

07.09.2022

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

Sub: Submission of 17th Annual Report along with notice of Annual
General Meeting

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


Pursuant to regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit notice of 17th Annual General Meeting scheduled to be held on Thursday, 29th September, 2022 at 3.00 P.M.(IST) through Video Conference (VC) / Other Audio Visual Means (OAVM) along with Annual report of the Company for financial year 2021-22.

Kindly take the same in your records.

Thanking you

Yours faithfully

For Sree Rayalaseema Hi-Strength Hypo Limited


V Surekha
Company Secretary





Sree Rayalaseema Hi-Strength Hypo Limited

(CIN : L24110AP2005PLC045726)



17th
Annual Report
2021-22

SREE RAYALASEEM HI-STRENGTH HYPO LIMITED

(CIN : L24110AP2005PLC045726)



BOARD OF DIRECTORS

Sri. T.G. Bharath
Chairman & Managing Director
Sri. A.Kailashnath
Independent Director
Sri. P.Ramachandra Gowd
Independent Director
Smt R. Triveni
Independent Woman Director
Sri Krishnamoorthy Chandraiah Naik
Non-Executive Director
Sri H. Gurunath Reddy
Non-Executive Director

G.M. & Company Secretary

Smt. V. Surekha

G.M. & Chief Financial Officer

Sri Shaik Iftekhar Ahmed

Statutory Auditors

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

BANKERS

State Bank of India

REGISTERED OFFICE & WORKS

Gondiparla, Kurnool - 518 004.
Andhra Pradesh - India

REGISTRARS & SHARE TRANSFER AGENT

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

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NOTICE

NOTICE is hereby given that the 17th Annual General Meeting (AGM) of the Members of SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED (CIN : L24110AP2005PLC045726) will be held on Thursday, September 29, 2022 at 3.00 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") and deemed venue of AGM is at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt (a) the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions:

- a) **"RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
- b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of the Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To declare a dividend on equity shares for the financial year ended March 31, 2022 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 a dividend at the rate of Rs.3.50/- (Three Rupees fifty paise only) per equity share of Rs.10/- (Ten rupees) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2022 and the same be paid out of the profits of the Company for the financial year ended March 31, 2022."

3. To appoint Sri. H Gurunath Reddy (DIN: 07211326), who retires by rotation as a Director 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 and other applicable provisions of the Companies Act, 2013, Sri. H Gurunath Reddy who retires by rotation in this meeting be appointed as a Director of the Company."



- 4. To appoint M/s S T Mohite & Co., Chartered Accountants, Firm Registration No.FRN0: 011410S as the Statutory Auditors of the Company 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 place of the Statutory Auditors M/s T Adinarayana & Co., Chartered Accountants retiring by rotation pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules, 2014, including any modifications, variations by enactment thereof as may be applicable and pursuant to the recommendations of the Audit Committee, M/s S T Mohite & Co., Chartered Accountants, Firm Registration No.FRN0: 011410S, be and are hereby appointed as Statutory Auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Second Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS :

- 5. To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2023.**

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

“**RESOLVED THAT** pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the members be and hereby ratify the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) payable to Sri.Thota SSV Santhosh Kumar, Cost Accountant appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2023.

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

- 6. Approval for giving Loan or Guarantee or providing Security in connection with loan availed by any of the Company's Subsidiary(ies) or any other Person specified under Section 185 of the Companies Act, 2013.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the



context otherwise required, any Committee of the Board or any Director(s) or Officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) for giving loan(s) in one or more tranches including loan represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or group entity of the Company or any other person in which any of the Director of the Company is deemed to be interested (collectively referred to as the “Entities”), up to a sum not exceeding Rs.100 Crores (Rupees One Hundred Crores only) at any point of time, in its absolute discretion deem beneficial and in the best interest of the company.”

“RESOLVED FURTHER THAT the powers be delegated to the Board of the Company and the Board is hereby authorised to negotiate, finalise, agree the terms and conditions of the aforesaid loan / guarantee /security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds / documents / undertakings / agreements/ papers / writings for giving effect to this Resolution.”

7. Approval of Material related party transactions with related party M/s TGV SRAAC Limited.

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules,2014 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), for the transaction(s) between the Company and M/s TGV SRAAC Limited, a related party to be entered in the ordinary course of business and on arm’s length basis under relevant provisions of SEBI, Listing Regulations, 2015 as specified in the explanatory statement, whether by way of entering into new contract(s) / agreement(s) / arrangement(s) / transaction(s) or renewal(s) or continuation or extension(s) or modification(s) of earlier contract(s) /agreement(s) / arrangement(s)/ transaction(s) or otherwise on such terms and conditions as the management of these Companies may deem fit, for the financial year 2022-23, effective from 1st April, 2022 for an amount not exceeding Rs. 320 crores.

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



things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

8. To approve continuation of payment of remuneration to Executive Directors who are promoters or members of promoter group in excess of threshold limits as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (SEBI(LODR)Regulations,2015).

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

“RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and other applicable provisions, if any and as per recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for the continuation of payment of remuneration which is in excess of threshold limits as prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (SEBI(LODR)Regulations, 2015) to Sri T G Bharath, Chairman and Managing Director (Promoter) as per existing terms and conditions as approved by the shareholders in their 16th Annual General Meeting held on 30th September, 2021 till the expiry of his current term.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites be altered, enhanced, widened or varies by the Board of Directors in accordance with the provisions of Companies Act,2013 and other applicable provisions.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board
Sd/-
(V. Surekha)
Company Secretary

Place : Kurnool
Date : August 13, 2022

**NOTES :**

1. In view of continuation of COVID-19 pandemic and in compliance of General Circular Nos. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 05, 2020 ,General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 05,2022 issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars'), the Company is convening the Annual General Meeting ('AGM') through VC/OAVM without the physical presence of the Members. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. In compliance with applicable provisions of the Companies Act, 2013 (the Act) read with aforesaid MCA circulars the 17th Annual General Meeting of the company being conducted through Video Conferencing (VC) (hereinafter called as AGM).
4. The attendance of the Members attending the AGM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members has also been dispensed with, hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. The related Explanatory Statement pursuant to Section 102 of the Act, in respect of Special Businesses as set out above to be transacted at the Meeting is annexed hereto.
8. Corporate members intending to send their authorized representatives to attend & vote at the Meeting are requested to send a certified true copy of the Board Resolution authorizing them in this behalf.
9. Pursuant to Section 91 of the Companies Act, 2013 and regulation 42 of SEBI(LODR) Regulations,2015, the Register of Members and Share Transfer Books of the Company shall remain closed for 7 days from 23rd September, 2022 to 29th September,2022(both days inclusive) for the purpose of the Annual General Meeting and Dividend.
10. As per Regulation 40 of SEBI Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019. Members who are still holding shares in physical form are advised to dematerialize their shareholding since trading is permitted only in dematerialized form.



