.2023

Particulars	No. Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	1,590,194	15.28%	(0.21)%
Greenpath Energy Private Limited	476,823	4.58%	0.06%
Smt. Edara Jayalaxmi	247,321	2.38%	0.03%
Smt. Singavarapu Lalitha Sree	76,470	0.73%	0.01%
Sri. Kudaravalli Rama Krishna	30,882	0.30%	0.00%
Sri. T Kalyan Chakravarthi	12,500	0.12%	0.00%
Smt. K Baby	10,000	0.10%	(0.02)%
Smt. Potini Vijaya Lakshmi	3,174	0.03%	0.00%

**20.5** During the previous year, the Company completed the Rights Issue to eligible equity shareholders - 19,55,083 shares and to eligible employees -1,40,700 shares aggregating to 20,95,783 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 400/- per equity share (including a premium of ₹ 390/- per share which has been credited to securities premium).

Amount utilized towards Rights Issue expenses of ₹ 138.35 lakhs was charged to Securities Premium.

**20.6** The Company has not allotted any equity shares as fully paid up without receiving cash or as bonus shares or bought back any equity shares.

#### 20.7 Dividend

Dividends paid during the year ended March 31, 2024 include an amount of ₹ 3.00 per equity share towards final dividend for the year ended March 31, 2023. Dividends paid during the year ended March 31, 2023 include an amount of ₹ 2.00 per equity share towards final dividend for the year ended March 31, 2022 and an amount of ₹ 1.00 per equity share towards interim dividends for the year ended March 31, 2023.

The Board of Directors at their meeting held on May 24, 2024, recommended a final dividend of ₹0.10 @ 10% per equity shares of ₹1/- each amounting to ₹0.10 for the financial year ended March 31, 2024. Final dividend is subject to the approval of the shareholders.



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 21 OTHER EQUITY

Particulars	As at	
	31-03-2024	31-03-2023
<b>Securities Premium Reserves</b>		
Balance at the beginning of the year	13562.42	5524.76
Add : issued During the Year	-	8173.55
Add : Forfeiture of Shares - transfer from share capital	-	2.46
Less : Right issue expenses	-	138.35
	13562.42	13562.42
Advance against share warrants		
Balance at the beginning of the year	-	-
Add : Amount Received against equity share warrants (Refer Note. 21.1.b)	8529.55	-
Less : Issue Expenses	17.73	-
	8511.82	-
<b>General Reserve</b>		
Balance at the beginning of the year	902.74	902.74
<b>Retained earnings</b>		
Balance at the beginning of the year	15975.12	11756.15
Less : Equity Dividend (Refer Note 20.7)	312.16	312.16
Add: Profit for the year	2030.24	4640.99
Add: Other Comprehensive Income/ (loss) net of deferred tax	24.56	(109.86)
Balance at the end of the year	17717.75	15975.12
<b>Total</b>	<b>40694.73</b>	<b>30440.28</b>

#### 21.1 Nature and purpose of reserves

- Securities premium reserve - Securities premium is used to record the premium on issue of shares. This will be utilised in accordance with the provisions of the Act."
- Equity Component of Financial Instruments (subscription against equity share warrants) : During the year, the Company has issued 25,61,425 share warrants @ ₹ 1332/- (Face value ₹ 10/-) each. The Company has received ₹ 333/- per share warrant upfront i.e. 25% of the total issue price amounting to ₹ 8529.55 Lakhs. As per the terms of issue, the balance amount of ₹ 999/- (Rupees Nine Hundred and Ninety- Nine only) per warrant will be called within 18 months which is equivalent to remaining 75% (Seventy- five per cent) of the Warrant Issue Price. The Warrant Holders shall be entitled to exercise their option to convert each warrant into one Equity Shares of ₹ 10/- each(10 shares of ₹1/- each post share split), upon payment of balance amount.
- General reserve - : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- Retained earnings is the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders. Positive balance of retained earnings represents net earnings till date.

### 22 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at	
	31-03-2024	31-03-2023
<b>Non Current Borrowings</b>		
<b>Term Loan (Secured)</b>		
From Axis Bank Limited	2093.33	1943.51
<b>Other Loans (Unsecured)</b>		
Sales tax deferment	165.90	167.30
	<b>2259.23</b>	<b>2110.81</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 22 FINANCIAL LIABILITIES - BORROWINGS (Contd.)

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Current Maturities of non current borrowings</b>		
<b>Term Loan (Secured)</b>		
From Axis Bank Limited	500.00	375.00
<b>Other Loans (Unsecured)</b>		
Sales tax deferment	65.09	78.62
	565.09	453.62
<b>Total</b>	<b>1694.14</b>	<b>1657.19</b>

#### 22.1 Details of Indian Rupee Term Loan from banks are as under:

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
<b>From Axis Bank Limited</b>				
<b>Term Loan</b>				
Sanction Amount	2475.00	17 Quarterly installments of	July 2023	As on 31.03.2024
Outstanding As on 31-03-2024	2100.00	1.25 Cr. each & 2 Installments		1 YR MCLR + 0.35%
Outstanding As on 31-03-2023	1953.13	of 1.75 Cr each.		i.e 9.65%

**22.2** Term loan by Axis Bank Limited is secured by exclusive first charge on fixed assets created out of the term loan extended by the term lender and also by pari passu first charge on the movable fixed assets (Except vehicles) and immovable fixed assets of the Company (including EM of the Company land and buildings but excluding agricultural lands lying in the name of the Company not charged to any bank) along with other lenders.

**22.3** Government of Andhra Pradesh vide letter No.20/2/6/1369/ID dated 08-10-1996 and letter No.30/1/2002/0300/0300/ FD dated 10-04-2002 had sanctioned sales tax deferment for an amount of ₹ 918.54 lakhs and ₹ 514.50 lakhs respectively for a period of 14 years to the Company in respect of Chlorpyriphos plant. The sanction of ₹ 9,18,54,000/- under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28<sup>th</sup> February, 2010 and sanction of ₹ 514.50 lakhs under letter No.30/1/2002/0300/0300/FD dated 10-04-2002 has expired its utilisation on 14<sup>th</sup> February, 2016. The Company has availed an aggregate deferment loan of ₹ 563.17 lakhs under the above sanctions. The repayment has commenced and an amount of ₹ 328.26 lakhs has been paid till 31.03.2024. Additionally, the deferment amount payable for the years 2019-20, 2020-21 & 2021-22 aggregating to ₹ 62.20 lakhs was placed in the form of fixed deposits with banks as per orders of the Honourable High Court of AP. Thus the liability under sales tax deferment reflected is inclusive of the above deposits which have to be paid to the government as per the final orders to be received.

**22.4. a.** The Company has not obtained term loan from any Bank/ Financial Institution during the financial year 2023–24, however, the Company has drawn ₹ 531 lakhs only out of the sanctioned amount of the term loan pertaining to FY 2022-23.

Particulars of Loans	Amount Disbursed ₹ in Lakhs	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
Term Loan sanctioned by Axis Bank Limited	531	Towards Capital expenditure in property plant and equipment	Yes	-

**22.4. b.** The Company has been sanctioned new term loan of ₹ 2475 lakhs during the financial year 2022–23, however, the Company has drawn ₹ 1944 lakhs only out of the sanctioned amount.

Particulars of Loans	Amount Disbursed ₹ in Lakhs	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
Term Loan sanctioned by Axis Bank Limited	1,944	Towards Capital expenditure in property plant and equipment	Yes	-



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 22 FINANCIAL LIABILITIES - BORROWINGS (Contd.)

#### 22.5 Net Debt Reconciliation

Particulars	As at 31-03-2024	As at 31-03-2023
Analysis of net debts and movement in net debts for each of the period presented:		
Current Borrowings	4447.94	3339.97
Non-current borrowings	1694.14	1657.19
Net Debt	<b>6142.08</b>	<b>4997.17</b>

#### As at 31.03.2024

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings*	
Net debt as at March 31, 2023	1657.19	3339.97	4997.17
Cash Flows (Net)	36.95	1107.96	1144.91
<b>Net debt as at March 31, 2024</b>	<b>1694.14</b>	<b>4447.94</b>	<b>6142.08</b>

\* Includes current maturities of Long Term Debt

#### As at 31.03.2023

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings*	
Net debt as at March 31, 2022	1003.01	7051.47	8054.49
Cash Flows (Net)	654.18	(3711.50)	(3057.32)
<b>Net debt as at March 31, 2023</b>	<b>1657.19</b>	<b>3339.97</b>	<b>4997.17</b>

\* Includes current maturities of Long Term Debt

### 23 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Other non current liabilities</b>		
Deferred income on government grants	91.48	106.73
<b>Total</b>	<b>91.48</b>	<b>106.73</b>

### 24 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Deferred tax assets relating to:</b>		
Unused tax losses/depreciation	-	-
Expenses allowable on payment basis	34.60	20.35
Total deferred tax assets	34.60	20.35
<b>Deferred tax liabilities relating to:</b>		
On Property, plant and equipment	2142.34	1934.60
Relating to Ind AS adjustments	(35.04)	(75.24)
Total deferred tax liabilities	<b>2107.30</b>	<b>1859.35</b>
Deferred tax Liabilities (Net)	(2072.69)	(1839.00)

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 24 DEFERRED TAX LIABILITIES (NET) (Contd.)

Particulars	As at 31-03-2024	As at 31-03-2023
Add: MAT credit entitlement	195.39	332.91
<b>Total deferred tax liabilities (net)</b>	<b>1877.30</b>	<b>1506.10</b>

#### 24.1 DEFERRED TAX ASSETS/(LIABILITIES)

For the year ended March 31, 2024

Particulars	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1934.60)	(207.74)	-	(2142.34)
MAT credit Entitlement	332.91	(137.52)	-	195.39
Expenses allowed on payment basis	20.35	14.25	-	34.60
Other items giving rise to temporary differences	75.24	(30.11)	(10.09)	35.04
	<b>(1506.10)</b>	<b>(361.11)</b>	<b>(10.09)</b>	<b>(1877.30)</b>

For the year ended March 31, 2023

Particulars	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1726.81)	(207.79)	-	(1934.60)
MAT credit Entitlement	889.43	(556.52)	-	332.91
Expenses allowed on payment basis	14.42	5.93	-	20.35
Other items giving rise to temporary differences	25.06	5.05	45.13	75.24
	<b>(797.90)</b>	<b>(753.33)</b>	<b>45.13</b>	<b>(1506.10)</b>

### 25 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Current Borrowings</b>		
Loans repayable on demand		
Working capital loans (Secured)		
From State Bank of India	922.86	943.50
From State Bank of India - Export Packing Credit	.71	-
From Axis Bank Limited	1003.49	475.98
From RBL Bank Limited	1011.26	398.92
From ICICI Bank Limited	447.47	199.89
Bill discounting facilities from banks (Unsecured)		
From Axis Bank Limited	481.81	852.82
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Limited	500.00	375.00
Other Loans (Unsecured)		
Sales tax deferment	65.09	78.62
Deferred income on government grants	15.25	15.25
<b>Total</b>	<b>4447.94</b>	<b>3339.97</b>





## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 25 FINANCIAL LIABILITIES - BORROWINGS (Contd.)

#### 25.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
<b>Loans repayable on demand - Secured</b>				
From State Bank of India	923.56	943.50	9.05%	9.30%
From Axis Bank Limited	1003.49	475.98	9.80%	9.45%
From RBL Bank Limited	1011.26	398.92	9.45%	10.60%
From ICICI Bank Limited	447.47	199.89	9.45%	9.65%
<b>Loans repayable on demand - Unsecured</b>				
From Axis Bank Limited	481.81	852.82	7.67%	8.10%

#### 25.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India, Axis Bank Limited, RBL Bank Limited & ICICI Bank Limited are secured as mentioned below.

##### i) Primary Security:

Pari Passu first charge on current assets of the Company (Present and Future) for Limits sanctioned by SBI, Axis, ICICI & RBL Banks.

Pari Passu Second charge is available to SBI, RBL Bank Limited & ICICI Bank Limited by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Limited by way of term loan.

##### ii) Collateral Security :

Pari-passu first charge on movable fixed assets of the Company (both present and future) except vehicles and assets created out of term loans from Axis Bank Limited and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

#### 25.3 The Company has obtained working capital loan from following Bank/ Financial Institution:

- During the financial year 2023-24, the Company has taken additional working capital facilities of ₹ 20 Crores.
- During the financial year 2022-23, the Company has not availed any additional working capital facilities.

### 26 TRADE PAYABLE

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Unsecured considered good:</b>		
Total outstanding dues of micro enterprises and small enterprises	456.78	219.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	5832.56	5644.49
<b>Total</b>	<b>6289.34</b>	<b>5864.18</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 26 TRADE PAYABLE (Contd.)

#### 26.1 Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 (27 of 2006)

Particulars	As at 31-03-2024	As at 31-03-2023
Principal amount remaining unpaid	456.78	219.68
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period/year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at balance sheet date	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-
<b>Total</b>	<b>456.78</b>	<b>219.68</b>

**26.2** The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2024 has been made in the financial statements based on information received and available with the Company.

#### 26.3 Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-180 days terms.

#### 26.4 Trade Payables ageing schedule : (Unsecured)

As at 31.03.2024

Particulars	Payable not due	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	456.78	-	-	-	-	456.78
Others	5422.13	410.43	-	-	-	5832.56
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

As at 31.03.2023

Particulars	Payable not due	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	219.68	-	-	-	-	219.68
Others	5641.37	3.12	-	-	-	5644.49
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 27 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Capital Creditors	115.49	29.98
Unpaid dividends	.94	.85
Other Payables - Expenses	289.47	364.69
<b>Total</b>	<b>405.89</b>	<b>395.53</b>

27.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

### 28 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Statutory Dues	64.12	215.04
Advance From Customers	1.03	-
<b>Total</b>	<b>65.14</b>	<b>215.04</b>

### 29 PROVISIONS

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Short Term Provisions</b>		
For Gratuity	39.83	14.64
For Compensated Absence	79.00	55.24
<b>Total</b>	<b>118.83</b>	<b>69.88</b>

### 30 CURRENT TAX LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for Income tax (Net of Advance tax and TDS/TCS)	26.46	-
<b>Total</b>	<b>26.46</b>	<b>-</b>

### 31 REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Sale of products</b>		
Manufactured products	40402.10	50142.82
Traded Goods	255.01	57.08
<b>Other Operating Revenues</b>		
Export Incentives	2.14	4.14
Scrap Sales	12.81	5.10
<b>Total Revenue from operations</b>	<b>40672.07</b>	<b>50209.13</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 31 REVENUE FROM OPERATIONS (Contd.)

#### 31.1 DETAILS OF SALE OF PRODUCTS :

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Manufactured products - Domestic	37770.88	44814.11
Manufactured products - Export	2631.23	5328.71
Traded Goods - Sale of Raw Materials	255.01	57.08

### 32 OTHER INCOME

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Interest Income on</b>		
Deposits, Margin money held and others	295.26	93.12
Income from current Investments	129.11	-
Gain on foreign currency transactions & translations	16.89	58.06
Government Grant amortised	15.25	15.25
Miscellaneous Income	24.48	17.95
<b>Total</b>	<b>480.97</b>	<b>184.38</b>

### 33 COST OF MATERIAL CONSUMED

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Raw Material Consumption</b>		
Inventory at the beginning of the year	1668.40	2560.95
Add: Purchases	26923.14	32458.43
	<b>28591.54</b>	<b>35019.39</b>
Less: Inventory at the end of the year	1951.62	1668.40
Cost of raw material consumed	26639.91	33350.99
<b>Packing Material Consumption</b>		
Inventory at the beginning of the year	32.39	36.51
Add: Purchases	430.81	384.82
	<b>463.21</b>	<b>421.33</b>
Less: Inventory at the end of the year	16.43	32.39
Cost of packing material consumed	446.78	388.93
<b>Total</b>	<b>27086.70</b>	<b>33739.92</b>

### 34 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Inventories at the beginning of the year</b>		
Work-In-Progress	1704.56	1044.01
Finished goods	3534.95	1796.95
	<b>5239.51</b>	<b>2840.96</b>
<b>Inventories at the end of the year</b>		
Work-In-Progress	1896.86	1704.56
Finished goods	5830.57	3534.95
	<b>7727.43</b>	<b>5239.51</b>
<b>Increase/(Decrease) in inventories of finished goods and work-in-progress</b>	<b>(2487.92)</b>	<b>(2398.55)</b>



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 35 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Salaries & Wages	2588.49	2244.27
Directors' Remuneration & Commission	240.20	254.57
Contribution to provident fund & other funds	165.22	157.83
Gratuity Expenses	57.71	46.87
Compensated absence	30.11	34.96
Staff Welfare Expenses	239.32	215.34
<b>Total</b>	<b>3321.04</b>	<b>2953.83</b>

### 36 FINANCE COST

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Interest on term loan	202.36	29.65
Interest on working capital loan	172.91	110.23
Interest towards delayed payment of statutory dues	.60	1.14
Interest to others	136.48	86.36
Interest on financial liabilities recognised on amortised cost	15.02	14.21
Bank Charges & Processing Fee	50.59	63.67
Cash Discount	190.85	192.69
<b>Total</b>	<b>768.81</b>	<b>497.95</b>

### 37 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation	1082.72	956.23
Amortization	13.40	10.40
<b>Total</b>	<b>1096.12</b>	<b>966.63</b>

### 38 OTHER EXPENSES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Manufacturing Expenses :</b>		
Consumption of stores, spares & consumables	1342.79	1401.91
Power and Fuel	4262.96	4061.66
Insurance	148.15	130.20
Effluent treatment expenses	417.75	434.73
Freight Inwards	15.98	10.92
Water Transport Charges	42.26	64.62
Testing and Lab charges	2.60	4.28
Factory maintenance	181.02	174.97
Repairs & maintenance		
Plant and machinery	269.98	232.87
Buildings	205.17	255.87
Others	35.69	14.51
	<b>6924.36</b>	<b>6786.54</b>



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 38 OTHER EXPENSES (Contd.)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Administration, Selling and Other Expenses</b>		
Rent	37.50	37.50
Rates and taxes	23.12	17.26
Research and Development expenses	250.90	159.84
Printing and stationery	27.88	28.87
Consultancy and other professional charges	180.55	199.07
Remuneration to auditors		
-Audit Fee	10.00	10.00
-Others	3.60	-
Remuneration to cost auditors	1.00	1.00
Remuneration to Internal Auditors	3.00	3.00
Travelling and conveyance	70.73	46.99
(Including foreign travel ₹ 32.20 lakhs Previous Year - ₹6.04 lakhs)		
Communication expenses	15.17	13.82
Vehicle Maintenance	66.50	50.37
Other selling expenses	530.86	534.32
CSR Expenses	99.19	61.78
Miscellaneous Expenses	219.01	179.21
	1539.02	1343.03
<b>Total</b>	<b>8463.38</b>	<b>8129.57</b>

### 39 OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Other comprehensive income not to be reclassified to profit or loss in subsequent periods:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Remeasurement costs on net defined benefit liability	34.65	(154.99)
Deferred tax effect on remeasurement costs on net defined benefit liability	(10.09)	45.13
<b>Total</b>	<b>24.56</b>	<b>(109.86)</b>

### 40 DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES:

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2024 was ₹ 99,19,459/- (Previous Year ₹ 61,78,210/-), Computed at 2% of its average net profits for the immediately preceding three financial years, towards discharge of Corporate Social Responsibility (CSR) obligation.