11. The Non-Resident Indian shareholders are requested to inform the company immediately about:
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of NRO bank Account in India, if not, furnished earlier.
12. The members are requested to address all their communications to M/s Aarthi Consultants Private Limited, Hyderabad, the common agency to handle electronic connectivity and the shares in physical mode .
14. Pursuant to Section 72(1) of the Act, individual shareholders holding shares in the Company singly or jointly may nominate an individual to whom all the rights in the Shares of the Company shall vest in the event of death of the sole / all joint shareholders.
15. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report and Audited Financial Statements for the financial year 2021-2022 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or the Depository Participant(s). The Notice can also be accessed on the websites of the Stock Exchanges i.e. BSE Ltd. and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com respectively and also available on the website of E-voting agency CDSL at www.evotingindia.com and Company's website at www.tgvgroup.com.
16. Since the AGM will be held through VC / OAVM, the Route Map and Attendance Sheet are not required to be annexed to this notice.
18. Members seeking any information with regard to the accounts or any other information are requested to write to the Company atleast 7 days before the meeting. The same will be replied by the company suitably.
19. Pursuant to the provisions of Section 108 of the Act 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 in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 - i. The Board of Directors of the Company has appointed Smt M. Sridevi, practicing Company Secretary as Scrutinizer to scrutinize the voting and remote e-voting process in a fair & transparent manner and they have communicated their willingness to the said appointment and will be available for same purpose.



- II. The voting period begins on September 26, 2022 from 09:00 AM and ends on September 28, 2022 to 5:00 PM. During this period, the Shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on September 22, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - III. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
 - IV. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 22, 2022.
 - V. Any person, who acquires shares of the Company & becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
 - VI. The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 (forty eight) hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.tgvgroup.com and on the website of CDSL www.evotingindia.com.
20. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on October 20, 2022 as under:
- i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on September 22, 2022.
 - ii. To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on September 22, 2022.
21. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF



Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

22. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Aarthi Consultants Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to companysecretary@srhhl.com or info@aarthiconsultants.com by September 22, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
23. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate.
24. Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to info@aarthiconsultants.com. The aforesaid declarations and documents need to be submitted by the shareholders by September 22, 2022.
25. **Updation of PAN and other details:** SEBI vide Circular dated 3rd November, 2021 and 14th December, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) and these forms can be downloaded from company's website www.tgvgroup.com. PAN details are to be compulsorily linked to Aadhaar by 31st March, 2023 or any other date specified by Central Board of Direct Taxes.

From 1st April, 2023, in respect of folios wherein any of the above cited documents / details are not available, shall be frozen as per the aforesaid circular. Effective from 1st January, 2022, any service requests/ complaints received from a Member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar.

26. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination.



27. Members may please note that SEBI vide its Circular dated 25th January, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz., issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the 'Investors' section.

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

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.tgvgroup.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No.02/2022 dated May 05, 2022 .
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021 and MCA Circular No.02/2022 dated May 05, 2022 .

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

- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on 26th September,2022 at 9.00 A.M and ends on 28th September,2022 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September,2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be



entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for</p>



Type of shareholders	Login Method
	<p>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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>I n d i v i d u a l Shareholders holding securities in demat mode with NSDL D e p o s i t o r y</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting</p>



Type of shareholders	Login Method
	<p>service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>I n d i v i d u a l Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:



For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of Sree Rayalaseema Hi-Strength Hypo Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.



- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (ivx) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (vx) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (vix) There is also an optional provision to upload BR / POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians – for Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; companysecretary@srhhl.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.



3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 (Seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (Seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. The Company reserves the right to restrict the number of questions and number of speakers as appropriate for smooth conduct of the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.



2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no.1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no.1800225533.

EXPLANATORY STATEMENT

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

Item No.5

On the recommendation of Audit Committee, the Board of Directors has approved the appointment of Sri Thota SSV Santhosh Kumar as Cost Auditor in the casual vacancy caused due to death of Sri N V S Kapardhi to conduct the audit of the cost records of the Company for financial year ending March 31 , 2023.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the directors / Key Managerial Personnel of the Company / their relatives are , in any way, concerned or interested, financially or otherwise , in the resolution set out at Item No.5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders .

Item No.6

The Company may have to render support for the business requirements of its Subsidiary Companies or Associate or group entity or any other person in whom any of the Director of the Company is deemed to be interested (collectively referred to as the "Entities"), from time to time. However, owing to certain restrictive provisions contained in Section 185 of the Companies Act, 2013 ('the Act'), the



Company was unable to extend financial assistance by way of loan to such Entities. The Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by the Entities for the capital expenditure of the projects and/ or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its business activities and other matters connected and incidental thereon for their principal business activities. The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities. The Board of Directors recommend the resolution given in this Notice for your approval as a Special Resolution. None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

Item No. 7

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions (“RPTs”) as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of an ordinary resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15 of the said Rules and transactions other than in ordinary course of business and on arm’s length basis. Further, Regulation 23(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) also stipulates that all material related party transactions shall require prior approval of the shareholders through ordinary resolution. Further, SEBI vide its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated 08th April, 2022 clarified that the shareholders’ approval of omnibus RPTs approved in an Annual General Meeting shall be valid up to the date of the next Annual General Meeting for a period not exceeding fifteen months. Accordingly, the related party transactions as recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 13th August, 2022 are hereby placed before the shareholders for their approval by way of Ordinary Resolution to enable the Company to enter into with the Related Party Transactions in one or more tranches, during the period from the date of this Annual General Meeting to till the date of next Annual General Meeting, which shall not be more than fifteen months. The approval by the shareholders’ is without prejudice to the need for the Audit Committee to



approve, authorize and review transactions on a financial year basis. The transactions under consideration, are proposed to be entered into by the Company with the related party M/s TGV SRAAC Limited is in the ordinary course of business and at arm's length basis.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI Circular SEBI/HO/CFD/CMD1/ CIR/P/2021/662, dated November 22, 2021, the particulars of transactions to be entered into by the Company with related party as under.

(₹. in Crores)

Name of the related party	Actuals for the financial year 2021-22					Estimated for financial year 2022-23				
	Purchases	Sales	Lease Rentals	Services	Total	Purchases	Sales	Lease Rentals	Services	Total
TGV SRAAC Limited	143.50	49.05	0.08	1.89	194.52	200.00	120.00	0.15	3.00	323.15

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

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

The Board recommends the Ordinary resolution as set out in Item No. 7 of this Notice for your approval.

Item No.8

As per Regulation 17(6) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the fees or compensation payable to executive director who is a promoter or member of the promoter group shall be subject to approval of shareholders by special resolution in general meeting if (a) The annual remuneration payable to such executive director exceeds Rs. 5 Crores or 2.5 percent of the net profits of the Company (calculated as per the provisions of Section 198 of the Companies Act, 2013) whichever is higher.

Currently, Sri T G Bharath, Managing Director is the promoter of the Company. The shareholders in the 16th Annual General Meeting have approved remuneration payable to CMD is within the limits as prescribed at that time under Companies Act, 2013.



The remuneration of Managing Director falls in excess of Rs. 5 Crores and hence seeking fresh approval of shareholders by way of special resolution for retaining all existing terms and conditions of appointment till the expiry of his term in order to comply with the Regulation 17 (6) (e) of SEBI(LODR) Regulations,2015.

The Board approved the above proposal in their meeting held on 13th August, 2022 after considering the contributions of Managing Director Sri T G Bharath towards the overall growth and development of the Company.

The Board recommends the special resolution as set out in item No.8 of the Notice for approval by the shareholders.

Except Sri T G Bharath and his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

By Order of the Board

Sd/-

(V. Surekha)

Company Secretary

Place : Kurnool
Date : August 13, 2022

Details of Directors seeking appointment/reappointment at the forthcoming
Annual General Meeting

(Pursuant to regulation 36(3) of the SEBI(LODR) Regulations, 2015)

Name of the Director	H Gurnath Reddy
Date of Birth	10-06-1960
Date of appointment	15-06-2015
Expertise in specific functional areas	More than 35 years of experience in chemical and paper industry
Qualifications	M.Sc. (Chemistry)
Shareholdings in the Company	Nil
Directorship in other Listed Entities	Nil
Membership in committees in other Listed Entities	Nil



DIRECTORS' REPORT

To
The Members

Your Directors take immense pleasure in presenting 17th Annual Report on the business and operations of the Company along with the audited financial statements (Standalone and consolidated) for the financial year ended March 31, 2022.

Financial Results:

(Rs. in lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Profit before interest, Depreciation and Tax	15942.20	13695.01	15941.45	13692.63
Less: Interest	320.82	547.56	320.82	547.56
Depreciation	1922.72	5060.75	1922.72	5060.75
Profit before Tax	13698.67	8086.70	13697.92	8084.32
Provision for Taxation & Deferred Income Tax	3420.07	2027.18	3420.07	2027.18
Profit after Tax	10278.60	6059.51	10277.85	6057.14
Add:Balance brought forward from previous year	29448.85	23818.64	29446.00	23818.16
Other adjustments	514.94	429.30	514.94	429.30
Balance carried forward to next year	39212.51	29448.85	39208.91	29446.00

Performance:

During the year under review, the Company achieved turnover of **Rs. 1267.27 Crores** against previous year turnover of Rs. 910.82 crores. The profit before tax stood at **Rs. 136.98 Crores** as against Rs. 80.86 crores for the previous year.

Division / Segment Wise Operations

- (a) The net sales of Calcium Hypo Chloride during financial year 2021-22 is Rs.331.80 crores as against 313.35 crores in previous year representing an increase of 5.89%.
- (b) The net sales of Stable Bleaching Powder during financial year 2021-22 is Rs. 91.34 crores as against 104.20 crores in previous year representing a decrease of 14.07%.
- (c) The net sales of Sodium Methoxide during financial year 2021-22 is 43.17 crores as against Rs. 32.65 crores in previous year representing an increase of 32.21% and the net sales of Sodium Hydride during financial year 2021-22 is 7.73 crores as against Rs. 5.04 crores during previous financial year representing an increase of 53.37%.
- (d) The trading activity in coal had fetched an amount of Rs. 448.92 crores as against Rs. 303.98 crores during previous year.



- (e) The net sales of Sulphuric acid during financial year 2021-22 is 298.54 crores as against Rs. 96.65 crores during previous financial year representing an increase of 208.88%.
- (f) Total power generated, sold through Thermal, Wind and Solar during the year under review is Rs. 26.52 Crores.

Dividend:

The Board of Directors at their meeting held on 30th May, 2022 has recommended a final dividend of Rs.3.50/- per equity share of face value Rs.10/- each (i.e.,35% on paid up share capital) for the financial year ended 31st March, 2022 . The dividend payment is subject to approval of members at the ensuing Annual General Meeting. The total cash outflow on account of dividend on equity shares for the financial year 2021-22 would aggregate Rs. 6,00,76,875/-. The dividend will be paid to members whose names appear in the Register of Members as on the book closure date. The dividend payment date is 20th October, 2022

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.