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Gross Amount required to be spent as per Section 135 of the Act	99.19	61.78
Add: Amount Unspent from previous years	-	-
Less: Excess Spent from previous year	5.33	-
Total Gross amount required to be spent during the year	93.87	61.78
<b>Amount approved by the Board to be spent during the year</b>	<b>99.19</b>	<b>61.78</b>



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 40 DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES: (Contd.)

#### Amount spent during the year on

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i) Construction/acquisition of an asset	-	36.69
(ii) On purposes other than (i) above	99.19	25.09

#### Details related to amount spent/ unspent

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Contribution towards on going project	-	-
Spent on CSR activities	99.19	61.78
Contribution to CSR Programme	-	-
<b>Accrual towards unspent obligations in relation to:</b>		
Ongoing projects	-	-
Other than Ongoing projects	-	-
<b>TOTAL</b>	<b>99.19</b>	<b>61.78</b>

#### Details of excess CSR expenditure

Nature of Activity	Balance excess as at 1 April 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2024
CSR Activities for the Financial Year 2023-24	5.33	99.19	102.22	8.35

Nature of Activity	Balance excess as at 1 April 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2023
CSR Activities for the Financial Year 2022-23	-	61.78	67.11	5.33

#### Disclosures on Shortfall

Particulars	March 31, 2024	March 31, 2023
Amount Required to be spent by the Company during the year	99.19	61.78
Actual Amount Spent by the Company during the year	99.19	61.78
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	Not Applicable	Not Applicable

#### Nature of CSR activities

Particulars	March 31, 2024	March 31, 2023
Rural Development Projects	24.22	37.11
Promoting Education	50.00	25.00
Disaster Management	-	5.00
Promoting Health Care	28.00	-
<b>Amount Spent during the Year</b>	<b>102.22</b>	<b>67.11</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 40 DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES: (Contd.)

#### Details of related party Transactions :

The Company has contributed ₹ 22.00 Lakhs during the current year for rural development activities and for previous financial year ₹ 36.69 Lakhs by way of transfer of a capital asset to Singavarapu Koteswara Rao Charitable Trust, which is a related party. This amount forms part of the of the CSR spend of the Company for the respective years.

### 41 TAXES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>a. Income Tax Expense recognised in the Statement of Profit &amp; Loss:</b>		
Current Tax	513.60	1109.32
Adjustment for MAT	137.47	556.52
Deferred tax Charge/(Credit)	223.60	196.81
Earlier years Tax	-	.50
<b>Total Income tax Expenses recognised in statement of profit &amp; loss</b>	<b>874.67</b>	<b>1863.15</b>
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/ (Credit) to OCI	24.56	(109.86)
<b>b. Reconciliation of effective tax rate:</b>		
Profit before tax (A)	2904.91	6504.15
Enacted tax rate in India (B)	29.12%	29.12%
Expected Tax Expenses (C=A*B)	845.91	1894.01
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	(217.45)	(182.72)
Expenses not deductible for tax purpose	256.20	67.28
Tax due to change in tax rate	-	-
Others	60.02	9.48
Total	98.77	(105.95)
Profit after adjusting permanent difference	3003.67	6398.19
Expected Tax expenses	874.67	1863.15
Total Tax expense	874.67	1863.15

### 42 EARNINGS PER SHARES

#### 42.1 Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the potentially dilutive equity shares into equity shares.



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 42 EARNINGS PER SHARES (Contd.)

#### 42.2 The Basic and diluted EPS per share is given hereunder (refer note 42.3)

Particulars		Year ended 31.03.2024	Year ended 31.03.2023
Profit / (Loss) as per Profit and Loss Account	₹	2030.24	4640.99
Net Profit / (Loss) attributable to Equity Share holders	₹	2030.24	4640.99
Equity Shares outstanding at the beginning of the year	Nos.	104,054,830	83,097,000
Equity Shares outstanding at the close of the year	Nos.	104,054,830	104,054,830
Weighted average No of equity shares in computing basic EPS	Nos.	104,054,830	101,815,500
Weighted Average number of Equity Shares in computing diluted earnings per share	Nos.	113,502,709	101,815,500
Face value of each equity share (after split)	₹	1	1
Earnings per share			
- Basic (Annualised) (₹)	₹	1.95	4.56
- Diluted (Annualised) (₹)	₹	1.79	4.56

42.3 Subsequent to reporting date, the company effected a share split whereby each existing share (having face value of ₹ 10/- each fully paid-up) was Split into 10 equity shares (having face value of ₹ 1/-each fully paidup). The effective date of the share split is April 10<sup>th</sup> 2024, Consequently , the total number of fully paidup equity shares increased from 1,04,54,583 to fully paidup shares of 10,45,45,830. Hence, for the purpose of EPS calculation the number of shares post stock split are considered for current and previous reporting period.

### 43 EMPLOYEE BENEFITS

#### 43.1 Gratuity

##### Defined Benefit Plans

The Company has a defined benefit gratuity plan governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure, at 15 days salary for each completed year of service. The scheme is funded through a policy with Life Insurance Corporation of India. The following tables summarize net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

Particulars	March 31, 2024	March 31, 2023
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	56.66	52.23
Interest cost	1.05	(5.36)
Expected return on plan assets	-	-
Net actuarial( gain) / loss recognised in the period/ year	(46.69)	24.33
Benefits paid	.54	3.50
Net employee benefit expenses	<b>11.57</b>	<b>74.70</b>
Actual return on plan asset	-	-
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	560.32	507.97
Fair value of plan assets	520.49	493.33
	<b>39.83</b>	<b>14.64</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 43 EMPLOYEE BENEFITS (Contd.)

Particulars	March 31, 2024	March 31, 2023
<b>C) Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	507.97	383.56
Current service cost	56.66	52.23
Interest cost	37.76	26.08
Benefits paid	(10.33)	(57.45)
Remeasurement due to financial assumptions	14.95	79.23
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(46.69)	24.33
<b>Closing defined benefit obligation</b>	<b>560.32</b>	<b>507.97</b>
<b>D) Change in the fair value of plan assets</b>		
Opening fair value of plan assets	493.33	390.03
Interest Income on Planned assets	36.71	31.44
Contributions	1.33	132.81
Benefits paid	(10.33)	(57.45)
Actuarial gain/(loss) on plan assets	(.54)	(3.50)
<b>Closing fair value of plan assets</b>	<b>520.49</b>	<b>493.33</b>
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
<b>E) Remeasurement adjustments:</b>		
Experience loss/ (gain)	(46.69)	24.33
Financial Assumptions loss/ (gain)	14.95	79.23
Return on Plan Assets	.54	3.50
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
<b>Remeasurement gains/(losses) recognised in other comprehensive income:</b>	<b>(31.19)</b>	<b>107.06</b>
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	7.22%	7.51%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	8.00%
Attrition Rate	3.00%	3.00%
The estimates of future salary increases considered in the actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
ii) The overall expected rate of return on assets is determined based on the actual rate of return during the current year.		
Amounts for the current and previous year are as follows:		
Defined benefit obligation	560.32	507.97
Plan assets	520.49	493.33
Surplus / (deficit)	39.83	14.64





## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 43 EMPLOYEE BENEFITS (Contd.)

#### 43.2 Compensated absence

##### Defined Benefit Plans

Particulars	March 31, 2024	March 31, 2023
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	26.07	34.15
Interest cost	24.23	17.52
Expected return on plan assets	-	-
Net actuarial( gain) / loss recognised in the period/ year	(8.36)	19.74
Benefits paid	(15.28)	11.47
<b>Net employee benefit expenses</b>	<b>26.65</b>	<b>82.89</b>
<b>Actual return on plan asset</b>	<b>-</b>	<b>-</b>
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	364.77	326.86
Fair value of plan assets	285.77	271.62
	<b>79.00</b>	<b>55.24</b>
<b>C) Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	326.86	249.95
Current service cost	26.07	34.15
Interest cost	24.23	17.52
Benefits paid	(8.57)	(23.25)
Remeasurement due to financial assumptions	4.55	28.75
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(8.36)	19.74
<b>Closing defined benefit obligation</b>	<b>364.77</b>	<b>326.86</b>
<b>D) Change in the fair value of plan assets</b>		
Opening fair value of plan assets	271.62	200.44
Expected return on plan assets	(.36)	.56
Contributions	23.08	93.87
Benefits paid	(8.57)	(23.25)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	<b>285.77</b>	<b>271.62</b>
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
<b>E) Remeasurement adjustments:</b>		
Experience loss/ (gain)	(8.36)	19.74
Financial Assumptions loss/ (gain)	4.55	28.75
Return on plan assets	.36	(.56)
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
<b>Remeasurement gains/(losses) recognised in other comprehensive income:</b>	<b>(3.45)</b>	<b>47.93</b>
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	7.22%	7.51%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	8.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 43 EMPLOYEE BENEFITS (Contd.)

#### 43.2 Compensated absence

Particulars	March 31, 2024	March 31, 2023
Contribution to Provident Fund	154.65	146.72
Contribution to Superannuation Fund	-	-

### 44 COMMITMENTS & CONTINGENCIES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>a. Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	11.70	132.33
<b>Total</b>	11.70	132.33
<b>b. Contingent Liabilities:</b>		
i) Outstanding bank guarantees	10.00	5.00
ii) Letters of Credit	-	781.22
iii) Indirect Taxes - GST	65.69	65.69
iv) Indirect Taxes - Entry Tax	9.10	9.10
v) Indirect Taxes - CVD & SAD (Refer Note 45)	39.92	39.92
vi) Demand for direct taxes under appeal*	71.50	71.50
<b>Total</b>	196.21	972.43

\* Pertains to income tax demand/matters on account of deductions / re-opening for earlier years, pending appeals filed consequent to order passed by Honourable Income Tax Tribunal to restore the issue to the file of Commissioner of Income Tax (Appeals) with a direction to adjudicate the issue of validity of reassessment proceedings as well as claim of deductions.

(In respect of the above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities. The Company has assessed that it is only possible but not probable that the outflow of economic resources will be required)

**45** During the year 2018-19, Company paid ₹ 26,20,646/- and ₹ 13,71,404/- on account of CVD and SAD towards shortfall quantity of their export obligation in respect of two advance authorization licences granted to it. The Company has filed for a refund of the CVD & SAD as per the provisions of Sec. 142(3) of CGST Act. Refund application of the Company has been rejected by the Asst. Commissioner of Central Taxes, CGST Division vide its order dated 14.05.2020. Later, the Company made an Appeal with the Commissioner of Appeals, which was also rejected, vide order dated 30.10.2020. On 28.01.2021, the Company preferred further appeal with The Customs, Excise and Service Tax Appellate Tribunal Regional Bench, Hyderabad which is admitted by the Appellate Tribunal vide letter dated 21-06-2021. Hence, no provision is made in the books of the Company.

### 46 SEGMENT REPORTING :

#### a. Basis of Segmentation

The company operates only in one business segment viz. 'manufacturing and sales of crop care chemicals' and hence no separate information for primary segment wise disclosure is required.

#### b. Geographic Information:

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other continents. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Segment revenue (based on the location of the customers)</b>		
India	38025.89	44871.18
Asia	1791.66	721.21
Australia	522.17	-



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 46 SEGMENT REPORTING : (Contd.)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Europe	317.39	1065.26
North America	-	3197.71
South America	-	344.52
<b>Total</b>	<b>40657.12</b>	<b>50199.89</b>

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Segment assets (based on the location of the assets)		
India	27367.50	21915.06
<b>Total</b>	<b>27367.50</b>	<b>21915.06</b>

### 47 PAYMENTS TO AUDITORS (excluding GST & Service Tax)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>A) Statutory auditors</b>		
Statutory audit	10.00	10.00
Others	3.60	-
	<b>13.60</b>	<b>10.00</b>
<b>B) Cost auditors</b>		
Audit fee	1.00	1.00
Others	.06	.05
	<b>1.06</b>	<b>1.05</b>

### 48 RESEARCH AND DEVELOPMENT

Details of research and development expenses (excluding depreciation and amortisation expense and capital expenditure incurred during the year are given here below:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Details of expenditure on R &amp; D</b>		
<b>i) Details of Revenue expenditure</b>		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	121.86	84.59
Employee Benefits Expenses		
Salaries, Wages and Bonuses	128.35	70.27
Other Expenses		
Repairs and Maintenance	.69	4.99
<b>ii) Capital Expenditure</b>		
Plant & Machinery	217.45	182.72
Building	114.31	53.28
Civil work in Progress	91.02	-
	<b>673.68</b>	<b>395.84</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 49 RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED WITH BANKS OR FINANCIAL INSTITUTIONS

AS AT 31-03-2024

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-23	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	8869.65	8868.54	1.11	Difference on account of apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	13326.78	13326.73	.05	
		Payables	5831.28	5831.28	.00	
Sep-23	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6760.11	6759.41	.69	Difference on account of apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	15361.32	15361.32	-	
		Payables	4450.96	4450.96	-	
Dec-23	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	11203.43	11198.08	5.35	Difference on account of apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	11129.43	11129.43	.00	
		Payables	6898.61	6898.61	-	
Mar-24	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	10706.95	10709.53	(2.58)	Difference on account of apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	10600.81	10600.81	.00	
		Payables	5880.64	5880.64	-	

AS AT 31-03-2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6186.35	6185.48	.87	On account of difference in apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	10871.03	10871.03	-	
		Payables	4790.19	4790.19	-	
Sep-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	6813.79	6784.52	29.27	On account of difference in apportionment of overheads in WIP & FG and the Duty paid against the inventory lying in the warehouse which was not included while submitting the stock statement to the Bank.
		Receivables	12018.79	12018.79	-	
		Payables	5918.34	5918.34	-	
Dec-22	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	7820.14	7846.57	(26.43)	On account of difference in apportionment of overheads in WIP & FG and variation in average prices of Raw materials while submitting the stock statement to the Bank.
		Receivables	14993.11	14993.11	-	
		Payables	6149.72	6149.72	-	
Mar-23	State Bank of India, Axis Bank Limited, ICICI Bank Limited and RBL Bank Limited	Inventory	8801.18	8800.31	.87	On account of difference in apportionment of overheads in WIP & FG while submitting the stock statement to the Bank.
		Receivables	12876.52	12876.52	-	
		Payables	5534.56	5534.56	-	



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 50 RATIOS :

S No.	Ratio	Particulars		March 31, 2024		March 31, 2023		Ratio as on March 31 2024	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	Numerator	Denominator			
(a)	Current Ratio	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	29384.31	11353.60	22720.39	9884.60	2.59	2.30	12.60% --
(b)	Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	2259.23	41735.28	2110.81	31480.83	0.05	0.07	(19.27)% --
(c)	Debt Service Coverage Ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	3895.17	577.36	6105.57	1331.99	6.75	4.58	47.18% variance is due to reduction in net operating income for the current year and pre closure of term loan out of the right issue proceeds in the previous year, debts were reduced significantly.
(d)	Return on Equity Ratio	Net Income= Net Profits after taxes – Preference Dividend	Shareholder's Equity	4640.99	41735.28	4640.99	31480.83	0.11	0.15	(24.57)% --
(e)	Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	24598.78	10073.26	31341.37	7962.53	2.44	3.94	(37.96)% Due to increase in the inventory holding at the end of financial year
(f)	Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	40669.92	11738.67	50204.99	11267.69	3.46	4.46	(22.24)% --
(g)	Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	31022.81	6076.76	37875.43	5661.40	5.11	6.69	(23.69)% --
(h)	Net Capital Turnover Ratio	Revenue	Average Working Capital= Average of Current assets – Current liabilities	41153.04	15433.25	50393.50	8500.71	2.67	5.93	(55.02)% variance is due to reduction in turnover and increase in working capital, compared to previous year
(i)	Net Profit Ratio	Net Profit	Net Sales	2030.24	41153.04	4640.99	50393.50	0.05	0.09	(46.43)% variance is due to reduction in profit margin because of reduction in sales, compared to previous year
(j)	Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	3673.72	45398.20	7002.10	34750.85	0.08	0.20	(59.84)% variance is due to reduction in profit margin, compared to previous year
(k)	Return on Investment	Net Profit	Net Investment= Net Equity	2030.24	41735.28	4640.99	31480.83	0.05	0.15	(67.00)% variance is due to reduction in profit margin, compared to previous year



# Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 51 RELATED PARTY DISCLOSURES

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company

Names of related parties and description of relationship

Name of the related party	Relationship
<b>Subsidiary</b>	
Bheema Fine Chemicals Private Limited	Wholly owned subsidiary Company
<b>Other related parties (entities in which either of the KMP's have significant influence) with whom transactions have taken place during the year significant influence over this company</b>	
Greenpath Energy Private Limited	Mr.S.Chandra Sekhar & Mrs.S.Lalitha Sree Directors, are interested.
Singavarapu Koteswara Rao Charitable Trust	Mr.S.Chandra Sekhar, Managing Director, is Chairman & Managing Trustee
Ratnabali Investment Private Limited	Sri. Suresh Kumar Somani, Non-executive Non-Independent Director, is interested
<b>Key Management Personnel</b>	
Sri. K S Raju	Independent Director & Chairman
Sri. S Chandra Sekhar	Managing Director
Sri. Sudhakar Kudva	Independent Director
Smt. S Lalitha Sree	Non-executive Director
Sri. G S V Krishna Rao	Independent Director
Sri. Kishor Shah	Independent Director
Smt. G Aruna	Independent Director
Sri. A Arvind Kumar	Executive Director cum Chief Executive Officer (From 04.08.2023)
Sri. Suresh Kumar Somani	Non-executive Non-Independent Director (w.e.f 04.11.2023)
Sri. Ketan Chamanlal Budh	Whole time director (Upto 13.05.2022)
Sri. B Krishna Mohan Rao	Chief Financial Officer
Smt. M Sharanya	Company Secretary
<b>Relatives of KMP</b>	
Smt. E Jayalaxmi	Sister of Managing Director
Smt. Bandhakavi Radhika	Wife of Chief Financial Officer
Sri. Mandala Aman Raj	Husband of Company Secretary

Note : Names of related parties and description of relationship as identified and certified by the Company.

Transactions during the year:

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Subsidiary Company</b>		
Bheema Fine Chemicals Private Limited		
Loans given during the year to the enterprise	6701.05	3040.00
Loans repaid during the year from the enterprise	213.33	3138.97
Interest received on the loan given	212.28	58.47
Amount paid towards Shares allotment	-	3300.00
Amount received towards sale of asset	28.10	-
Amount received towards services	1.49	-
Singavarapu Koteswara Rao Charitable Trust		
Contribution made towards CSR Expenditure	22.00	36.69



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 51 RELATED PARTY DISCLOSURES (Contd.)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Key Management Personnel</b>		
i) Sri. S Chandra Sekhar		
Remuneration including commission	184.82	214.33
Sitting Fees		
ii) Sri. K S Raju	1.70	1.35
iii) Sri. Sudhakar Kudva	3.35	2.45
iv) Smt. S Lalitha Sree	2.20	1.40
v) Sri. G S V Krishna Rao	2.75	2.15
vi) Sri.Kishor Shah	2.15	.95
vii) Smt. G Aruna	2.15	1.55
viii) Sri. Ketan Chamanlal Budh		
Remuneration & Perquisites	-	9.12
ix) Sri. A Arvind Kumar		
Remuneration (Including Commission & Perquisites)	96.62	118.33
x) Sri.B Krishna Mohan Rao		
Remuneration & Perquisites	46.39	45.29
xi) Smt M Sharanya		
Remuneration & Perquisites	16.44	18.23
<b>Dividend</b>		
Sri. S Chandra Sekhar	47.71	47.71
Greenpath Energy Private Limited	14.30	14.30
Ratnabali Investment Private Limited	43.48	43.48
Smt. E Jayalaxmi	7.42	7.42
Smt. S Lalitha Sree	2.29	2.29
Sri. A Arvind Kumar	.03	.03
Sri.B Krishna Mohan Rao	.00	.01
Sri. Ketan Chamanlal Budh	-	.00
Smt. Bandhakavi Radhika	-	.00
Smt M Sharanya	-	.03
<b>Amount received against share warrants</b>		
Sri. S Chandra Sekhar	274.99	-
Ratnabali Investment Private Limited	1250.00	-
Sri. A Arvind Kumar	24.99	-
Sri.B Krishna Mohan Rao	6.24	-
Sri Mandala Aman Raj	6.24	-
<b>Amount received against Rights Issue</b>		
Sri. S Chandra Sekhar	-	1211.58
Greenpath Energy Private Limited	-	363.29
Ratnabali Investment Private Limited	-	1161.27
Smt. E Jayalaxmi	-	188.43
Smt. S Lalitha Sree	-	65.88
Sri. A Arvind Kumar	-	4.21
Sri.B Krishna Mohan Rao	-	4.13
Smt M Sharanya	-	4.13
Sri. Ketan Chamanlal Budh	-	4.13

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 51 RELATED PARTY DISCLOSURES (Contd.)

#### Closing Balances

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Subsidiary</b>		
Bheema Fine Chemicals Private Limited		
Outstanding Loan Receivable	6700.00	-
<b>Key Management Personnel</b>		
i) Sri. S Chandra Sekhar		
Commission Payable	30.45	69.61
ii) Sri. A Arvind Kumar		
Commission Payable	20.30	46.41

In compliance with Ind AS - 27: "Separate financial statements", The required information is as under:

#### Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables or payables.

No balances in respect of the related parties has been provided for written off / written back.

**52** Following are the details of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with Para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2013).

Subsidiaries	Country of incorporation	Ownership interest	
		For the year ended 31.03.2024	For the year ended 31.03.2023
Bheema Fine Chemicals Private Limited	India	100%	100%

Subsidiaries	Investments in equity		Gross loan outstanding as at		Maximum amount of loans outstanding at any time during the year	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
	Bheema Fine Chemicals Private Limited	4200.00	4200.00	6700.00	-	6700.00

**53** The following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Year Ended March 31, 2024

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date (₹)	% of Total
KMPs	Not Applicable			-	0%
Related Parties (Subsidiary)	Individually	No	Yes	4330.00	65%
	Individually	Yes	No	2370.00	35%
Total of Loan and Advances in the nature of Loan				6700.00	0%



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 53 (Contd.)

Year Ended March 31, 2023

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date (₹)	% of Total
KMPs		Not Applicable		-	-
Related Parties (Subsidiary)	Individually	Yes	No	-	100%
Total of Loan and Advances in the nature of Loan				-	100%

**54** The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

### 55 Wilful Defaulter

The Company has not defaulted in servicing the debt availed from banks, financial Institutions or any other lender and is therefore not a defaulter or wilful defaulter as defined by RBI Circular.

**56** Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### 57 Registration of charges or satisfaction with Registrar of Companies :

The Company does not have any pending charges to be created or satisfaction charge to be filed with ROC beyond the statutory period.

### 58 Compliance with number of layers of companies :

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

### 59 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current year as well as in the previous year in the tax assessments under the Income Tax Act, 1961, such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

### 60 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### 61 Utilisation of Borrowed funds and share premium:

- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) out of its borrowed funds or share premium or any other source with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 62 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises term loan from the banks. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

Non-current borrowings comprises of Inter corporate borrowing has been valued at amortised cost using Effective Interest Rate (EIR).

The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets at fair value through profit & loss				
Investments	4200.00	4200.00	-	-
Financial Assets at amortised cost				
Loans	6700.00	-	-	-
Deposits & Others	696.34	666.85	-	-
Trade Receivables	10600.81	12876.52	-	-
Cash & Cash Equivalents	672.34	216.67	-	-
Bank Balances other than above	99.06	94.17	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	6126.83	4981.92	165.90	167.30
Interest accrued	15.25	15.25	-	-
Trade Payables	6289.34	5864.18	-	-
Capital Creditors & Others	405.89	395.53	-	-

### 63 Risk Management

#### Financial Risk Management objectives & Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity exposes it to market risk, commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company evaluates various options and may enter into derivative financial instruments like foreign exchange forward contracts, foreign currency option contracts in order to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives, if entered into, are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rate, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.





## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 63.1 Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

#### a) Trade and other receivables

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

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	March 31, 2024	March 31, 2023
Not Due	8206.79	10085.22
0 - 90 Days	2246.29	2791.30
90 - 180 Days	147.73	-
180 - 270 Days	-	-
270 - 365 Days	-	-
More than 360 Days	-	-
<b>Total</b>	<b>10600.81</b>	<b>12876.52</b>

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

#### b) Cash and Cash Equivalents

The Company held cash and cash equivalents of ₹ 672.34 lakhs at March 31, 2024 (March 31, 2023: ₹ 216.67 lakhs). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

### 63.2 Liquidity Risk

Liquidity risk is the risk in terms of difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital loans from bank. The borrowed funds are generally applied for Company's own operational activities.

#### Exposure to liquidity risk:

##### a) The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted :

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
<b>31-Mar-24</b>					
Total Borrowings	4432.69	1063.09	674.87	31.85	6202.51
Interest Payable	15.25	-	-	-	15.25
Trade Payables	6289.34	-	-	-	6289.34
Other Payables	405.89	-	-	-	405.89
	<b>11143.17</b>	<b>1063.09</b>	<b>674.87</b>	<b>31.85</b>	<b>12912.99</b>

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 63 Risk management (Contd.)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
<b>31-Mar-23</b>					
Total Borrowings	3324.73	1013.67	627.45	100.10	5065.94
Interest Payable	15.25	-	-	-	15.25
Trade Payables	5864.18	-	-	-	5864.18
Other Payables	395.53	-	-	-	395.53
	<b>9599.67</b>	<b>1013.67</b>	<b>627.45</b>	<b>100.10</b>	<b>11340.89</b>

#### b) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The Company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

#### Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	March 31, 2024	March 31, 2023
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	2093.33	1943.51
Working capital facilities from bank	3385.79	2018.29
Bills Discounting	481.81	852.82
<b>Total</b>	<b>5960.93</b>	<b>4814.62</b>

#### Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

#### Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-24		
Variable rate loan instruments	14.90	(14.90)
31-Mar-23		
Variable rate loan instruments	12.04	(12.04)



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 63 Risk management (Contd.)

#### 63.3 a) Market Risk

Market risk is the possibility of losses that may be incurred by the company due to factors that affect the overall performance of the company – such as foreign exchange rates, interest rates, recessions etc. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily due to the fluctuations in the rate of interest for borrowings from banks, recession in the market, foreign exchange rate fluctuation etc.

#### b) Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company, as per its risk management policy, uses natural hedge technique of adjusting foreign currency receivables against currency payables. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Exposure to all other foreign currencies other than US Dollar is not material.

#### c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2024 & March 31, 2023 are in Indian Rupees.

Particulars	March 31, 2024 USD	March 31, 2023 USD
<b>Financial Assets</b>		
Cash & Cash equivalents	159.92	210.50
Trade & Other Receivables	1313.27	725.87
	<b>1473.18</b>	<b>936.37</b>
<b>Financial Liabilities</b>		
Trade & Other Payables	1644.75	2106.84
Advance from Customers	-	-
	<b>1644.75</b>	<b>2106.84</b>
<b>Net Exposure</b>	<b>(171.56)</b>	<b>(1170.47)</b>

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars as at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31-Mar-24</b>				
1% movement				
USD	(1.72)	1.72	-	-
	(1.72)	1.72	-	-

## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 63 Risk management (Contd.)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31-Mar-23</b>				
1% movement				
USD	(11.70)	11.70	-	-
	(11.70)	11.70	-	-

#### D) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

### 64 Capital risk management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Particulars	March 31, 2024	March 31, 2023
	USD	USD
Non Current borrowings	1694.14	1657.19
Current borrowings	4447.94	3339.97
<b>Total Debts</b>	<b>6142.08</b>	<b>4997.17</b>
Less: Cash & Cash equivalents	672.34	216.67
Other bank deposits	99.06	94.17
Adjusted net debts	<b>5370.68</b>	<b>4686.32</b>
<b>Equity</b>	1040.55	1040.55
Other Equity	40694.73	30440.28
<b>Total Equity</b>	<b>41735.28</b>	<b>31480.83</b>
Adjusted net debt to equity ratio	0.13	0.15



## Notes to Standalone Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 65 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**66** Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest lakh.

As per our report of even date

**For R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No.: 000442S

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited**

**Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

**K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place : Hyderabad

Date : 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary

# Independent Auditor's Report

The Members of  
**Bhagiradha Chemicals and Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Bhagiradha Chemicals & Industries Limited** (the "Holding Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024 and their consolidated profit, their consolidated total comprehensive income, their consolidated change in equity and their consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

Sl. No	Key Audit Matter	Auditor's Response
1.	<p><b>Valuation of inventories</b></p> <p>a) Inventories represent a significant portion of total assets as at March 31, 2024. The group writes down inventories to net realisable value on account of quality, shelf life and non or slow moving inventories, based on the management's assessment. Assessing net realizable value and identification of quality, non or slow moving inventories are areas which require use of significant judgements and owing to the inherent complexities.</p> <p>Therefore, it has been considered as a key audit matter.</p>	<p>Our principal procedures included the following, but were not limited to:</p> <p>a) Evaluated the design and tested operating effectiveness of internal controls over inventory valuation. Tested the valuation of inventories, on sample basis, by comparing the value of raw materials with the underlying supporting documents. For work in process and manufactured finished goods, verified the bill of materials and tested overhead absorption;</p> <p>b) Evaluated the design of internal controls relating to the management judgments and estimates relating to quality, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls.</p> <p>c) Understood and evaluated the process relating to determination of net realizable value of inventories and identification of quality, shelf life of inventories;</p> <p>d) Obtained age wise analysis of inventories, and evaluated the adequacy of write-down of inventories provided by the management;</p> <p>and</p> <p>e) Assessed the appropriateness of disclosures in consolidated financial statements in accordance with the applicable accounting standards</p>





## Information Other than the consolidated financial statements and Auditor's Report thereon

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

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

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

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

## Management's Responsibility for the consolidated financial statements

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

In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## Auditor's Responsibilities for the Audit of the 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance of the 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, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Boards of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated

in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the holding company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company incorporated in India.
  - iv. (a) As per the written representation received from the management of the holding company and its subsidiary and to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the holding company and its subsidiary to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether, directly Or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate



- Beneficiaries; section 123 of the Companies Act, 2013 as applicable.
- (b) As per the written representation received from the respective management of the Group and to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the holding company and its subsidiary from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, that the holding company and its subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the holding company during the year is in compliance with Section 123 of the Companies Act, 2013.
- (b) The Board of Directors have proposed final dividend for the year which is subject to the approval of the members at the ensuing annual general meeting. The amount of dividend proposed is in accordance with
- vi. Based on our examination which included test checks and that performed by us, the holding company and its subsidiary company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the holding company and subsidiary company as per the statutory requirements for record retention.
2. With respect to the matters specified in paragraphs 3 (xxi) and 4 of the Companies (Auditors Report) Order, 2020 (the "order" /"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, according to the information and explanations given to us and based on CARO reports issued by us for the holding company and its subsidiary included in the consolidated financial statements of the holding company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

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

**Uttam Kumar Singhi**  
Partner

Place: Hyderabad  
Date: 24.05.2024

Membership No.: 027481/ICAI  
UDIN No.: 24027481BKGUCH9973

## Annexure “A” to the Auditor’s Report

Referred to in paragraph 1 under the head “Report on other legal & regulatory requirements” of our report of even date.

In conjunction with our audit of the consolidated financial statements of the holding company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of Bhagiradha Chemicals & Industries Limited (hereinafter referred to as the “Holding Company”) and its subsidiary company, incorporated in India, as of that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the holding company and its subsidiary company, which are companies incorporated in India.