Transfer of Unclaimed dividend to Investor Education and Protection Fund (IEPF):

In terms of section 124 and 125 of the companies act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund Rules) 2016, ('the Rules'), unpaid or unclaimed dividend relating to the financial year 2014-15 is due for remittance to the Investor Education and Protection Fund established by the Central Government.

The Company had transferred unclaimed or unpaid dividend to IEPF relating to financial year 2010-11 amounting to Rs. 19,49,114/- on 08.06.2018. Further, 29,896 corresponding shares were transferred as per the requirements of the IEPF Rules. The details are made available on Company website, www.tgvgroup.com.

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

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



Financial Year	Dividend Declared (%)	Date of declaration of dividend	Last date for claiming unpaid dividend	Unclaimed Dividend Amount* (Rs.)	Due date for transfer to the IEPF Account
2014-15	15%	30.09.2015	06.11.2022	27,02,470	07.11.2022
2015-16	15%	28.09.2016	04.11.2023	27,65,393	05.11.2023
2016-17	15%	27.09.2017	03.11.2024	27,14,727	04.11.2024
2017-18	20%	28.09.2018	04.11.2025	36,34,160	05.11.2025
2018-19	20%	30.09.2019	06.11.2026	34,49,265	07.11.2026
2019-20	25%	30.11.2020	06.01.2028	36,89,289	07.01.2028
2020-21	30%	30-09-2021	06-11-2028	44,13,630	07-11-2028

*Amount unclaimed as on July 31, 2022.

Share Capital:

During the year under review, there was no change in the authorized, subscribed and paid up capital of the company. The paid up Equity share capital as on 31st March, 2022 was Rs.17,16,48,210 comprising of 1,71,64,821 equity shares of Rs.10/- each.

Weblink of Annual Return :

The Annual Return of the Company for the financial year 2021-22 as required under section 92(3) of the Companies Act, 2013 is available on the website of the company at the link www.tgvgroup.com.

Board Meetings and its committees conducted during the period under review:

During the year under review, five (5) meetings of the Board of Directors, four (4) meetings of Audit Committee, two(2) meetings of Nomination and remuneration committee, four(4) meetings of stakeholders relationship committee and one(1) meeting of Corporate Social Responsibility Committee were held. Further, the details of same have been enumerated in the Corporate Governance Report annexed herewith.

Compliance with Secretarial Standards

The Company is in compliance with applicable secretarial standards issued by the Institute of Company Secretaries of India

Directors' Responsibility Statement:

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

- (i) that the preparation of the accounts for the financial year ended March 31, 2022 the applicable Accounting Standards have been followed along with proper explanation relating to material departures;



- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the Directors had prepared the accounts for the financial year ended March 31 , 2022 on a 'going concern' basis.
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Directors and Key Managerial Personnel:

In accordance with the provisions of Section 152 of the companies Act,2013 and Articles of Association of the Company, Sri. H Gurunath Reddy (DIN 07211326), Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment. The Board recommends his reappointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting. Brief profile of Sri. H Gurunath Reddy is being given in the Notice convening the Annual General Meeting.

During the year under review, the Board of Directors at its meeting held on 14th August,2021 has re-appointed Sri T G Bharath as Chairman and Managing Director of the Company for a further period of 3 years with effect from May 30,2022. Subsequently, the members of the Company at their Annual General Meeting held on September 30,2021 have approved the said appointment.

The Key Managerial Personnel of the Company pursuant to Section 2(51) and 203 of the Companies Act,2013 are (1) Sri T G Bharath, Chairman and Managing Director (2) Smt V Surekha, Company Secretary and (3) Sri Shaik Ifthekhar Ahmed, Chief Financial Officer.

Evaluation of board performance:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI(LODR)Regulations, 2015, the Board has carried out performance evaluation taking into consideration of various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties,



obligations and governance. The Performance of evaluation of Independent Directors was completed. The Performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process.

Company's policy on Directors' appointment and remuneration:

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

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

During the year under review, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 and that their name is included in the data bank as per Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules,2014. During the year, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees.

Transfer to Reserves:

The Company has not transferred any amount to its Reserves during the year under review.

Subsidiaries, Joint Ventues and Associate Companies :

As on March 31, 2022 your Company has one Wholly owned subsidiary Company M/s TGV Sodium & Electrolite Private Limited and one subsidiary Company M/s TGV Metals and Chemicals Private Limited formed on 10th February, 2022. Although Company holds more than 20% of shareholding in M/s MV Salts & Chemicals Pvt Limited, it is not an associate Company within the meaning of Section 2(6) of the Companies Act,2013 and the Company has no joint ventures. As required under SEBI(LODR) Regulations, 2015 and Section 129 of the Companies Act,2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the consolidated financial statements of your Company and its Subsidiary Companies are provided in the Annual Report. The Consolidated financial statements have been prepared in accordance with Ind AS 27. The Consolidated financial statements have been prepared on the basis of audited financial statements of its subsidiary Companies as approved by its Board of Directors. The Consolidated financial statement shows the financial resources, assets, liabilities , income, profit and other details of your Company and its subsidiary after elimination of inter –company transactions. A Separate statement is annexed



explaining salient features of the financial statements of the subsidiary in AOC-1 (**Annexure-A**) and the details of such entities of the Company formed/ acquired /Ceased during the year are provided in (**Annexure-A -1**) to this report.

Insurance:

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

Fixed Deposits:

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

Listing of Shares:

The Equity shares of your Company are listed on BSE Ltd. and National Stock Exchange of India Ltd. The Company has paid the Annual Listing fees to each of these Stock Exchanges for the financial year 2022-23.

Internal control systems and their adequacy:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Change in nature of business:

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

Significant and material orders passed by the regulators or court:

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

Industrial Relations:

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

Particulars of loans, guarantees or investments under section 186 of the Companies Act 2013:

The Company had made some investments, but not given any loans, guarantees and securities covered under Section 186 of the Companies Act, 2013 during the



financial year under review. The details in respect of investments as per Section 186 (4) made have been disclosed in the notes to the financial statements.