### Meaning of Internal Financial Controls Over Consolidated Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Consolidated Financial Reporting

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI

For **R Kankaria & Uttam Singhi**  
Chartered Accountants  
ICAI Firm Regi. No.0004425

**Uttam Kumar Singhi**  
Partner

Place: Hyderabad  
Date: 24.05.2024

Membership No.: 027481/ICAI  
UDIN No.: 24027481BKGUCH9973



# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	As at 31-03-2024	As at 31-03-2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	21370.75	17311.59
Right of Use Assets	4	21.78	22.01
Capital Work - in - Progress	5	6548.27	2741.84
Other Intangible Assets	6	11.23	12.62
Intangible Assets under Development	7	212.77	36.81
Financial Assets			
Other Financial Assets	8	712.85	654.03
Other Non Current Assets	9	698.73	1087.15
<b>Total Non Current Assets</b>		<b>29576.38</b>	<b>21866.05</b>
<b>Current assets</b>			
Inventories	10	11148.88	9131.74
Financial Assets			
Investments	11	3849.13	-
Trade receivables	12	10710.26	12876.52
Cash and cash equivalents	13	992.49	293.55
Bank balances other than cash and cash equivalents	14	99.06	94.17
Other Financial Assets	15	35.22	28.32
Current Tax Assets (Net)	16	.60	11.94
Other Current Assets	17	1192.38	389.11
<b>Total Current Assets</b>		<b>28028.02</b>	<b>22825.35</b>
<b>Total Assets</b>		<b>57604.40</b>	<b>44691.41</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	18	1040.55	1040.55
Other Equity	19	40330.78	30284.42
<b>Total Equity</b>		<b>41371.32</b>	<b>31324.97</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	1694.14	1657.19
Lease liability	21	21.16	21.17
Other Financial Liabilities	22	91.48	106.73
Provisions	23	1.60	-
Deferred tax Liabilities (Net)	24	1872.71	1506.10
<b>Total Non Current Liabilities</b>		<b>3681.11</b>	<b>3291.19</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	25	4447.94	3339.97
Lease liability	26	1.35	1.35
Trade payables	27		
a) Total Outstanding dues of Micro and Small enterprises		456.78	219.68
b) Total Outstanding dues of Trade Payables other than Micro and Small enterprises		6068.52	5662.26
Other Financial Liabilities	28	1348.47	560.92
Other current liabilities	29	83.02	221.18
Provisions	30	119.42	69.88
Current Tax Liabilities (Net)	31	26.46	-
<b>Total Current Liabilities</b>		<b>12551.97</b>	<b>10075.25</b>
<b>Total Liabilities</b>		<b>16233.07</b>	<b>13366.44</b>
<b>Total Equity &amp; Liabilities</b>		<b>57604.40</b>	<b>44691.41</b>
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the consolidate financial statements	3 to 68		

As per our report of even date

**For R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No.: 000442S

**Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited****K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place: Hyderabad

Date: 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary

## Consolidated Statement of Profit & Loss

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
<b>I. Income:</b>			
Revenue from Operations	32	40764.82	50209.13
Other Income	33	267.83	125.91
<b>Total Income (I)</b>		<b>41032.64</b>	<b>50335.03</b>
<b>II Expenses:</b>			
Cost of Materials Consumed	34	27229.26	33739.92
Change in inventories of finished goods and Work in progress	35	(2567.00)	(2398.55)
Employee benefits expense	36	3328.02	2956.96
Financial costs	37	768.94	499.32
Depreciation and amortization expense	38	1097.99	980.79
Other expenses	39	8483.22	8178.28
<b>Total Expenses (II)</b>		<b>38340.42</b>	<b>43956.73</b>
<b>III Profit/(Loss) Before Exceptional Items and Tax (I-II)</b>		<b>2692.22</b>	<b>6378.31</b>
Exceptional Items		-	-
<b>IV Profit/(Loss) After Exceptional Items and Before Tax</b>		<b>2692.22</b>	<b>6378.31</b>
<b>V Tax expense:</b>	42		
Current tax		513.60	1109.32
MAT Credit Utilisation		137.47	556.52
Deferred tax charge/ (credit)		219.01	196.81
Earlier years Tax		-	.50
		<b>870.08</b>	<b>1863.15</b>
<b>VI Profit/(Loss) for the year</b>		<b>1822.14</b>	<b>4515.16</b>
Other Comprehensive Income	40		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gain / (loss) on employees defined benefit plan		34.65	(154.99)
Deferred tax credit on above		(10.09)	45.13
<b>Total other Comprehensive Income, net of tax</b>		<b>24.56</b>	<b>(109.86)</b>
<b>Total Comprehensive Income for the year, net of tax</b>		<b>1846.70</b>	<b>4405.30</b>
Earning per equity share of ₹ 1/- each fully paid:	43		
Basic (Annualised) (₹)		1.75	4.43
Diluted (Annualised) (₹)		1.61	4.43
Summary of Significant Accounting Policies	1 to 2		
The accompanying notes are an integral part of the consolidate financial statements	3 to 68		

As per our report of even date

**For R Kankaria & Uttam Singhi**  
Chartered Accountants

Firm Registration No.: 000442S

**Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited**

**K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place: Hyderabad

Date: 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary





## Consolidated Cash Flow Statement

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	As at 31-03-2024	As at 31-03-2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit Before Tax	2692.22	6378.31
Adjustments for:		
Depreciation and amortization expenses	1097.99	980.79
Loss on sale of property, plant & equipment	12.81	.47
Interest paid	528.73	242.95
Interest income and notional income	(98.85)	(49.89)
Provision for bad and doubtful debts	-	-
Net unrealised foreign exchange loss / (gain)	(5.56)	(25.55)
Net income on disposal of investments	(129.11)	-
Gratuity and compensated absence	90.01	81.83
<b>Operating profit before working capital changes</b>	<b>4188.26</b>	<b>7608.90</b>
Changes in working capital:		
(Increase)/Decrease in inventories	(2017.14)	(2338.42)
(Increase)/Decrease in trade receivable	2166.26	(3217.66)
(Increase)/Decrease in other financial and non financial assets	(853.61)	156.19
Increase/(Decrease) in trade payable	643.36	405.56
Increase/(Decrease) in other financial, non financial liabilities & provisions	(221.95)	(30.73)
<b>Cash generated from operations</b>	<b>3905.19</b>	<b>2583.84</b>
Direct taxes paid (Net of refund)	(476.40)	(1194.43)
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>3428.79</b>	<b>1389.41</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment (tangible & intangible both), capital work in progress and capital advances	(7905.46)	(5982.60)
Proceeds from sale of property, plant and equipments	-	10.52
Investments in subsidiary company	-	-
(Investments)/Disposal of Quoted & unquoted investments (Net)	(3720.03)	
Loan received back from / given to subsidiary company	-	-
Investment in or redemption of bank and margin money deposit (having original maturity of more than 12 months)	(15.39)	(12.75)
Investment in or redemption of bank and margin money deposit (having original maturity of more than 3 months)	(4.80)	(11.15)
Investment in or redemption of bank and margin money deposit (having original maturity of less than 3 months)	(500.35)	-
Interest received	83.60	34.65
<b>Net cash flow used in investing activities (B)</b>	<b>(12062.44)</b>	<b>(5961.34)</b>

# Consolidated Cash Flow Statement

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

Particulars	As at 31-03-2024	As at 31-03-2023
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of equity share capital (Net of right issue expenses)	-	8244.78
Proceeds from issuance of equity share warrants (Net of issue expenses)	8511.82	
Proceeds/(Repayment) of long term borrowings (Net)	36.95	654.18
Proceeds/(Repayment) of short term borrowings (Net)	1107.96	(3711.50)
Dividend Paid	(312.16)	(312.16)
Interest paid	(513.11)	(228.74)
<b>Net cash used in financing activities (C)</b>	<b>8831.46</b>	<b>4646.55</b>
Effect of exchange differences on translation of balance in EEFC account - cash and cash equivalents (D)	0.77	(1.42)
Net Increase/(decrease) in cash and cash equivalents (A+B+C+D)	197.82	74.63
Cash and cash equivalents at the beginning of the year	293.55	220.34
	<b>492.13</b>	<b>293.55</b>
<b>Cash and cash equivalents includes</b>		
Balances with banks		
In current accounts	490.38	292.33
Cash on hand	1.75	1.22
<b>Total cash and bank balances at the end of year</b>	<b>492.13</b>	<b>293.55</b>

(i) Refer Notes no. 20.5 - Reconciliation of liabilities arising from financing activities

(ii) Refer note 41 for amount spent on CSR activities during the years ended March 31, 2024 and 2023.

The above cash flow statement has been prepared using the 'Indirect Method' as set out in the IND AS - 7 on Cash Flow Statement as notified by the Central Government under the Companies Act, 2013

As per our report of even date  
**For R Kankaria & Uttam Singhi**  
 Chartered Accountants  
 Firm Registration No.: 000442S

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

**Uttam Kumar Singhi**  
 Partner  
 Membership No.: 027481/ICAI

**K S Raju**  
 Chairman  
 DIN NO. 00008177

**S Chandra Sekhar**  
 Managing Director  
 DIN NO. 00159543

Place: Hyderabad  
 Date: 24.05.2024

**A Arvind Kumar**  
 Chief Executive Officer

**B Krishna Mohan Rao**  
 Chief Financial Officer

**M Sharanya**  
 Company Secretary



## Consolidated Statement of Changes in Equity

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### a Equity Share Capital

	AS AT 31-03-2024	
	No. of shares	Amount
<b>For the year ended 31<sup>st</sup> March, 2024</b>		
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 01, 2023	10,405,483	1040.55
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2023	<b>10,405,483</b>	<b>1040.55</b>
Changes in equity share capital during the current year	-	-
<b>Balance as at March 31, 2024</b>	<b>10,405,483</b>	<b>1040.55</b>
<b>For the year ended 31<sup>st</sup> March, 2023</b>		
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at April 01, 2022	8,309,700	830.97
Changes in Equity Share Capital due to prior period errors	2,095,783	209.58
<b>Restated balance as at April 01, 2022</b>	<b>10,405,483</b>	<b>1040.55</b>
Changes in equity share capital during the current year	-	-
<b>Balance as at March 31, 2023</b>	<b>10,405,483</b>	<b>1040.55</b>

### b Other Equity

Particulars	Reserves and Surplus			Share warrants	Other items of other comprehensive income	Total
	Security Premium Reserve	General Reserve	Retained Earnings			
<b>As at April 01, 2023</b>	13562.42	902.74	15901.01	-	(81.74)	30284.42
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at April 01, 2023</b>	<b>13562.42</b>	<b>902.74</b>	<b>15901.01</b>	-	<b>(81.74)</b>	<b>30284.42</b>
Add: Profit for the year transferred to retained earnings	-	-	1822.14	-	-	1822.14
Add: Other Comprehensive Income for the year:						
Remeasurement of employees defined benefit plans	-	-	-	-	34.65	34.65
Deferred tax on above	-	-	-	-	(10.09)	(10.09)
Add: Amount Received against equity share warrants	-	-	-	8529.55	-	8529.55
Less: Issue Expenses	-	-	-	(17.73)	-	(17.73)
Less: Equity Dividend (refer note no. 18.7)	-	-	(312.16)	-	-	(312.16)
<b>As at March 31, 2024</b>	<b>13562.42</b>	<b>902.74</b>	<b>17410.98</b>	<b>8511.82</b>	<b>(57.18)</b>	<b>40330.78</b>
<b>As at April 01, 2022</b>	<b>5524.76</b>	<b>902.74</b>	<b>11698.02</b>	-	<b>28.11</b>	<b>18153.63</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated balance as at April 01, 2022</b>	<b>5524.76</b>	<b>902.74</b>	<b>11698.02</b>	-	<b>28.11</b>	<b>18153.63</b>
Add: Profit for the year transferred to retained earnings	-	-	4515.16	-	-	4515.16
Add: Other Comprehensive Income for the year:						
Remeasurement of employees defined benefit plans	-	-	-	-	(154.99)	(154.99)
Deferred tax on above	-	-	-	-	45.13	45.13
Add: Share premium received during the year	8173.55	-	-	-	-	8173.55
Add: Forfeiture of Shares - transfer from share capital	2.46	-	-	-	-	2.46
Less: Right Issue Expenses	(138.35)	-	-	-	-	(138.35)
Less: Equity Dividend	-	-	(312.16)	-	-	(312.16)
<b>As at March 31, 2023</b>	<b>13562.42</b>	<b>902.74</b>	<b>15901.01</b>	-	<b>(81.74)</b>	<b>30284.42</b>
Summary of Significant Accounting Policies	1 to 2					
The accompanying notes are an integral part of the Consolidated financial statements	3 to 68					

As per our report of even date

**For R Kankaria & Uttam Singhi**

Chartered Accountants

Firm Registration No.: 000442S

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited****Uttam Kumar Singhi**

Partner

Membership No.: 027481/ICAI

**K S Raju**

Chairman

DIN NO. 00008177

**S Chandra Sekhar**

Managing Director

DIN NO. 00159543

Place: Hyderabad

Date: 24.05.2024

**A Arvind Kumar**

Chief Executive Officer

**B Krishna Mohan Rao**

Chief Financial Officer

**M Sharanya**

Company Secretary

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 1A. Overview of the group

Bhagiradha Chemicals & Industries Limited (herein referred to as 'the Parent Company' or the 'the Company') was incorporated on 7<sup>th</sup> July, 1993 in Hyderabad (Telangana) together with its subsidiary (together referred to as 'the Group') and are engaged in manufacture of Crop Care Chemicals. The Company is a public limited company incorporated and domiciles in India and has its registered office at Hyderabad (Telangana). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on May 24, 2024.

## 1B. Principles of Consolidation

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rule 2015. The accounting policies used in preparing the financial statements are set out in Note no.3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.3.26 on critical accounting estimates, assumptions and judgements).

### 1B(i) Basis of consolidation

The Parent consolidates the financial statements of the subsidiary it controls. Financial statements of Group entities are consolidated on a line by line basis. If a subsidiary of the Group uses accounting policies other than those adopted in the consolidated financial statements for similar transactions and events in similar circumstances, appropriate adjustments are made to that Group entity's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. All intragroup assets, liabilities, equity, income, expense, cash flows, and unrealized gains/losses relating to transactions between Group entities are eliminated on consolidation.

### 1B(ii) The Subsidiary companies considered in the Consolidated Financial Statements are as follows:

Name of the Company - Bheema Fine Chemicals Private Limited  
Country of incorporation - India  
% age voting power held as at 31 March 2024 - 100%  
% age voting power held as at 31 March 2023 - 100%

## 2. Accounting policies

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

### 2.1 Basis of preparation and compliance with IND AS

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited consolidated financial statements have been discussed in the respective accounting policies mentioned herebelow.

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

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy on financial instruments)
- Defined benefit and other long term Employee Benefits.
- Current versus non current classification: All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013

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

### 2.2 Uses of Estimates & judgments

The preparation of Consolidated Financial Statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements and reviewed on an ongoing basis. Actual results may differ from the estimates and



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods. Refer Note 2.27 for detailed discussion on Significant accounting judgments, estimates and assumptions.

### 2.3 Measurement of Fair Values

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

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

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

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

### 2.4 Property Plant and Equipment and Depreciation

a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

- b) Subsequent expenditure is capitalised only when cost can be measured reliably and it is probable that the future benefits will flow to the group.
- c) Capital work-in-progress includes property, plant and equipment not ready for their intended use and related incidental expenses and attributable interest.
- d) Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as "Other Non-Current Assets".
- e) Expenditure during construction period:  
Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition / construction of property, plant and equipment, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets, if any.
- f) The estimated useful life of assets are as follows:

Building	03 - 60 Years
Plant and equipment	20 - 25 Years
Plant and equipment - R & D	10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer and data processing equipment	3 Years

- g) The accounting policy related to Leases has been disclosed in Note 2 (13).
- h) Depreciation on tangible property, plant and equipment has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.
- i) Items of property, plant and equipment that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the consolidated financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- j) The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.
- k) An item of property, plant and equipment is eliminated from the consolidated financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 2.5 Intangible Assets

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets is added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) In respect of Intangible fixed assets amortised on straight line basis - Technical know how over a period of their useful life of 4 years. Computer software over a period of useful life of 3 years and product development expenses are to be amortised over a period of their useful life of 4 years.
- d) An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- e) Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

## 2.6 Impairment of non-financial assets

The group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is higher of an asset's fair value less costs of disposal and its value in use. The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28., the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

## 2.7 Borrowing Costs

Borrowing cost directly attributable to acquisition and construction of qualifying assets (Qualifying asset is an asset which necessarily takes substantial period to get ready to use or sale) should be capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale.

All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are interest and other costs that the group incurs in connection with the borrowing of funds and is measured with reference to the Effective Interest Rate (EIR) applicable to the respective borrowing. Borrowing cost include interest costs measured at EIR.

## 2.8 Research and Development Cost

Research and development costs incurred for development of products are expensed as incurred. Capital expenditure on research and development is included as part of assets and depreciated on the same basis as other assets.

## 2.9 Non Current Assets held for Sale

The group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

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





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

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

### 2.10 Inventories

- a) Inventories are valued at lower of cost or net realizable value on an item-by-item basis.
- b) Raw materials, packaging materials, consumables and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.
- c) Work in progress and manufactured finished goods are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress is determined by considering direct materials, labour costs, conversion costs, including an appropriate share of fixed production overheads based on normal operating capacity and other related costs incurred in bringing the inventories to their present condition and location. Cost of traded goods is determined on a cost basis and other related costs incurred in bringing the inventories to their present condition and location
- d) Goods in transit/warehouse are valued at cost which represents the cost incurred up to the stage at which the goods are in transit/warehouse.
- e) Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.
- f) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.
- f) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

### 2.11 Cash and Cash Equivalents

Cash comprises of cash at bank and on hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

### 2.12 Cash Flow Statement

Cash flows are reported using indirect method as set out in IND AS 7, "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the group are segregated.

### 2.13 Leases

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

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

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

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

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

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

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

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

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

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

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

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

## Revenue Recognition

- a) Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to the performance obligation. The transaction price of goods sold and services rendered is net off variable consideration on account of various discounts and schemes offered by the group as a part of contract including Taxes.
- b) Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.
- c) Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of exports made.
- d) Duty drawback received pursuant to the Duty Drawback Scheme is accounted on an accrual basis, to the extent it is probable that realization is certain.
- e) Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate method to the net carrying amount of the financial assets.

## 2.14 Income Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

### a) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and

tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### b) Deferred Tax

Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in other equity.

Deferred tax assets and liabilities are offset only if: a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### c) Minimum Alternate Tax

MAT is recognised as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit and loss and is considered as (MAT credit entitlement). The group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

entitlement to the extent there is no longer convincing evidence to the effect that the group will pay normal income tax during the specified period. MAT credits are in the form of unused tax credits that are carried forward by the group for a specified period of time, hence, it is presented as Deferred Tax Asset.

### 2.15 Employees Benefits

#### a) Short-term obligations

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

#### b) Other long-term employee benefit obligations

##### I. Defined contribution plans

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

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

##### II. Defined benefit plans

**Gratuity:** The group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

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

**Compensated Absences:** Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated

as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

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

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

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

### 2.16 Foreign Currency Transactions

#### a) Functional and presentation currency

Initial recognition - Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction. The financial statements are presented in Indian rupee (INR), which is the group's functional and presentation currency.

#### b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.17 Provisions and Contingencies

- a) A provision is recognised, if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

- b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made but disclosed in the notes.

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

## 2.18 Government Grants

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

## 2.19 Earnings per Shares

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

## 2.20 Operating Cycles

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products/ activities of the group, the management has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.21 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in other equity as a deduction, net of tax, from the proceeds.

## 2.22 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the group's board of directors.

## 2.23 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

## 2.24 Financial Instruments

### a) Financial Assets

#### i) Recognition and initial measurement

Financial assets are recognised when the group becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value through profit and loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

#### ii) Subsequent measurement

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

##### Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

##### Financial assets at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

##### Financial assets at fair value through profit (FVTPL)

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.

##### Financial instruments measured at fair value through other comprehensive income (FVTOCI)

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

#### iii) Derecognition

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the



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for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

### iv) Impairment of Financial Assets

In accordance with Ind AS 109, the group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The application of simplified approach does not require the group to track changes in credit risk. Rather, It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### b) Financial Liabilities

#### i) Recognition and initial measurement

All financial liabilities are initially recognised when the group becomes a party to the contractual provisions of the instrument. A financial liability is initially measured at fair value, in case of financial liability which is recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the issue of a financial liability.

#### ii) Subsequent measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is classified as held- for- trading, or as a derivative or if designated as such on initial recognition. Financial liabilities 'at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement 'of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. 'Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss 'on derecognition is also recognised in the statement of profit and loss.

### iii) Derecognition

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability is extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

### iv) Setting off financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### c) Derivative Financial Instruments

The group uses derivative financial instruments, such as forward currency contracts to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

## 2.25 Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acgrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

### a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the group. Such changes are reflected in the assumptions when they occur.



# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## b) Taxes

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

The group neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the group has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

## c) Defined benefit plans (gratuity benefits and Compensated Absences)

The cost of the defined benefit plans such as gratuity and Compensated Absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

## d) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

### 2.26 Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

#### Segment Policies:

The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

### 2.27 Standards that became effective during the year

Ministry of corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting standards) Rules as issued from time to time. For the year ended March 31 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the group.

### 2.28 Rounding off amounts

All amounts disclosed in consolidated financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

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### 3 PROPERTY, PLANT & EQUIPMENT (CONSOLIDATED)

Particulars	Freehold land	Lease hold land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
<b>Gross carrying value</b>										
Balance as at April 01, 2023	430.78	819.79	2275.62	19400.70	1865.39	48.74	72.23	53.05	114.23	25080.52
Additions	190.50	94.59	1042.19	3316.87	435.76	5.57	10.46	28.42	60.95	5185.31
Deductions / Adjustments	-	-	-	250.95	-	-	-	-	-	250.95
<b>Balance as at March 31, 2024</b>	<b>621.28</b>	<b>914.38</b>	<b>3317.81</b>	<b>22466.62</b>	<b>2301.15</b>	<b>54.31</b>	<b>82.69</b>	<b>81.47</b>	<b>175.17</b>	<b>30014.88</b>
<b>Accumulated Depreciation</b>										
Opening Accumulated depreciation	-	18.06	722.47	5782.49	1065.55	31.06	54.12	26.35	68.82	7768.93
Depreciation charge during the year	-	9.43	92.48	846.73	131.85	2.75	6.95	13.97	9.17	1113.34
Disposal/Adjustments	-	-	-	238.14	-	-	-	-	-	23,813,714
Closing Accumulated depreciation	-	<b>27.49</b>	<b>814.95</b>	<b>6391.09</b>	<b>1197.40</b>	<b>33.81</b>	<b>61.07</b>	<b>40.33</b>	<b>77.99</b>	<b>8644.13</b>
<b>Net Carrying amount as at 31.03.2024</b>	<b>621.28</b>	<b>886.89</b>	<b>2502.86</b>	<b>16075.53</b>	<b>1103.75</b>	<b>20.50</b>	<b>21.61</b>	<b>41.14</b>	<b>97.18</b>	<b>21370.75</b>
<b>Gross carrying value</b>										
Balance as at April 01, 2022	440.46	752.68	2119.86	17216.25	1704.65	44.64	65.16	32.11	71.22	22447.02
Additions	-	67.11	155.76	2207.18	172.21	4.10	7.06	20.94	43.01	2677.37
Deductions / Adjustments	9.68	-	-	22.73	11.47	-	-	-	-	43.88
Balance as at March 31, 2023	430.78	819.79	2275.62	19400.70	1865.39	48.74	72.23	53.05	114.23	25080.52
<b>Accumulated Depreciation</b>										
Opening Accumulated depreciation	-	-	652.66	5050.35	953.07	28.71	48.04	15.76	63.35	6811.95
Depreciation charge during the year	-	-	66.58	746.64	119.82	2.22	5.44	10.08	5.46	956.23
Disposal/Adjustments	-	-	-	14.49	8.72	-	-	-	-	23.21
Closing Accumulated depreciation	-	-	<b>719.24</b>	<b>5782.49</b>	<b>1064.17</b>	<b>30.93</b>	<b>53.48</b>	<b>25.84</b>	<b>68.82</b>	<b>7744.97</b>
<b>Net Carrying amount as at 31.03.2023</b>	<b>430.78</b>	<b>819.79</b>	<b>1556.37</b>	<b>13618.21</b>	<b>801.22</b>	<b>17.81</b>	<b>18.74</b>	<b>27.21</b>	<b>45.41</b>	<b>17335.55</b>

3.1 The company has not carried out any revaluation of property, plant and equipment during the current or previous reporting year.

3.2 Property, plant and equipment charged as security. Refer to Note no 20 and 24 for information on property, plant and equipment charged to lenders as security.

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 4 RIGHT OF USE ASSETS

Particulars	Amount (₹ In Lakhs)
<b>Balance as at April 01, 2023</b>	22.53
Additions	-
Deductions / Adjustments	-
<b>Balance as at Mar 31, 2024</b>	<b>22.53</b>
<b>Accumulated Depreciation</b>	
Opening Accumulated depreciation	.52
Depreciation charge during the year	.23
Disposal/Adjustments	-
Closing Accumulated depreciation	.75
<b>Total</b>	<b>21.78</b>
<b>Balance as at April 01, 2022</b>	22.53
Additions	-
Deductions / Adjustments	-
<b>Balance as at Mar 31, 2023</b>	<b>22.53</b>
<b>Accumulated Depreciation</b>	
Opening Accumulated depreciation	.29
Depreciation charge during the year	.23
Disposal/Adjustments	-
Closing Accumulated depreciation	.52
<b>Total</b>	<b>22.01</b>

### 5 CAPITAL WORK IN PROGRESS

Particulars	Buildings	Plant and equipment	Electrical Installations	Total Capital Work in progress
<b>As at April 01, 2023</b>	2310.95	416.42	14.48	2741.84
Additions	5251.57	3126.38	434.37	8812.33
Deductions / Capitalised	1253.28	3316.87	435.76	5005.91
<b>As at March 31, 2024</b>	<b>6309.25</b>	<b>225.93</b>	<b>13.09</b>	<b>6548.27</b>
As at April 01, 2022	141.02	300.95	2.35	444.32
Additions	2384.16	2364.63	142.37	4891.15
Deductions / Capitalised	214.23	2249.15	130.24	2593.62
<b>As at March 31, 2023</b>	<b>2310.95</b>	<b>416.42</b>	<b>14.48</b>	<b>2741.84</b>



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 5 CAPITAL WORK IN PROGRESS (Contd.)

#### 5.1 Capital Work in Progress - Ageing Schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>As at 31-03-2024</b>					
Project in Progress					
Capital Expenditure related to Buildings	4761.38	1545.19	2.68	-	6309.25
Capital Expenditure related to Plant and equipment	225.93	-	-	-	225.93
Capital Expenditure related to Electricals installations	13.09	-	-	-	13.09
<b>Total</b>	<b>5000.40</b>	<b>1545.19</b>	<b>2.68</b>	<b>-</b>	<b>6548.27</b>

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>As at 31-03-2023</b>					
Project in Progress					
Capital Expenditure related to Buildings	133.89	-	-	-	133.89
Capital Expenditure related to Plant and equipment	414.17	-	-	-	414.17
Capital Expenditure related to Electricals installations	14.48	-	-	-	14.48
<b>Total</b>	<b>562.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>562.54</b>

### 6 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
<b>Balance as at April 01, 2023</b>	1.79	40.70	50.73	93.22
Additions	-	-	12.00	12.00
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>1.79</b>	<b>40.70</b>	<b>62.73</b>	<b>105.22</b>
Amortisation				
<b>As at April 01, 2023</b>	1.72	40.70	38.18	80.59
Charge for the year	-	-	13.40	13.40
Disposal	-	-	-	-
<b>As at March 31, 2024</b>	<b>1.72</b>	<b>40.70</b>	<b>51.57</b>	<b>93.99</b>
<b>Net Carrying amount as at 31.03.2024</b>	<b>.07</b>	<b>-</b>	<b>11.16</b>	<b>11.23</b>
Gross carrying value				
<b>Balance as at April 01, 2022</b>	1.79	40.70	50.73	93.22
Additions	-	-	-	-
Disposals	-	-	-	-
<b>As at March 31, 2023</b>	<b>1.79</b>	<b>40.70</b>	<b>50.73</b>	<b>93.22</b>

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 6 OTHER INTANGIBLE ASSETS (Contd.)

Particulars	Computer Software	Technical Know How	Product Registration	Total Intangible Assets
Amortisation				
<b>As at April 01, 2022</b>	1.72	40.70	27.78	70.20
Charge for the year	-	-	10.40	10.40
Disposal	-	-	-	-
<b>As at March 31, 2023</b>	<b>1.72</b>	<b>40.70</b>	<b>38.18</b>	<b>80.59</b>
Net Carrying amount as at 31.03.2023	.07	.00	12.55	12.62

6.1 The company has not carried out any revaluation of intangible assets during the current or previous reporting year.

### 7 INTANGIBLE ASSETS UNDER DEVELOPMENT

Intangible Assets under development	Product Registration	Computer Software	Total Capital Work in progress
<b>As at April 01, 2023</b>	36.81	-	36.81
Additions	44.96	142.99	187.95
Deductions	12.00	-	12.00
<b>As at March 31, 2024</b>	<b>69.78</b>	<b>142.99</b>	<b>212.77</b>
As at April 01, 2022	29.81	-	29.81
Additions	7.00	-	7.00
Deductions	-	-	-
<b>As at March 31, 2023</b>	<b>36.81</b>	<b>-</b>	<b>36.81</b>

#### 7.1 Capital Work in Progress - Ageing Schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>As at 31-03-2024</b>					
Project in Progress					
Product Registration	41.36	28.41	-	-	69.78
Computer Software	142.99	-	-	-	142.99
<b>Total</b>	<b>184.35</b>	<b>28.41</b>	<b>-</b>	<b>-</b>	<b>212.77</b>

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>As at 31-03-2023</b>					
Project in Progress					
Product Registration	7.00	21.41	-	8.40	36.81
<b>Total</b>	<b>7.00</b>	<b>21.41</b>	<b>-</b>	<b>8.40</b>	<b>36.81</b>

7.1.a. Intangible Assets under Development as at 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2023 comprises expenditure for the development and registration of product, considering there are no stipulated timelines for completion of registration activities.



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 8 OTHER FINANCIAL ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Non Current</b>		
Security Deposits	427.63	384.19
<b>Balances with Banks:</b>		
In Fixed deposit towards Margin Money maturing after 12 months from the balance sheet date.*	188.35	174.77
In Fixed deposit accounts maturing before 12 months from the balance sheet date.#	74.41	71.02
Interest accrued on margin money & fixed deposits	22.46	24.04
<b>Total</b>	<b>712.85</b>	<b>654.03</b>

\*Under lien against letter of credit and bank guarantee

#Deposit against liability towards sales tax deferment as per the orders of the Honorable High Court of Andhra Pradesh.

### 9 OTHER NON CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
<b>Unsecured - considered good unless otherwise stated</b>		
Capital Advances	698.73	1087.15
<b>Total</b>	<b>698.73</b>	<b>1087.15</b>

### 10 INVENTORIES

Particulars	As at 31-03-2024	As at 31-03-2023
Valued at Cost or net realisable value whichever is lower		
Raw Materials	1992.46	1668.40
Raw Materials in bonded ware house	685.36	1547.43
Work in progress	1975.95	1704.56
Finished Goods	5830.57	3534.95
Packing Materials	16.85	32.39
Coal & Fuel	335.82	313.45
Stores, spares & consumables	311.88	330.56
<b>Total</b>	<b>11148.88</b>	<b>9131.74</b>

10.1 The above inventories stand hypothecated in favour of banks against short term-borrowings. (Refer note no 24)

### 11 INVESTMENTS - CURRENT

Particulars	As at 31-03-2024	As at 31-03-2023
Mutual funds (Quoted)		
(carried at fair value through profit and loss)		
AXIS - OVERNIGHT FUND REGULAR GROWTH (No. of units 31 March 2024: 1,34,697.379, 31 March 2023: Nil)	1701.26	-
SBI - OVERNIGHT FUND REGULAR GROWTH (No. of units 31 March 2024: 55,803.230, 31 March 2023: Nil)	2147.87	-
<b>Total</b>	<b>3849.13</b>	<b>-</b>

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 12 TRADE RECEIVABLE

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured:		
Considered good	10710.26	12876.52
Which have significant increase in credit risk	-	-
Credit impaired	-	-
Less: Allowance for bad debts	-	-
<b>Total</b>	<b>10710.26</b>	<b>12876.52</b>

#### 12.1 Receivables from related parties

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor from firms or Private companies in which a director is interested as on 31.03.2024. As on 31.03.2023, a receivable amount of ₹ Nil was due under this category.

**12.2** Trade receivables are non - interest bearing and generally on terms of 30 to 180 days

**12.3** Refer Note 25 for details of security charge on Trade receivables.

**12.4** Ageing of trade receivables (Unsecured - Current):

As at 31.03.2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	8316.23	2394.02	-	-	-	-	10710.26
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 12 TRADE RECEIVABLE (Contd.)

As at 31.03.2023

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	10085.22	2791.30	-	-	-	-	12876.52
Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

### 13 CASH & CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Balances with banks in current accounts	330.47	81.82
Balances with banks in EEFC accounts	159.92	210.50
Deposits with original maturity of less than 3 months	500.35	-
Cash on hand	1.75	1.22
<b>Total</b>	<b>992.49</b>	<b>293.55</b>

### 14 OTHER BANK BALANCES

Particulars	As at 31-03-2024	As at 31-03-2023
Margin Money with original maturity of more than 3 months but less than 12 months *	97.51	92.71
Balances with banks in unclaimed dividend accounts	.94	.85
Others - PGSI Card	.61	.61
<b>Total</b>	<b>99.06</b>	<b>94.17</b>

\*Under lien against letter of credit and bank guarantee

### 15 OTHERS FINANCIAL ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Current (Unsecured - considered good unless otherwise stated)		
Staff Advances	6.11	9.38
Accrued Interest on deposits	23.60	13.43
Other Advances	5.51	5.51
<b>Total</b>	<b>35.22</b>	<b>28.32</b>

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 16 CURRENT TAX ASSETS (NET)

Particulars	As at 31-03-2024	As at 31-03-2023
Income tax refund receivable (Net of provision)	0.60	11.94
<b>Total</b>	<b>0.60</b>	<b>11.94</b>

### 17 OTHER CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
Current (Unsecured - considered good unless otherwise stated)		
Advance to suppliers	44.62	90.69
Advance towards expenses	26.96	41.73
Prepaid Expenses	203.82	174.06
Balance with statutory/Government Authorities	916.98	82.63
Excess of plan assets over obligations	-	-
<b>Total</b>	<b>1192.38</b>	<b>389.11</b>

### 18 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2024	As at 31-03-2023
Authorised		
15,000,000 Equity Shares of ₹ 10/- each	1,500	1,500
<b>Total</b>	<b>1,500</b>	<b>1,500</b>
Issued & Subscribed and fully Paid up		
1,04,05,483 Equity Shares of ₹ 10/- each with Voting Rights		
Fully Paid up	1,040.55	1,040.55
<b>Total</b>	<b>1,040.55</b>	<b>1,040.55</b>

#### 18.1 RECONCILIATION OF NUMBER OF SHARES:

Particulars	As at 31-03-2024	As at 31-03-2023
Number of Equity Shares at the beginning of the year	10,405,483	8,309,700
Add: Number of shares issued during the year	-	2,095,783
Number of Equity Shares at the end of the year	<b>10,405,483</b>	<b>10,405,483</b>

#### 18.2 RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### 18.3 SHARES HELD BY ASSOCIATE COMPANY:

Particulars	As at 31-03-2024	As at 31-03-2023
	Number of Shares	Number of Shares
Greenpath Energy Private Limited	<b>476,823</b>	<b>476,823</b>



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 18 EQUITY SHARE CAPITAL (Contd.)