Particulars of contracts or arrangements with related parties:

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

Risk management policy:

Risk Management Policy was approved by the Board in its meeting held on 30th June, 2021. The policy is placed on Company's website www.tgvgroup.com. The management takes necessary steps for implementation of the Policy by identifying potential threats to the organization and the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The process involved in Risk Management are identifications of Risk/Evaluation/Assessment, Prevention & Control, Financing, Measure and Monitor effectiveness, reviewing and reporting.

Dividend Distribution Policy

Under the regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has formulated a Dividend Distribution Policy. The Policy sets out the Parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders. As a green initiative, the Policy has been uploaded on the Company's website and can be accessed at www.tgvgroup.com.

Vigil Mechanism / Whistle Blower Policy:

The company has adopted a vigil mechanism in the form of a Whistle Blower Policy to provide adequate safeguards to deal with instances of fraud and mismanagement and to report concerns about unethical behavior or any violation of the Company's code of conduct in pursuance of provisions of Section 177(10) of the Companies Act, 2013. During the year under review, no complaints received under this mechanism.

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

Information as per Section 134 (3) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of the Board of Directors)



Rules, 1988 are forming part of the Directors' Report for the year ended 31st March, 2022 is annexed to this Report (**Annexure -C**).

Business Responsibility Report :

The Business Responsibility Report ("BRR") of the Company for the year 2021-22 forms part of this Annual Report as required under Regulation 34(2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report (**Annexure -D**).

Corporate Governance:

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

Management Discussion and Analysis Report :

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

Corporate Social Responsibility :

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

Auditors:

Statutory Auditors:

Members in their 12th Annual General Meeting held on September 27, 2017, had appointed M/s T.Adinarayana & Co., Chartered Accountants (Firm Registration No.000041S) as the Statutory Auditors of the company to hold office for a term of five years from the conclusion of 12th Annual General Meeting until the conclusion of 17th Annual General Meeting of the Company to be held in the financial year 2022.

The Board of Directors of the company at its meeting held on 13th August,2022 based on the recommendation of the Audit Committee and subject to approval of the shareholders at the ensuing Annual General Meeting, appointed M/s S T Mohite & Co., having Firm Registration No.011410S as the Statutory Auditors of the Company to hold office for a period of five (5) years i.e., from the conclusion of 17th Annual General Meeting till the conclusion of 22nd Annual General Meeting of the Company to be held in the financial year 2027.



M/s S T Mohite & Co., have given their consent to act as the Statutory Auditors of the Company and confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013. Besides the firm holds a peer review certificate issued by Institute of Chartered Accountants of India.

Necessary resolution for the appointment of Statutory Auditors included in the Notice of the Annual General Meeting for approval of the Members.

There are no qualifications, reservation or adverse remark or disclaimer made in the audit report for the financial year 2021-22.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had re-appointed M/s. Geetha Serwani & Associates, Practicing Company Secretary, Hyderabad to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Report of the Secretarial Audit Report is annexed to this report (**Annexure- H**). The report does not contain any qualification, reservation or any adverse remark.

Cost Auditors:

As per section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audits) Rules, 2014 as amended, the Board of Directors of your Company on recommendation of the Audit Committee appointed Sri Thota SSV Santhosh Kumar, Cost Accountants as the Cost Auditors in the casual vacancy caused due to death of Sri N V S Kapardhi to carry out the cost audit of products of the Company. The remuneration of cost auditors has been approved by the Board of Directors on the recommendation of Audit Committee and the requisite resolution for ratification of remuneration of cost auditors by the members has been set out in the notice of 17th Annual General Meeting of your Company.

The cost audit report for the financial year ended March 31, 2021 issued by M/ s. Kapardhi & Associates, Cost auditors in respect of various products prescribed under Cost Audit Rules does not contain any qualification, reservation and the same was filed with Ministry of Corporate Affairs. The cost audit report for the financial year ended March 31 , 2022 is being submitted shortly.

Prevention of 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 and Redressal) Act, 2013 (POSH Act) and rules made thereunder, your Company has adopted a policy .

During the year under review, no case was filed under the POSH Act.



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

There are no material changes which affects the financial position of the Company according to the date of financial year and the date of its report .

Particulars of Employees:

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

Particulars of Remuneration:

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

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

Name of the Director	Ratio to Median Remuneration
Sri.T.G.Bharath , CMD	189.86
A.Kailashnath, Director	0.15
Sri.H.Gurunath Reddy, Director	0.07
Smt. R Triveni, Director	0.15
Sri.P.Ramachandra Gowd , Director	0.15
Sri.Krishnamoorthy Chandraiah Naik, Director	0.07

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

Sri.T.G.Bharath, Managing Director	71.43%
Smt.V Surekha, Company Secretary	15.52%
Sri.Ifthekhar Ahmed, Chief Financial Officer	11.30%

- (iii) The percentage increase in the median remuneration of employees in the financial year - 10.89%.

- (iv) The number of permanent employees on the rolls of Company - 421.



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

The average increase in salaries of employees other than managerial personnel in 2020-21 was 10.89.

Percentage increase in the managerial remuneration for the year is 71.43%.

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

Acknowledgements:

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

For and on behalf of the Board

Sd/-

T.G. Bharath

Chairman & Managing Director
(DIN : 00125087)

Place: Kurnool

Date : August 13, 2022



ANNEXURE-A TO DIRECTORS' REPORT
Form AOC-1

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

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

Part "A": Subsidiaries :

The Company had only one wholly owned subsidiary Company M/s TGV Sodium & Electrolite Private Limited and one subsidiary company M/s TGV Metals and Chemicals Private Limited during the financial year 2021-22.