#### 18.4 DETAILS OF SHARES HELD BY SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY:

Particulars	As at 31-03-2024		As at 31-03-2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
Sri. Singavarapu Chandra Sekhar	1,590,194	15.28%	1,590,194	15.28%
Ratnabali Investment Private Limited	1,449,457	13.93%	1,449,457	13.93%
Sri. R Venkata Narayana	620,005	5.96%	627,305	6.03%

18.4.1. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### 18.4.2 DETAILS OF SHARES HELD BY PROMOTERS AT THE END OF THE YEAR:

##### 18.4.2 (a) As at 31.03.2024

Promoter Name	No. Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	1,590,194	15.28%	0.00%
Greenpath Energy Private Limited	476,823	4.58%	0.00%
Smt. Edara Jayalaxmi	247,321	2.38%	0.00%
Smt. Singavarapu Lalitha Sree	76,470	0.73%	0.00%
Sri. Kudravalli Rama Krishna	30,882	0.30%	0.00%
Sri. T Kalyan Chakravarthi	12,500	0.12%	0.00%
Smt. K Baby	10,000	0.10%	0.00%
Smt. Potini Vijaya Lakshmi	3,174	0.03%	0.00%

##### 18.4.2 (b) As at 31.03.2023

Promoter Name	No. Of shares	% of Total Shares	% of change during the year
Sri. Singavarapu Chandra Sekhar	1,590,194	15.28%	-0.21%
Greenpath Energy Private Limited	476,823	4.58%	0.06%
Smt. Edara Jayalaxmi	247,321	2.38%	0.03%
Smt. Singavarapu Lalitha Sree	76,470	0.73%	0.01%
Sri. Kudravalli Rama Krishna	30,882	0.30%	0.00%
Sri. T Kalyan Chakravarthi	12,500	0.12%	0.00%
Smt. K Baby	10,000	0.10%	-0.02%
Smt. Potini Vijaya Lakshmi	3,174	0.03%	0.00%

18.5 During the previous year, the Company completed the Rights Issue to eligible equity shareholders - 19,55,083 shares and to eligible employees -1,40,700 shares aggregating to 20,95,783 Equity Shares of Face Value of ₹ 10/- each at a price of ₹ 400/- per equity share (including a premium of ₹ 390/- per share which has been credited to securities premium).

Amount utilized towards Rights Issue expenses of ₹ 138.35 lakhs was charged to Securities Premium.

18.6 The Company has not allotted any equity shares as fully paid up without receiving cash or as bonus shares or bought back any equity shares.

#### 18.7 Dividend

Dividends paid during the year ended March 31, 2024 include an amount of ₹ 3.00 per equity share towards final dividend for the year ended March 31, 2023. Dividends paid during the year ended March 31, 2023 include an amount of ₹ 2.00 per equity share towards final dividend for the year ended March 31, 2022 and an amount of ₹1.00 per equity share towards interim dividends for the year ended March 31, 2023.

The Board of Directors at their meeting held on May 24, 2024, recommended a final dividend of ₹0.10 @ 10% per equity shares of ₹1/- each amounting to ₹0.10 for the financial year ended March 31, 2024. Final dividend is subject to the approval of the shareholders.

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 19 OTHER EQUITY

PARTICULARS	AS AT 31-03-2024		AS AT 31-03-2023
Securities Premium Reserves			
Balance at the beginning of the year	13562.42		5524.76
Add: issued During the Year	-		8173.55
Add: Forfeiture of Shares - transfer from share capital	-		2.46
Less: Right issue expenses	-		138.35
		13562.42	13562.42
Advance against share warrants			
Balance at the beginning of the year			
Add: Amount Received against equity share warrants (Refer Note. 19.1.b)	8529.55		-
Less: Issue Expenses	17.73		-
		8511.82	-
General Reserve			
Balance at the beginning of the year		902.74	902.74
Retained earnings			
Balance at the beginning of the year	15819.27		11726.13
Less: Equity Dividend (Refer Note 18.7)	312.16		312.16
Add: Profit for the year	1822.14		4515.16
Add: Other Comprehensive Income/ (loss) net of deferred tax	24.56		(109.86)
Balance at the end of the year		17353.80	15819.27
<b>Total</b>		<b>40330.78</b>	<b>30284.42</b>

### 19.1 Nature and purpose of reserves

- Securities premium reserve - Securities premium is used to record the premium on issue of shares. This will be utilised in accordance with the provisions of the Act.
- Equity Component of Financial Instruments (subscription against equity share warrants): During the year, the Company has issued 25,61,425 share warrants @ ₹ 1332/- (Face value ₹ 10/-) each. The Company has received ₹ 333/- per share warrant upfront i.e. 25% of the total issue price amounting to ₹ 8529.55 Lakhs. As per the terms of issue, the balance amount of ₹ 999/- (Rupees Nine Hundred and Ninety- Nine only) per warrant will be called within 18 months which is equivalent to remaining 75% (Seventy- five per cent) of the Warrant Issue Price. The Warrant Holders shall be entitled to exercise their option to convert each warrant into one Equity Shares of ₹ 10/- each (10 shares of ₹1/- each post share split), upon payment of balance amount.
- General reserve -: The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- Retained earnings is the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders. Positive balance of retained earnings represents net earnings till date.



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 20 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2024	As at 31-03-2023
Non Current Borrowings		
Term Loan (Secured)		
From Axis Bank Limited	2093.33	1943.51
Other Loans (Unsecured)		
Sales tax deferment	165.90	167.30
	2259.23	2110.81
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Axis Bank Limited	500.00	375.00
Other Loans (Unsecured)		
Sales tax deferment	65.09	78.62
	565.09	453.62
<b>Total</b>	<b>1694.14</b>	<b>1657.19</b>

#### 20.1 Details of Indian Rupee Term Loan from banks are as under:

Name of the Bank/Others	Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
From Axis Bank Limited				
Term Loan				
Sanction Amount	2475.00	17 Quarterly installments of 1.25 Cr. each & 2 Installments of 1.75 Cr each.	July 2023	As on 31.03.2024 1 YR MCLR + 0.35% i.e 9.65%
Outstanding As on 31-03-2024	2100.00			
Outstanding As on 31-03-2023	1953.13			

**20.2** Term loan by Axis Bank Limited is secured by exclusive first charge on fixed assets created out of the term loan extended by the term lender and also by pari passu first charge on the movable fixed assets (Except vehicles) and immovable fixed assets of the Company (including EM of the Company land and buildings but excluding agricultural lands lying in the name of the Company not charged to any bank) along with other lenders.

**20.3** Government of Andhra Pradesh vide letter No.20/2/6/1369/ID dated 08-10-1996 and letter No.30/1/2002/0300/0300/ FD dated 10-04-2002 had sanctioned sales tax deferment for an amount of ₹ 918.54 lakhs and ₹ 514.51 lakhs respectively for a period of 14 years to the Company in respect of Chlorpyrifos plant. The sanction of ₹ 918.54 lakhs under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28<sup>th</sup> February, 2010 and sanction of ₹ 514.51 lakhs under letter No.30/1/2002/0300/0300/FD dated 10-04-2002 has expired its utilisation on 14<sup>th</sup> February, 2016. The Company has availed an aggregate deferment loan of ₹ 563.17 lakhs under the above sanctions. The repayment has commenced and an amount of ₹ 328.26 lakhs has been paid till 31.03.2024. Additionally, the deferment amount payable for the years 2019-20, 2020-21 & 2021-22 aggregating to ₹ 62.20 lakhs was placed in the form of fixed deposits with banks as per orders of the Honourable High Courts of AP & TG. Thus the liability under sales tax deferment reflected is inclusive of the above deposits which have to be paid to the government as per the final orders to be received.

**20.4. a.** The Company has not obtained term loan from any Bank/ Financial Institution during the financial year 2023-24, however, the Company has drawn ₹ 531 lakhs only out of the sanctioned amount of the term loan pertaining to FY 2022-23

Particulars of Loans	Amount Disbursed ₹ in Lakhs	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
Term Loan sanctioned by Axis Bank Limited	531	Towards Capital expenditure in property plant and equipment	Yes	-

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 20 FINANCIAL LIABILITIES - BORROWINGS (Contd.)

20.4. b. The Company has been sanctioned new term loan of ₹ 2475 lakhs during the financial year 2022–23, however, the Company has drawn ₹ 1944 lakhs only out of the sanctioned amount.

Particulars of Loans	Amount Disbursed ₹ in Lakhs	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If no, mention the purpose for which it is utilised
Term Loan sanctioned by Axis Bank Limited	1,944	Towards Capital expenditure in property plant and equipment	Yes	-

### 20.5 Net Debt Reconciliation

Particulars	As at 31-03-2024	As at 31-03-2023
Analysis of net debts and movement in net debts for each of the period presented:		
Current Borrowings	4447.94	3339.97
Non-current borrowings	1694.14	1657.19
<b>Net Debt</b>	<b>6142.08</b>	<b>4997.17</b>

#### As At 31-03-2024

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings*	
<b>Net debt as at March 31, 2023</b>	<b>1657.19</b>	<b>3339.97</b>	<b>4997.17</b>
Cash Flows (Net)	36.95	1107.96	1144.91
<b>Net debt as at March 31, 2024</b>	<b>1694.14</b>	<b>4447.94</b>	<b>6142.08</b>

\* Includes current maturities of Long Term Debt

#### As At 31-03-2023

Particulars	Liabilities from financing activities		Total
	Non Current Borrowings	Current Borrowings*	
<b>Net debt as at March 31, 2022</b>	<b>1003.01</b>	<b>7051.47</b>	<b>8054.49</b>
Cash Flows (Net)	654.18	(3711.50)	(3057.32)
<b>Net debt as at March 31, 2023</b>	<b>1657.19</b>	<b>3339.97</b>	<b>4997.17</b>

\* Includes current maturities of long term debt

### 21 LEASE LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Lease Liabilities	21.16	21.17
	<b>21.16</b>	<b>21.17</b>

### 22 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Other non current liabilities		
Deferred income on government grants	91.48	106.73
<b>Total</b>	<b>91.48</b>	<b>106.73</b>





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 23 PROVISIONS

Particulars	As at 31-03-2024	As at 31-03-2023
Short Term Provisions		
For Gratuity	1.60	-
	<b>1.60</b>	<b>-</b>

### 24 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred tax assets relating to:		
Unused tax losses/depreciation	33.80	-
Expenses allowable on payment basis	34.98	20.35
Total deferred tax assets	<b>68.78</b>	<b>20.35</b>
Deferred tax liabilities relating to:		
On Property, plant and equipment	2171.93	1934.60
Relating to Ind AS adjustments	(35.04)	(75.24)
Total deferred tax liabilities	<b>2136.89</b>	<b>1859.35</b>
Deferred tax Liabilities (Net)	(2068.11)	(1839.00)
Add: MAT credit entitlement	195.39	332.91
<b>Total deferred tax liabilities (net)</b>	<b>1872.71</b>	<b>1506.10</b>

#### 24.1 DEFERRED TAX ASSETS/(LIABILITIES)

##### For the year ended March 31, 2024

Particulars	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1934.60)	(237.34)	-	(2171.93)
MAT credit Entitlement	332.91	(137.52)	-	195.39
Expenses allowed on payment basis	20.35	14.63	-	34.98
Other items giving rise to temporary differences	75.24	3.70	(10.09)	68.85
	<b>(1506.10)</b>	<b>(356.53)</b>	<b>(10.09)</b>	<b>(1872.71)</b>

##### For the year ended March 31, 2023

Particulars	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(1726.81)	(207.79)	-	(1934.60)
MAT credit Entitlement	889.43	(556.52)	-	332.91
Expenses allowed on payment basis	14.42	5.93	-	20.35
Other items giving rise to temporary differences	25.06	5.05	45.13	75.24
	<b>(797.90)</b>	<b>(753.33)</b>	<b>45.13</b>	<b>(1506.10)</b>

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 25 FINANCIAL LIABILITIES - BORROWINGS

Particulars	As at 31-03-2024	As at 31-03-2023
Current Borrowings		
Loans repayable on demand		
Working capital loans (Secured)		
From State Bank of India	922.86	943.50
From State Bank of India - Export Packing Credit	.71	-
From Axis Bank Limited	1003.49	475.98
From RBL Bank Limited	1011.26	398.92
From ICICI Bank Limited	447.47	199.89
Bill discounting facilities from banks (Unsecured)		
From Axis Bank Limited	481.81	852.82
Current Maturities of long term debts		
Term Loan (Secured)		
From Axis Bank Limited	500.00	375.00
Other Loans (Unsecured)		
Sales tax deferment	65.09	78.62
Deferred income on government grants	15.25	15.25
<b>Total</b>	<b>4447.94</b>	<b>3339.97</b>

#### 25.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Balance		Effective Interest Rate	
	As at 31-03-2024	As at 31-03-2023	As at 31-03-2024	As at 31-03-2023
Loans repayable on demand - Secured				
From State Bank of India	923.56	943.50	9.05%	9.30%
From Axis Bank Limited	1003.49	475.98	9.80%	9.45%
From RBL Bank Limited	1011.26	398.92	9.45%	10.60%
From ICICI Bank Limited	447.47	199.89	9.65%	9.65%
Loans repayable on demand - Unsecured				
From Axis Bank Limited	481.81	852.82	7.67%	8.10%

#### 25.2 Working Capital Facilities:

Working capital facilities extended by State Bank of India, Axis Bank Limited, RBL Bank Limited & ICICI Bank Limited are secured as mentioned below.

##### i) Primary Security:

Pari Passu first charge on current assets of the Company (Present and Future) for Limits sanctioned by SBI, Axis, ICICI & RBL Banks.

Pari Passu Second charge is available to SBI, RBL Bank Limited & ICICI Bank Limited by way of hypothecation on the movable fixed assets of the Company financed by Axis Bank Limited by way of term loan.

##### ii) Collateral Security:

Pari-passu first charge on movable fixed assets of the Company (both present and future) except vehicles and assets created out of term loans from Axis Bank Limited and equitable mortgage of the company's factory land and buildings in an extent of 71.68 acres situated at Cheruvukommupalem, Ongole.

#### 25.3 The Company has obtained working capital loan from following Bank/ Financial Institution:

- During the financial year 2023-24, the Company has taken additional working capital facilities of ₹ 20 Crores.
- During the financial year 2022-23, the Company has not availed any additional working capital facilities.



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 26 LEASE LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Lease Liabilities	1.35	1.35
<b>Total</b>	<b>1.35</b>	<b>1.35</b>

### 27 TRADE PAYABLE

Particulars	As at 31-03-2024	As at 31-03-2023
Unsecured considered good:		
Total outstanding dues of micro enterprises and small enterprises	456.78	219.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	6068.52	5662.26
<b>Total</b>	<b>6525.30</b>	<b>5881.94</b>

#### 27.1 Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 (27 of 2006)

Particulars	As at 31-03-2024	As at 31-03-2023
Principal amount remaining unpaid	456.78	219.68
Interest due thereon	-	-
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period/year	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006	-	-
Interest accrued and remaining unpaid as at balance sheet date	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-
<b>Total</b>	<b>456.78</b>	<b>219.68</b>

27.2 The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31<sup>st</sup> March 2024 has been made in the financial statements based on information received and available with the Company.

#### 27.3 Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-180 days terms.

#### 27.4 Trade Payables ageing schedule: (Unsecured)

As at 31.03.2024

Particulars	Payable not due	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	456.78	-	-	-	-	456.78
Others	6068.52	-	-	-	-	6068.52
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 27 TRADE PAYABLE (Contd.)

As at 31.03.2023

Particulars	Payable not due	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	219.68	-	-	-	-	219.68
Others	5659.13	3.12	-	-	-	5662.26
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

### 28 OTHER FINANCIAL LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Capital Creditors	1048.55	191.71
Unpaid dividends	.94	.85
Other Payables - Expenses	298.99	368.37
<b>Total</b>	<b>1348.47</b>	<b>560.92</b>

28.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

### 29 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Statutory Dues	81.99	221.18
Advance From Customers	1.03	-
<b>Total</b>	<b>83.02</b>	<b>221.18</b>

### 30 PROVISIONS

Particulars	As at 31-03-2024	As at 31-03-2023
Short Term Provisions		
For Gratuity	40.42	14.64
For Compensated Absence	79.00	55.24
<b>Total</b>	<b>119.42</b>	<b>69.88</b>

### 31 CURRENT TAX LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for Income tax (Net of Advance tax and TDS/TCS)	26.46	-
	<b>26.46</b>	<b>-</b>



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 32 REVENUE FROM OPERATIONS

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Sale of products</b>		
Manufactured products	40494.85	50142.82
Traded Goods	255.01	57.08
<b>Other Operating Revenues</b>		
Export Incentives	2.14	4.14
Scrap Sales	12.81	5.10
<b>Total Revenue from operations</b>	<b>40764.82</b>	<b>50209.13</b>

#### 32.1 DETAILS OF SALE OF PRODUCTS:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Manufactured products - Domestic	37863.63	44814.11
Manufactured products - Export	2631.23	5328.71
Traded Goods - Sale of Raw Materials	255.01	57.08

### 33 OTHER INCOME

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Interest Income on</b>		
Deposits, Margin money held and others	83.60	34.65
Gain on Investments	129.11	-
Gain on foreign currency transactions & translations	16.89	58.06
Government Grant amortised	15.25	15.25
Miscellaneous Income	22.99	17.95
<b>Total</b>	<b>267.83</b>	<b>125.91</b>

### 34 COST OF MATERIAL CONSUMED

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Raw Material Consumption</b>		
Inventory at the beginning of the year	1668.40	2560.95
Add: Purchases	27106.36	32458.43
	<b>28774.76</b>	<b>35019.39</b>
Less: Inventory at the end of the year	1992.46	1668.40
Cost of raw material consumed	26782.29	33350.99
<b>Packing Material Consumption</b>		
Inventory at the beginning of the year	32.39	36.51
Add: Purchases	431.41	384.82
	463.81	421.33
Less: Inventory at the end of the year	16.85	32.39
Cost of packing material consumed	446.96	388.93
<b>Total</b>	<b>27229.26</b>	<b>33739.92</b>

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 35 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Inventories at the beginning of the year</b>		
Work-In-Progress	1704.56	1044.01
Finished goods	3534.95	1796.95
	<b>5239.51</b>	<b>2840.96</b>
<b>Inventories at the end of the year</b>		
Work-In-Progress	1975.95	1704.56
Finished goods	5830.57	3534.95
	<b>7806.51</b>	<b>5239.51</b>
<b>Increase/(Decrease) in inventories of finished goods and work-in-progress</b>	<b>(2567.00)</b>	<b>(2398.55)</b>

### 36 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Salaries & Wages	2592.45	2247.39
Directors' Remuneration & Commission	240.20	254.57
Contribution to provident fund & other funds	165.22	157.83
Gratuity Expenses	59.91	46.87
Compensated absence	30.11	34.96
Staff Welfare Expenses	240.13	215.34
<b>Total</b>	<b>3328.02</b>	<b>2956.96</b>

### 37 FINANCE COST

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Interest on term loan	202.36	29.65
Interest on working capital loan	172.91	110.23
Interest towards delayed payment of statutory dues	.62	1.14
Interest to others	136.48	86.36
Interest on financial liabilities recognised on amortised cost	15.02	14.21
Bank Charges & Processing Fee	50.70	63.69
Cash Discount	190.85	192.69
Interest On Lease Liability	-	1.35
<b>Total</b>	<b>768.94</b>	<b>499.32</b>

### 38 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation	1084.60	970.17
Amortization	13.40	10.62
<b>Total</b>	<b>1097.99</b>	<b>980.79</b>





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 39 OTHER EXPENSES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Manufacturing Expenses:</b>		
Consumption of stores, spares & consumables	1343.20	1401.91
Power and Fuel	4267.52	4061.66
Insurance	148.41	130.20
Effluent treatment expenses	417.75	434.73
Freight Inwards	15.98	10.92
Water Transport Charges	42.26	64.62
Testing and Lab charges	2.60	4.31
Factory maintenance	181.02	178.41
Repairs & maintenance		
Plant and machinery	269.98	207.02
Buildings	205.17	255.87
Others	35.69	40.51
	6929.58	6790.17
<b>Administration, Selling and Other Expenses</b>		
Rent	37.50	37.50
Rates and taxes	23.52	54.04
Research and Development expenses	250.90	159.84
Printing and stationery	28.03	28.99
Consultancy and other professional charges	181.37	200.03
Remuneration to auditors	-	
- Audit Fee	13.00	10.50
- Others	1.60	.00
Remuneration to cost auditors	1.00	1.00
Remuneration to Internal Auditors	3.00	3.00
Travelling and conveyance	70.73	46.99
(Including foreign travel ₹ 32.20 lakhs, Previous Year - ₹6.04 Lakhs)	-	
Communication expenses	16.13	14.36
Vehicle Maintenance	66.50	50.37
Other selling expenses	530.86	534.32
CSR Expenses	99.19	61.78
Miscellaneous Expenses	230.30	185.38
	1553.63	1388.10
<b>Total</b>	<b>8483.22</b>	<b>8178.28</b>

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 40 OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Other comprehensive income not to be reclassified to profit or loss in subsequent periods:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Remeasurement costs on net defined benefit liability	34.65	(154.99)
Deferred tax effect on remeasurement costs on net defined benefit liability	(10.09)	45.13
<b>Total</b>	<b>24.56</b>	<b>(109.86)</b>

### 41 DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES:

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2024 was ₹ 99,19,459/- (Previous Year ₹ 61,78,210/-), Computed at 2% of its average net profits for the immediately preceding three financial years, towards discharge of Corporate Social Responsibility (CSR) obligation.

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Gross Amount required to be spent as per Section 135 of the Act	99.19	61.78
Add: Amount Unspent from previous years	-	-
Less: Excess Spent from previous year	5.33	-
Total Gross amount required to be spent during the year	93.87	61.78
<b>Amount approved by the Board to be spent during the year</b>	<b>99.19</b>	<b>61.78</b>

#### Amount spent during the year on

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
(i) Construction/acquisition of an asset	-	36.69
(ii) On purposes other than (i) above	99.19	25.09

#### Details related to amount spent/ unspent

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Contribution towards on going project	-	-
Spent on CSR activities	99.19	61.78
Contribution to CSR Programme	-	-
<b>Accrual towards unspent obligations in relation to:</b>		
Ongoing projects	-	-
Other than Ongoing projects	-	-
<b>TOTAL</b>	<b>99.19</b>	<b>61.78</b>

#### Details of excess CSR expenditure

Nature of Activity	Balance excess as at 1 April 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2024
CSR Activities for the Financial Year 2023-24	5.33	99.19	102.22	8.35



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 41 DETAILS OF EXPENSES ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES (Contd.)

Nature of Activity	Balance excess as at 1 April 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at 31 March 2023
CSR Activities for the Financial Year 2022-23	-	61.78	67.11	5.33

#### Disclosures on Shortfall

Particulars	March 31, 2024	March 31, 2023
Amount Required to be spent by the Company during the year	99.19	61.78
Actual Amount Spent by the Company during the year	99.19	61.78
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	Not Applicable	Not Applicable

#### Nature of CSR activities

Particulars	March 31, 2024	March 31, 2023
Rural Development Projects	24.22	37.11
Promoting Education	50.00	25.00
Disaster Management	-	5.00
Promoting Health Care	28.00	-
<b>Amount Spent during the Year</b>	<b>102.22</b>	<b>67.11</b>

#### Details of related party Transactions:

The Company has contributed ₹ 22.00 Lakhs during the current year for rural development activities and for previous financial year ₹ 36.69 Lakhs by way of transfer of a capital asset to Singavarapu Koteswara Rao Charitable Trust, which is a related party. This amount forms part of the of the CSR spend of the Company for the respective years.

### 42 TAXES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>a. Income Tax Expense recognised in the Statement of Profit &amp; Loss:</b>		
Current Tax	513.60	1109.32
Adjustment for MAT	137.47	556.52
Deferred tax Charge/(Credit)	219.01	196.81
Earlier years Tax	-	.50
<b>Total Income tax Expenses recognised in statement of profit &amp; loss</b>	<b>870.08</b>	<b>1863.15</b>
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/ (Credit) to OCI	24.56	(109.86)
<b>b. Reconciliation of effective tax rate:</b>		
Profit before tax (A)	2692.22	6378.31
Enacted tax rate in India (B)	29.12%	29.12%
Expected Tax Expenses (C=A*B)	783.98	1857.36
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	(217.45)	182.72
Expenses not deductible for tax purpose	258.46	67.28
Tax due to change in tax rate	197.00	-
Others	57.70	(230.12)
Total	295.70	19.88
Profit after adjusting permanent difference	2987.92	6398.19
Expected Tax expenses	870.08	1863.15
Total Tax expense	870.08	1863.15

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 43 EARNINGS PER SHARES

**43.1** Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the potentially dilutive equity shares into equity shares.

**43.2** The Basic and diluted EPS per share is given hereunder (refer note 43.3)

Particulars		Year ended 31.03.2024	Year ended 31.03.2023
Profit / (Loss) as per Profit and Loss Account	₹	1822.14	4515.16
Net Profit / (Loss) attributable to Equity Share holders	₹	1822.14	4515.16
Equity Shares outstanding at the beginning of the year	Nos.	104,054,830	83,097,000
Equity Shares outstanding at the close of the year	Nos.	104,054,830	104,054,830
Weighted average No of equity shares in computing basic EPS	Nos.	104,054,830	101,815,500
Weighted Average number of Equity Shares in computing diluted earnings per share	Nos.	113,502,709	101,815,500
Face value of each equity share (after split)	₹	1	1
Earnings per share on face value of ₹1/-			
- Basic (Annualised) (₹)		1.75	4.43
- Diluted (Annualised) (₹)		1.61	4.43

**43.3** Subsequent to reporting date, the company effected a share split whereby each existing share (having face value of ₹ 10/- each fully paid-up) was Split into 10 equity shares (having face value of ₹ 1/-each fully paidup). The effective date of the share split is April 10<sup>th</sup> 2024, Consequently, the total number of fully paidup equity shares increased from 1,04,54,583 to fully paidup shares of 10,45,45,830. Hence, for the purpose of EPS calculation the number of shares post stock split are considered for current and previous reporting period.

### 44 EMPLOYEE BENEFITS

#### 44.1 Gratuity

##### Defined Benefit Plans

The group has a defined benefit gratuity plan governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure, at 15 days salary for each completed year of service. The scheme is funded through a policy with Life Insurance Corporation of India. The following tables summarize net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

PARTICULARS	March 31, 2024	March 31, 2023
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	58.86	52.23
Interest cost	1.05	(5.36)
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the period/ year	(46.69)	24.33
Benefits paid	.54	3.50
Net employee benefit expenses	<b>13.76</b>	<b>74.70</b>
Actual return on plan asset	-	-
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	562.52	507.97
Fair value of plan assets	520.49	493.33
	<b>42.02</b>	<b>14.64</b>



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 44 EMPLOYEE BENEFITS (Contd.)

PARTICULARS	March 31, 2024	March 31, 2023
<b>C) Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	507.97	383.56
Current service cost	58.86	52.23
Interest cost	37.76	26.08
Benefits paid	(10.33)	(57.45)
Remeasurement due to financial assumptions	14.95	79.23
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(46.69)	24.33
<b>Closing defined benefit obligation</b>	<b>562.52</b>	<b>507.97</b>
<b>D) Change in the fair value of plan assets</b>		
Opening fair value of plan assets	493.33	390.03
Interest Income on Planned assets	36.71	31.44
Contributions	1.33	132.81
Benefits paid	(10.33)	(57.45)
Actuarial gain/(loss) on plan assets	(.54)	(3.50)
<b>Closing fair value of plan assets</b>	<b>520.49</b>	<b>493.33</b>
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
<b>E) Remeasurement adjustments:</b>		
Experience loss/ (gain)	(46.69)	24.33
Financial Assumptions loss/ (gain)	14.95	79.23
Return on Plan Assets	.54	3.50
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
<b>Remeasurement gains/(losses) recognised in other comprehensive income:</b>	<b>(31.19)</b>	<b>107.06</b>
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	7.22%	7.51%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	8.00%
Attrition Rate	3.00%	3.00%
The estimates of future salary increases considered in the actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
ii) The overall expected rate of return on assets is determined based on the actual rate of return during the current year.		
Amounts for the current and previous year are as follows:		
Defined benefit obligation	562.52	507.97
Plan assets	520.49	493.33
Surplus / (deficit)	42.02	14.64

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 44 EMPLOYEE BENEFITS (Contd.)

### 44.2 Compensated absence

#### Defined Benefit Plans

PARTICULARS	March 31, 2024	March 31, 2023
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	26.07	34.15
Interest cost	24.23	17.52
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the period/ year	(8.36)	19.74
Benefits paid	(15.28)	11.47
Net employee benefit expenses	<b>26.65</b>	<b>82.89</b>
Actual return on plan asset	-	-
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	364.77	326.86
Fair value of plan assets	285.77	271.62
	<b>79.00</b>	<b>55.24</b>
<b>C) Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	326.86	249.95
Current service cost	26.07	34.15
Interest cost	24.23	17.52
Benefits paid	(8.57)	(23.25)
Remeasurement due to financial assumptions	4.55	28.75
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	(8.36)	19.74
<b>Closing defined benefit obligation</b>	<b>364.77</b>	<b>326.86</b>
<b>D) Change in the fair value of plan assets</b>		
Opening fair value of plan assets	271.62	200.44
Expected return on plan assets	(.36)	.56
Contributions	23.08	93.87
Benefits paid	(8.57)	(23.25)
Actuarial gain/(loss) on plan assets	-	-
<b>Closing fair value of plan assets</b>	<b>285.77</b>	<b>271.62</b>
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
<b>E) Remeasurement adjustments:</b>		
Experience loss/ (gain)	(8.36)	19.74
Financial Assumptions loss/ (gain)	4.55	28.75
Return on plan assets	.36	(.56)
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
<b>Remeasurement gains/(losses) recognised in other comprehensive income:</b>	<b>(3.45)</b>	<b>47.93</b>
i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:		
Discount rate	7.22%	7.51%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	8.00%
Attrition Rate	3.00%	3.00%

The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 44 EMPLOYEE BENEFITS (Contd.)

#### 44.3 Defined Contribution Plan

Particulars	March 31, 2024	March 31, 2023
Contribution to Provident Fund	154.65	146.72
Contribution to Superannuation Fund	-	-

### 45 COMMITMENTS & CONTINGENCIES

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>a. Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	3674.46	6832.28
<b>Total</b>	<b>3674.46</b>	<b>6832.28</b>
<b>b. Contingent Liabilities:</b>		
i) Outstanding bank guarantees	10.00	5.00
ii) Letters of Credit	-	781.22
iii) Indirect Taxes - GST	65.69	65.69
iv) Indirect Taxes - Entry Tax	9.10	9.10
v) Indirect Taxes - CVD & SAD (Refer Note 46)	39.92	39.92
vi) Demand for direct taxes under appeal*	71.50	71.50
<b>Total</b>	<b>196.21</b>	<b>972.43</b>

\* Pertains to income tax demand/matters on account of deductions / re-opening for earlier years, pending appeals filed consequent to order passed by Honourable Income Tax Tribunal to restore the issue to the file of Commissioner of Income Tax (Appeals) with a direction to adjudicate the issue of validity of reassessment proceedings as well as claim of deductions.

(In respect of the above matters, future cash outflows in respect of contingent liabilities are determinable only on receipt of judgments pending at various forums / authorities. The Company has assessed that it is only possible but not probable that the outflow of economic resources will be required)

**46** During the year 2018-19, Company paid ₹ 26.21 lakhs and ₹ 13.71 lakhs on account of CVD and SAD towards shortfall quantity of their export obligation in respect of two advance authorization licences granted to it. The Company has filed for a refund of the CVD & SAD as per the provisions of Sec. 142(3) of CGST Act. Refund application of the Company has been rejected by the Asst. Commissioner of Central Taxes, CGST Division vide its order dated 14.05.2020. Later, the Company made an Appeal with the Commissioner of Appeals, which was also rejected, vide order dated 30.10.2020. On 28.01.2021, the Company preferred further appeal with The Customs, Excise and Service Tax Appellate Tribunal Regional Bench, Hyderabad which is admitted by the Appellate Tribunal vide letter dated 21-06-2021. Hence, no provision is made in the books of the Company.

**47** Bheema Fine Chemicals Private Limited, the wholly owned subsidiary, has purchased 33.90 Acres of Land in Plot No. 137 to 149 & 151 to 157, Kadechur 1<sup>st</sup> Phase Industrial Area, Yadgir Dist. Karnataka for a consideration of ₹ 727.16 Lakhs (₹ 19.50 Lakhs per Acre) vide lease cum sale agreement dated 22.12.2020 and registered lease cum sale deed No. 8769/2020-21 dated 15.03.2021 executed by KIADB. The Company has taken possession of land on 19-12-2020 and commenced implementation of the project.

Karnataka Industrial Area Development Board (KIADB) has issued a letter no. KIADB/DDO/YDG/415/2023-24 Dated 17.11.2023 demanding additional payment of ₹ 461.00 Lakhs by increasing the final price from ₹ 19.50 Lakhs to ₹ 34.50 Lakhs per acre citing the terms of resolution of KIADB dated 19-09-2020. The Company has contested the said demand of ₹ 461 Lakhs vide its letter Dated 22.02.2024 stating that as per the Industrial Policy 2020-25 of Government of Karnataka, KIADB should fix the final price for the plot within two years from the date of execution of lease cum sale deed/ lease deed and the final price should not exceed 20% of the tentative allotment price indicated at the time of allotment. Hence the Company has not made any provision in the books as the demand has been raised by KIADB after two years from the date of lease cum sale deed/ lease deed in violation of the terms of the resolution of KIADB dated 19-09-2020. The group is confident of waiver of said demand.

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 48 SEGMENT REPORTING

#### a. BASIS OF SEGMENTATION

The company operates only in one business segment viz. 'manufacturing and sales of crop care chemicals' and hence no separate information for primary segment wise disclosure is required.