Name of the Company	TGV Sodium & Electrolite Private Limited	TGV Metals and Chemicals Private Limited
Financial year beginning	April 1, 2021	February 10,2022
Financial year ending	March 31, 2022	March 31, 2022
Reporting Currency	Indian Rupee	Indian Rupee
Share Capital	11,00,000	10,00,000
Reserves & Surplus	(1,51,451)	(4,17,656)
Total Assets	9,48,549	36,41,764
Total Liabilities	0.00	30,59,419
Investments	0.00	0.00
Turnover	0.00	0.00
Profit Before Tax	1,33,650	(4,17,656)
Provision For Tax	0.00	0.00
Profit after Tax	1,33,650	(4,17,656)
Proposed Dividend	0	0
% of Shareholding	100	50



Part "B": Associates and Joint Ventures

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

Name of associates/Joint Ventures	MV Salt and Chemicals Private Limited
1. Latest audited Balance Sheet Date	-----
2. Shares of Associate/Joint Ventures held by the company on the year end	----
No.	12,00,000
Amount of Investment in Associates/Joint Venture	
Extend of Holding%	23.72
3. Description of how there is significant influence	No
4. Reason why the associate/joint venture is not consolidated	The Company holds more than 20% of share capital in MV Salt and Chemicals Private Limited . The Company does not exercise any control or does not have significant influence over MV Salt and Chemicals Private Limited and is expected to reduce below 20% due to corporate action in near future and not considered as Associate of the Company as per Ind AS-28. The investment have been accounted as per Ind AS 109 investments.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	-----
6. Profit/Loss for the year	-----
i. Considered in Consolidation	----
ii. Not Considered in Consolidation	----

ANNEXURE - A-1

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

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

- Subsidiaries formed/acquired or ceased : **Refer para of Subsidiaries, Joint Ventures and Associate Companies on page no. 26**
- Associate Companies formed / acquired or ceased :

For and on behalf of the Board
Sd/-

T.G. Bharath

Chairman & Managing Director
(DIN : 00125087)

Place : Kurnool
Date : August 13, 2022



ANNEXURE - B TO DIRECTORS REPORT

Form No. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

- Details of contracts or arrangements or transactions not at Arm's length basis.
- Not Applicable -
- Details of material contracts or arrangement or transactions at arm's length basis:

Sl. No	(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or Transactions including the value, if any: (Rs.)	(e) Date(s) of approval by the Board, if any:	(f) Amount paid as advances if any (Rs.)
1.	TGV SRAAC Ltd	Purchases Sales Rent Paid Services rendered Services received	Annual Contracts	143,50,20,979 49,05,40,631 7,86,907 149.46 39.09	May 30, 2022	
2.	TGV Projects & Investments Pvt Ltd	Purchases Sales Rent Paid Services Received	Annual Contracts	- 2,48,143 2,25,32,244 1,22,36,444		
3.	Gowri Gopal Hospitals Pvt Ltd	Purchases Sales Rent Paid Services Received	Annual Contracts	1,83,145 3,15,722 19,04,520 31,31,561		
4.	Sree Rayalaseema Galaxy Projects Pvt Ltd	Purchases Sales Services Received	Annual Contracts	22,26,339 2,47,86,228 4,92,28,244		
5.	T G Venkatesh	Rent paid	Lease	63,14,227		
6.	T G Bharath	Rent paid	Lease	57,01,205		
7.	TGV Industries Private Limited	Purchases Sales Rent	Annual Contracts	42,58,41,836 98,60,464 28,32,000		
8.	GGICU	Services received	Annual Contracts	2,93,548		

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

For and on behalf of the Board
Sd/-
T.G. Bharath
Chairman & Managing Director
(DIN : 00125087)

Place : Kurnool
Date : August 13, 2022

**ANNEXURE - C TO DIRECTORS REPORT****Conservation of energy, technology absorption, foreign exchange earnings and outgo :****I. Conservation of Energy:**

1. In both Stable Bleaching Powder Plants, continuous operation pumps shall be replaced with energy efficient pumps. Proposals are received and are under review.
2. In Sulphuric Acid Plant No.3, waste heat recovery from acid circuit is planned which in turn shall be used to operate a 785 TR Vapour Absorption Machine which caters chilled water requirement of Aquafit-2 Plant. At present, Electric Chiller is in operation in Aquafit-2 whose electrical energy shall be saved. Proposals are received for Vapour Absorption Machine, Plate Heat Exchanger & Cooling tower, which are under review. Based on their commercial value, economics shall be worked out and decision shall be taken.
3. In Unit-3 Stable Bleaching Powder Plant, in order to conserve energy consumed by Cooling Tower fans, temperature based interlock has been provided.

II. Special areas in which R & D carried out by the Company:-

1. In order to avoid dust formation, cloudiness and floating problems in Cal Hypo granules (at customer end), M/s. Prochem Innovatives, Pune, Suggested to improve granularly of Cal Hypo. They have suggested to operate one Stream in Aquafit-1 at lower production rate for few shift, which is being planned.
2. Sodium Silicate (binder used in Cal Hypo manufacturing process) in-house production purpose trials were successful. After procurement of Stainless Steel Reactor, plant scale production shall be started.

III. Benefits Derived by R & D :

Multiple Effect Evaporation plant has been commissioned successfully, in January, 2022. This is meant for Zero Liquid Discharge in the Organization. And avoiding solid waste disposal by recovering saleable Sodium Chloride and Calcium chloride.

IV. Future Plans in R & D:

1. Sulphur Recovery from Sulphur sludge is one of the future R & D Plans.
2. Proposal of utilization of Chlorine generated in the proposed Sodium Metal Plant in Cal Hypo Plant Milk of Lime preparation is being studies.
3. In order to utilize Chlorine generated from Dechlorination of SRHHL waste water, Ferric Chloride Plant is planned. Steel scrap generated in the organization shall also be used in this Process.

V. Other improvements :-

1. 200 barg Pressure Hydrogen Gas compressor was successfully commissioned in June, 2021. It is meeting the requirement of specialized customers.
2. For improvement in Safety, water sprinklers are being arranged in Hydrogen Bottling Plant for fire fighting .
3. To ensure more safe operation of Sulphuric Acid Plants, Safety interlocks are introduced so as to trip plants in case of low acid circulation in Absorption Towers.
4. Ambient Air Quality Management system were commissioned at 3 locations in August, 2021. Air Quality parameters are updated online to APCCB. This is to ensure clean environment in and around the Plant.
5. Civil strengthening works in Unit-I Stable Bleaching Powder Plant are almost completed. In Aquafit-I, Sulphuric Acid Plant-1 and Unit-3 Stable Bleaching Powder Plants, Strengthening works are under progress.