#### b. GEOGRAPHIC INFORMATION:

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other continents. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Segment revenue (based on the location of the customers)</b>		
India	38118.64	44871.18
Asia	1791.66	721.21
Australia	522.17	-
Europe	317.39	1065.26
North America	-	3197.71
South America	-	344.52
<b>Total</b>	<b>40749.87</b>	<b>50199.89</b>

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Segment assets (based on the location of the assets)</b>		
India	29576.38	21866.05
<b>Total</b>	<b>29576.38</b>	<b>21866.05</b>

### 49 PAYMENTS TO AUDITORS (excluding GST & Service Tax)

PARTICULARS	Year Ended March 31, 2024	Year Ended March 31, 2023
<b>A) Statutory auditors</b>		
Statutory audit	11.00	10.50
Others	3.60	-
	<b>14.60</b>	<b>10.50</b>
<b>B) Cost auditors</b>		
Audit fee	1.00	1.00
Others	.06	.05
	<b>1.06</b>	<b>1.05</b>



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 50 RESEARCH AND DEVELOPMENT

Details of research and development expenses (excluding depreciation and amortisation expense and capital expenditure incurred during the year are given here below:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
<b>Details of expenditure on R &amp; D</b>		
<b>i) Details of Revenue expenditure</b>		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	121.86	84.59
Employee Benefits Expenses		
Salaries, Wages and Bonuses	128.35	70.27
Other Expenses		
Repairs and Maintenance	.69	4.99
<b>ii) Capital Expenditure</b>		
Plant & Machinery	217.45	182.72
Building related material	114.31	53.28
Civil work in Progress	91.02	-
	<b>673.68</b>	<b>395.84</b>

### 51 RELATED PARTY DISCLOSURES

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company

Names of related parties and description of relationship

Name of the related party	Relationship
<b>Subsidiary</b>	
Bheema Fine Chemicals Private Limited	Wholly owned subsidiary Company
<b>Other related parties (entities in which either of the KMP's have significant influence) with whom transactions have taken place during the year</b>	
Greenpath Energy Private Limited	Mr. S. Chandra Sekhar & Mrs. S. Lalitha Sree Directors, are interested.
Singavarapu Koteswara Rao Charitable Trust	Mr. S. Chandra Sekhar, Managing Director, is Chairman & Managing Trustee
Ratnabali Investment Private Limited	Sri. Suresh Kumar Somani, Non-Executive Non-Independent Director, is interested
<b>Key Management Personnel</b>	
Sri. K S Raju	Independent Director & Chairman
Sri. S Chandra Sekhar	Managing Director
Sri. Sudhakar Kudva	Independent Director
Smt. S Lalitha Sree	Non-Executive Director
Sri. G S V Krishna Rao	Independent Director
Sri. Kishor Shah	Independent Director
Smt. G Aruna	Independent Director
Sri. A Arvind Kumar	Executive Director cum Chief Executive Officer (From 04.08.2023)
Sri. Suresh Kumar Somani	Non-Executive Non-Independent Director (w.e.f 04.11.2023)
Sri. Ketan Chamanlal Budh	Whole time director (Upto 13.05.2022)
Sri. B Krishna Mohan Rao	Chief Financial Officer
Smt. M Sharanya	Company Secretary
<b>Relatives of KMP</b>	
Smt. E Jayalaxmi	Sister of Managing Director
Smt. Bandhakavi Radhika	Spouse of Chief Financial Officer
Sri. Mandala Aman Raj	Spouse of of Company Secretary

Note: Names of related parties and description of relationship as identified and certified by the Company.

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 51 RELATED PARTY DISCLOSURES (Contd.)

Transactions during the year:

PARTICULARS	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Subsidiary Company</b>		
Bheema Fine Chemicals Private Limited		
Loans given during the year to the enterprise	6701.05	3040.00
Loans repaid during the year from the enterprise	213.33	3138.97
Interest received on the loan given	212.28	58.47
Amount paid towards Shares allotment	-	3300.00
Amount received towards sale of asset	28.10	-
Amount received towards services	1.49	-
Singavarapu Koteswara Rao Charitable Trust		
Contribution made towards CSR Expenditure	22.00	36.69
<b>Key Management Personnel</b>		
i) Sri. S Chandra Sekhar		
Remuneration including commission	184.82	214.33
Sitting Fees		
ii) Sri. K S Raju	1.70	1.35
iii) Sri. Sudhakar Kudva	3.35	2.45
iv) Smt. S Lalitha Sree	2.20	1.40
v) Sri. G S V Krishna Rao	2.75	2.15
vi) Sri. Kishor Shah	2.15	.95
vii) Smt. G Aruna	2.15	1.55
viii) Sri. Ketan Chamanlal Budh		
Remuneration & Perquisites	-	9.12
ix) Sri. A Arvind Kumar		
Remuneration (Including Commission & Perquisites)	96.62	118.33
x) Sri. B Krishna Mohan Rao		
Remuneration & Perquisites	46.39	45.29
xi) Smt. M Sharanya		
Remuneration & Perquisites	16.44	18.23
<b>Dividend</b>		
Sri. S Chandra Sekhar	47.71	47.71
Greenpath Energy Private Limited	14.30	14.30
Ratnabali Investment Private Limited	43.48	43.48
Smt. E Jayalaxmi	7.42	7.42
Smt. S Lalitha Sree	2.29	2.29
Sri. A Arvind Kumar	.03	.03
Sri. B Krishna Mohan Rao	.00	.01
Sri. Ketan Chamanlal Budh	-	.00
Smt. Bandhakavi Radhika	-	.00
Smt M Sharanya	-	.03
<b>Amount received against share warrants</b>		
Sri. S Chandra Sekhar	274.99	-
Ratnabali Investment Private Limited	1250.00	-
Sri. A Arvind Kumar	24.99	-
Sri. B Krishna Mohan Rao	6.24	-
Sri. Mandala Aman Raj	6.24	-



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 51 RELATED PARTY DISCLOSURES (Contd.)

PARTICULARS	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Amount received against Rights Issue</b>		
Sri. S Chandra Sekhar	-	1211.58
Greenpath Energy Private Limited	-	363.29
Ratnabali Investment Private Limited	-	1161.27
Smt. E Jayalaxmi	-	188.43
Smt. S Lalitha Sree	-	65.88
Sri. A Arvind Kumar	-	4.21
Sri. B Krishna Mohan Rao	-	4.13
Smt. M Sharanya	-	4.13
Sri. Ketan Chamanlal Budh	-	4.13
<b>Subsidiary</b>		
Bheema Fine Chemicals Private Limited		
Outstanding Loan Receivable	6700.00	-
<b>Key Management Personnel</b>		
i) Sri. S Chandra Sekhar		
Commission Payable	30.45	69.61
ii) Sri. A Arvind Kumar		
Commission Payable	20.30	46.41

In compliance with Ind AS - 27: "Separate financial statements", The required information is as under:

#### Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

There have been no guarantees provided or received for any related party receivables or payables.

No balances in respect of the related parties has been provided for written off / written back.

**52** Following are the details of loans given to subsidiaries, associates and other entities in which directors are interested in terms of regulation 53 (F) read together with Para A of Schedule V of SEBI (Listing Obligation and Disclosure Regulation, 2013).

Subsidiaries	Ownership interest					
	Country of incorporation	For the year ended 31.03.2024		For the year ended 31.03.2023		
Bheema Fine Chemicals Private Limited	India	100%		100%		

Subsidiaries	Investments in equity		Gross loan outstanding as at		Maximum amount of loans outstanding at any time during the year	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Bheema Fine Chemicals Private Limited	4200.00	4200.00	6700.00	-	6700.00	2406.71

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

**53** The following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

### Year Ended March 31, 2024

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date (H)	% of Total
KMPs	Not Applicable			-	0%
Related Parties (Subsidiary)	Individually	No	Yes	4330.00	65%
	Individually	Yes	No	2370.00	35%
Total of Loan and Advances in the nature of Loan				6700.00	0%

### Year Ended March 31, 2023

Type of Borrower	Loans/Advances granted Individually or Jointly with other. (Individually / Jointly)	Repayable on demand (Yes / No)	Terms/Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date (H)	% of Total
KMPs	Not Applicable			-	-
Related Parties (Subsidiary)	Individually	Yes	No	-	100%
Total of Loan and Advances in the nature of Loan				-	100%

**54** Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

### As at 31.03.2024

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount ₹ lakhs	As a % of consolidated profit or loss	Amount ₹ lakhs	As a % of consolidated profit or loss	Amount ₹ lakhs	As a % of consolidated profit or loss	Amount ₹ lakhs
Parent - Bhagiradha Chemicals and Industries Limited	90.14%	37535.28	99.85%	2030.24	100.00%	24.56	99.85%	2054.79
Subsidiary - Bheema Fine Chemicals Private Limited	9.86%	4107.74	0.15%	2.99	0.00%	-	0.15%	2.99
<b>Total</b>	<b>100.00%</b>	<b>41643.01</b>	<b>100.00%</b>	<b>2033.23</b>	<b>100.00%</b>	<b>24.56</b>	<b>100.00%</b>	<b>2057.79</b>

### As at 31.03.2023

Name of the entity in the Group	Net assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount ₹ lakhs	As a % of consolidated profit or loss	Amount ₹ lakhs	As a % of consolidated profit or loss	Amount ₹ lakhs	As a % of consolidated profit or loss	Amount ₹ lakhs
Parent - Bhagiradha Chemicals and Industries Limited	86.92%	27280.83	101.47%	4640.99	100.00%	(109.86)	101.51%	4531.14
Subsidiary - Bheema Fine Chemicals Private Limited	13.08%	4104.75	(1.47)%	(67.37)	0.00%	-	(1.51)%	(67.37)
<b>Total</b>	<b>100.00%</b>	<b>31385.57</b>	<b>100.00%</b>	<b>4573.63</b>	<b>100.00%</b>	<b>(109.86)</b>	<b>100.00%</b>	<b>4463.77</b>





## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

**55** The group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

### **56 Wilful Defaulter**

The group has not defaulted in servicing the debt availed from banks, financial Institutions or any other lender and is therefore not a defaulter or wilful defaulter as defined by RBI Circular.

**57** Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### **58 Registration of charges or satisfaction with Registrar of Companies:**

The group does not have any pending charges to be created or satisfaction charge to be filed with ROC beyond the statutory period.

### **59 Compliance with number of layers of companies:**

The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

### **60 Undisclosed income**

The group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current year as well as in the previous year in the tax assessments under the Income Tax Act, 1961, such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

### **61 Details of Crypto Currency or Virtual Currency**

The group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

### **62 Utilisation of Borrowed funds and share premium:**

(i) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) out of its borrowed funds or share premium or any other source with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

### **63 Fair values of financial assets and financial liabilities**

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 63 Fair values of financial assets and financial liabilities (Contd.)

Non-current borrowing comprises term loan from the banks. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

Non-current borrowings comprises of Inter corporate borrowing has been valued at amortised cost using Effective Interest Rate (EIR).

The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Financial assets at fair value through profit &amp; loss</b>				
Investments	-	-	-	-
Financial Assets at amortised cost				
Loans	-	-	-	-
Deposits & Others	748.07	682.35	-	-
Trade Receivables	10710.26	12876.52	-	-
Cash & Cash Equivalents	992.49	293.55	-	-
Bank Balances other than above	99.06	94.17	-	-
<b>Financial Liabilities at amortised cost</b>				
Borrowings (Non Current & Current)	6126.83	4981.92	165.90	167.30
Interest accrued	15.25	15.25	-	-
Trade Payables	6525.30	5881.94	-	-
Capital Creditors & Others	1348.47	560.92	-	-

### 64 Risk management

#### Financial Risk Management objectives & Policies

The group's financial risk management is an integral part of how to plan and execute its business strategies. The group's activity exposes it to market risk, commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the group, the group evaluates various options and may enter into derivative financial instruments like foreign exchange forward contracts, foreign currency option contracts in order to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives, if entered into, are used exclusively for hedging purposes and not as trading or speculative instruments.

The group's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the group. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rate, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

#### 64.1 Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the group periodically assesses financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

##### a) Trade and other receivables

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



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 64 Risk management (Contd.)

Summary of the group's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	March 31, 2024	March 31, 2023
Not Due	8316.23	10085.22
0 - 90 Days	2246.29	2791.30
90 - 180 Days	147.73	-
180 - 270 Days	-	-
270 - 365 Days	-	-
More than 360 Days	-	-
<b>Total</b>	<b>10710.26</b>	<b>12876.52</b>

The group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment. Exposures to customers outstanding at the end of each reporting period are reviewed by the group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the group have not undergone any substantial change, the group expects the historical trend of minimal credit losses to continue.

#### b) Cash and Cash Equivalents

The group held cash and cash equivalents of ₹ 992.49 lakhs at March 31, 2024 (March 31, 2023: ₹ 293.55 lakhs). This includes the cash and cash equivalents held with the bank and the cash on hand with the group.

### 64.2 Liquidity Risk

Liquidity risk is the risk in terms of difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The group has obtained fund and non-fund based working capital loans from bank. The borrowed funds are generally applied for group's own operational activities.

#### Exposure to liquidity risk:

##### a) The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted:

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-24					
Total Borrowings	4432.69	1063.09	674.87	31.85	6202.51
Interest Payable	15.25	-	-	-	15.25
Trade Payables	6525.30	-	-	-	6525.30
Other Payables	1349.83	2.71	2.71	124.75	1480.01
	<b>12323.07</b>	<b>1065.80</b>	<b>677.58</b>	<b>156.60</b>	<b>14223.06</b>

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-23					
Total Borrowings	3324.73	1013.67	627.45	100.10	5065.94
Interest Payable	15.25	-	-	-	15.25
Trade Payables	5864.18	-	-	-	5864.18
Other Payables	560.92	-	-	-	560.92
	<b>9765.07</b>	<b>1013.67</b>	<b>627.45</b>	<b>100.10</b>	<b>11506.29</b>

# Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

## 64 Risk management (Contd.)

### b) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The group's exposure to the risk of changes in the market interest rate relates primarily to the group's long term debt obligations with floating interest rates. The group's interest rate exposure is mainly related to variable interest rates debt obligations. The group manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

#### Exposure to interest rate risk

group's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the group's interest-bearing financial instruments as reported to the management of the group is as follows.

Particulars	March 31, 2024	March 31, 2023
<b>Floating rate instruments</b>		
Financial Liabilities - measured at amortised cost		
Term loan from banks	2093.33	1943.51
Working capital facilities from bank	3385.79	2018.29
Bills Discounting	481.81	852.82
<b>Total</b>	<b>5960.93</b>	<b>4814.62</b>

Fair value sensitivity analysis for fixed-rate instruments

The group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-24		
Variable rate loan instruments	14.90	(14.90)
31-Mar-23		
Variable rate loan instruments	12.04	(12.04)

### 64.3 a) Market Risk

Market risk is the possibility of losses that may be incurred by the group due to factors that affect the overall performance of the group – such as foreign exchange rates, interest rates, recessions etc. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily due to the fluctuations in the rate of interest for borrowings from banks, recession in the market, foreign exchange rate fluctuation etc.

### b) Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the group. The group, as per its risk management policy, uses natural hedge technique of adjusting foreign currency receivables against currency payables. The group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Exposure to all other foreign currencies other than US Dollar is not material.



## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 64 Risk management (Contd.)

#### c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2024 &amp; March 31, 2023 are in Indian Rupees.

PARTICULARS	March 31, 2024 USD	March 31, 2023 USD
<b>Financial Assets</b>		
Cash & Cash equivalents	159.92	210.50
Trade & Other Receivables	1313.27	725.87
	<b>1473.18</b>	<b>936.37</b>
<b>Financial Liabilities</b>		
Trade & Other Payables	1644.75	2106.84
Advance from Customers	-	-
	<b>1644.75</b>	<b>2106.84</b>
<b>Net Exposure</b>	<b>(171.56)</b>	<b>(1170.47)</b>

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars as at March 31 would have affected the measurement of financial instruments denominated in US dollars and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-24				
1% movement				
USD	(1.72)	1.72	-	-
	(1.72)	1.72	-	-

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31-Mar-23				
1% movement				
USD	(11.70)	11.70	-	-
	(11.70)	11.70	-	-

#### D) Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business. The group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

## Notes to Consolidated Financial Statements

for year ended 31<sup>st</sup> March, 2024

(Amount in Indian Rupees in lakhs unless otherwise stated)

### 65 Disclosure Regarding Derivative Instruments and Unhedged Foreign Currency Exposure

Foreign currency exposures not covered by derivative instruments or otherwise as at 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 are as under

Particulars	Foreign currency USD	Indian rupees	Foreign currency USD	Indian rupees
	As at 31 <sup>st</sup> March 24		As at 31 <sup>st</sup> March 23	
Trade Payables	19.72	1644.75	25.64	2106.84
Trade Receivables	12.94	1079.63	8.83	725.87

#### Notes:

As at 31<sup>st</sup> March, 2024 1 USD = INR 83.4050

As at 31<sup>st</sup> March, 2023 1 USD = INR 82.1700

### 66 Capital risk management

For the purpose of the group's capital management, capital includes issued capital and other equity reserves. The primary objective of the group's Capital Management is to maximize shareholders value. The group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The group monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

Particulars	March 31, 2024	March 31, 2023
Non Current borrowings	1694.14	1657.19
Current borrowings	4447.94	3339.97
<b>Total Debts</b>	<b>6142.08</b>	<b>4997.17</b>
Less: Cash & Cash equivalents	992.49	293.55
Other bank deposits	99.06	94.17
Adjusted net debts	5050.53	4609.45
<b>Equity</b>	<b>1040.55</b>	<b>1040.55</b>
Other Equity	40330.78	30284.42
<b>Total Equity</b>	<b>41371.32</b>	<b>31324.97</b>
Adjusted net debt to equity ratio	0.12	0.15

### 67 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The group will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

### 68 Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest lakh.

As per our report of even date

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

**Uttam Kumar Singhi**  
Partner  
Membership No.: 027481/ICAI

For and on behalf of the Board of Directors

**Bhagiradha Chemicals & Industries Limited**

**K S Raju**  
Chairman  
DIN NO. 00008177

**S Chandra Sekhar**  
Managing Director  
DIN NO. 00159543

Place: Hyderabad  
Date: 24.05.2024

**A Arvind Kumar**  
Chief Executive Officer

**B Krishna Mohan Rao**  
Chief Financial Officer

**M Sharanya**  
Company Secretary







## **BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED**

**CIN : L24219TG1993PLC015963**

### **REGISTERED OFFICE**

8-2-269/S/3/A Plot No. 3,  
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Hyderabad - 500 034

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

Email: [info@bhagirad.com](mailto:info@bhagirad.com)

### **FACTORY**

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Ongole Mandal Prakasam District,  
Andhra Pradesh