6. Electric bikes and Electric autos are being used inside Company premises in order to reduce carbon foot print of the organization.
7. 2 nos new Warehouses are built for storing Cal Hypo or any other product.
8. Only Ready Mix concrete is being used for civil construction work in order to maintain quality of civil structures.
9. In order to improve safety during maintenance works, Lock Out and Tag Out (LOTO) system has been introduced in Sulphuric Acid Plants-1,2 & 3, Aquafit-2. In other areas also it is planned.
10. New facility was developed & implemented successfully, in order to meet Molten Sulphur requirement of Sulphuric Acid – 1 & 2 Plants by making use of standby Sulphur Melter in Sulphuric Acid Plant-3 and transporting it through a jacketed lorry tanker. This is to take care of any maintenance in Sulphur Melters in SAP-1&2 Plants.
11. MS-PTFE acid circulation lines were introduced in SAP-2&3 Drying Tower acid outlet lines in place of SS316 to avoid breakdown of Plants. Life expectancy of MS-PTFE lines is at least 05 years as against 6 - 9 months of SS316 lines.
12. 5 MW Solar Power Plant was successfully commissioned in 45 days. This shall reduce coal dependency in 9.5 MW Power Plant in the current coal crisis scenario.
13. In order to maintain full production level of SAP-3, Annual shut down was completed in 10 days by doing all major maintenance works.
14. In order to avoid failure of electronic gadgets and light fittings during voltage fluctuations, a 500 KVA Servo Stabilizer was installed.
15. In order to avoid motors burning issue, Digital Relays were installed for 7 nos motors (of rating more than 37 Kw) in Cal Hypo Plants and, as the performance is satisfactory, it is being extended to other Plant motors also.

Technology Absorption, Adoption and Innovation:

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

Foreign Exchange Earnings and Outgo:

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

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

- b) **Total Foreign Exchange used/earned**

(Rs. in lakhs)

i. Foreign Exchanged earned	24,867.47
ii. Foreign Exchange used	58,602.54



ANNEXURE - D TO DIRECTORS REPORT

Business Responsibility Report

As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015.

Section A: General Information about the Company

01	Corporate Identity Number (CIN) of the Company	L24110AP2005PLC045726
02	Name of the Company	Sree Rayalaseema Hi-Strength Hypo Limited
03	Registered Office of the Company	Gondiparla, Kurnool-518004 (A.P.)
04	Website	www.tgvgroup.com
05	E-mail id	companysecretary@srhl.com
06	Financial Year reported	Financial year ended 31 st March, 2022
07	Sectors that the company is engaged in (Industrial Activity code-wise)	Manufacture of industrial chemicals, generation of power, trading activities
08	List three key products/services that the company manufactures/provides (as in Balance sheet)	1. Chemicals 2. Coal Trading 3. Power Segment
09	Total number of locations where business activity is under taken by the Company	3
	a) Number of International Locations (Provide details of major 5)	Nil
	b) Number of National Locations	3
10	Markets served by the Company	All markets (India and International)

SECTION B: Financial Details of the Company

01	Paid up Capital (INR)	Rs.17,16,48,210
02	Total Turnover (INR)	Rs.12,77,93,62,184
03	Total Profit after taxes (INR)	Rs.1,02,78,60,252
04	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Rs.24,66,291
05	List of activities in which expenditure in 4 above has been incurred:-	a) Drinking water facilities at Kurnool Dist.Andhra Pradesh. b) Education c) Animal welfare d) Health Care

**Section C: Other Details**

01	Does the Company have any subsidiary Company / Companies	Yes
02	Do the Subsidiary Company/companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	NA
03	Do any other entity/entities (e.g. supplies, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company. If yes, then indicate the percentage of such entity/entities (Less than 30%, 30-60%, more than 60%)	NA

SECTION D: Business Responsibility Information**1. Details of Director/Directors responsible for Business Responsibility****a) Details of the Director/Director responsible for implementation of the BR policy/policies.**

1. DIN Number : 00125087
 2. Name : Sri T G Bharath
 3. Designation : Chairman & Managing Director

b) Details of the Business Responsibility Head

1. DIN Number : 00125087
 2. Name : Sri T G Bharath
 3. Designation : Chairman & Managing Director
 4. Telephone Number : 08518-222097
 5. E-mail id : chairman @srhhl.com

2. Principle-wise (as per NVGs) Business Responsibility Policy/policies**a) Details of Compliances**

No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / Policies for	y	NA	y	y	y	y	NA	y	y
2	Has the Policy being formulated in consultation with the relevant stakeholders?	All the policies are in comparable with the best practices in the industry.								



No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
3	Does the policy conform to any national / international standards? If yes, Specify? (50 words)	The Company is abiding by the various laws while framing the policies, the best practices are taken into account								
4	Has the policy being approved by the Board? If yes, has it been signed by M D / o w n e r / C E O / appropriate Board Director?	Policies are approved by the Board of Directors								
5	Does the company have a specified committee of the Board / Director /Official to oversee the implementation of the Policy?	y	NA	y	y	y	y	NA	y	y
6	Indicate the link for the policy to be viewed online?	www.tgvgroup.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	y	NA	y	y	y	y	NA	y	y
8	Does the Company have in-house structure to implement the policy / policies?	y	NA	y	y	y	y	NA	y	y
9	Does the Company have grievance redressal mechanism related to the Policy / Policy to address stakeholder' grievances related to the policy / policies?	y	NA	y	y	y	y	NA	y	y
10	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	NA	NA	y	NA	NA	y	NA	y	NA



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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for a task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year – **Annually**.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? – **NO**.

SECTION E: PRINCIPLE – WISE PERFORMANCE

Principle 1

Business should conduct and govern themselves with ethics, transparency and Accountability

- Does the Policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Venture/ Suppliers/Contractors/NGOs/Others?**

Sree Rayalaseema Hi-Strength Hypo Limited was committed to build a strong ethical organization. The Company's code of conduct covers all the stakeholders including Associates/Group/suppliers/contractors/others. Sree Rayalaseema Hi-Strength Hypo Limited always encourages its employees and all the stakeholders not to engage in any unfair trading practices,



irresponsible advertising or anticompetitive behavior. Sree Rayalaseema Hi-Strength Hypo Limited has the procedures in place to ensure that the business of the Company is carried out in a fair and responsible manner.

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

Sree Rayalaseema Hi-Strength Hypo Limited strongly emphasis on serving its customers with the best quality products. The Company not only believes in delivery of quality product but also believes in on-time service to all of its customers. All the Customer complaints which were received have been resolved in adequate time and proposed improvements incorporated into the processes and the Company makes sure that no complaints are pending at the end of the financial year.

Principle 2

Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**
 - a. The tankers carrying hazardous chemicals are periodically tested. Safety guards are provided at vulnerable locations to prevent accidental leakages.
 - b. Tamper proof packing of calcium hypochlorite ensures safe transportation globally
 - c. The Company has installed solar power plant which is a green initiative
 - d. Recovery of salt and water from Hypo Effluent is an unique project of its kind making the operation sustainable.
 - e. The recovered salt is recycled for production of caustic soda which is one of the raw materials.
 - f. salt recovered from calcium chloride is sold as an anti freezing agent .
- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (Optional):**
- 3. Does the Company have procedures in place for sustainable sourcing (including Transportation)?**

Any inorganic chemical manufacturer depends on inputs from nature. We therefore get our raw materials from mineral sources which of course is not permanent. However, we also get raw materials which is derived from sea salt



which is a permanent natural resource. Therefore, there is limited choice for the company to source inputs always from sustainable sources. Still company has set up Solar and Wind farm for sustainable energy sourcing. As such there is no such policy at the present.

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

N A

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

Yes

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

As explained above, the company's major inputs are from large producers and mines. However, company procures packing materials locally. The company has also encouraged local transporters to engage vehicles for conversion to tankers. Procurement of cooling towers, FRP equipment, spray nozzles from small SSI Vendors.

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

Company has installed a facility to convert waste liquor from calcium hypochlorite plant to bleaching powder. It is utilizing about 15% of generation and another 15% is recycled. The rest is disposed . Recovery of various salts from waste liquor and effluent by evaporation. This salt is of very high purity which will be disposed off adding commercial value. This will make the operation environmentally sustainable.

Principle 3

- 1. Please indicate the Total number of employees**

We have 421 employees as on 31st March, 2022.

- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

We have 8 employees on temporary, 32 employees on casual and 15 employees on contractual basis as on 31st March, 2022.



3. Please indicate the Number of permanent women employees

We have 2 employees as on 31st March, 2022.

4. Please indicate the Number of permanent employees with disabilities

We have one employee as on 31st March, 2022

5. Do you have an employee association that is recognized by management

No

6. What percentage of your permanent employees is members of this recognized employee association?

N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	NIL	NA
2	Sexual harassment	NIL	NA
3	Discriminatory employment	NIL	NA

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees**
- Permanent Women employees**
- Casual / Temporary / Contractual employees**
- Employees with Disabilities**

All receive at least safety training once a year.

Principle 4

Business should respect the interest of and be responsive towards all stakeholders, especially those who disadvantaged, vulnerable and marginalized

The company has one employee with disability and kept in office work. In the production area person with disability cannot be engaged in such plants. However, company does not discriminate based on caste, religion, language and hence there are all people from all regions engaged in the organization.



a) *Has the Company mapped its internal and external stakeholders? Yes/ No*

Yes

b) *Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.*

The local villagers are the marginalized stake holders.

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

The company arranged water supply facility, transportation, ambulance services for those living in the vicinity of the factory.

Principle: 5

Business should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures / suppliers / Contractors / NGOs/others?**

No

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

We have not received any complaints from any of the stake holders.

Principle: 6

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

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

The environment polices are in place for our group companies as well as our Associated Companies and we are observing and implanting the procedures as per rules specified.

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

The Company has taken up initiatives to address global environmental issues.

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

Yes, the Environmental risk assessment is being done on periodic basis.



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

At present, the Company does not have any projects of clean development mechanism.

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

No

- 6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

Yes

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

During the FY 2021-2022, the Company has not received any show cause/ legal notices from CPCB/ SPCB.

Principle: 7

Business when engaged in influencing public and regulatory policy should do so in a responsible manner

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

(a) The Federation of Telangana Chambers of Commerce and Industry(FCTTI)

(b) Basic Chemical ,Pharmaceutical & Cosmetic export promotion council (CHEMXEIL)

(c) Federation of Indian Export Organization

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if Yes specify the board areas (drop box: Governance and administration, Economic Reforms, inclusive Development Policies, energy security, water, Food Security, sustainable Business Principles, Others)**

No

Principle: 8

Business should support inclusive growth and equitable development



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

In compliance with the guidelines prescribed under Section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules,2014, the Company had spent Rs. 24,66,291 towards providing drinking water facility, animal welfare, health care and others during financial year 2021-22.

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

In house team

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

No

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

This information has been provided under CSR Report of the Company. The total amount spent in the financial year under report is Rs. 24,66,291 .

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

Steps will be initiated in this regard.

Principle: 9

Business should engage with and provide value to their customers and consumer in a responsible manner

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

The company is ISO:9000 certified. There is clear Quality Policy and procedure for grievance redressal for handling any type of customer complaints. We have standard operating procedure to acknowledge, investigate and respond to any product quality related complaints / query. Dedicated complaints handling teams across all its manufacturing units ensure that detailed investigation is performed for all complaints/queries received and appropriate CAPA is taken where ever necessary with in stipulated time frames. We do not have any consumer cases in this financial year.



- 2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/NA/ Remarks (Additional Information)**

We display the required product information on the product label as per the statutory requirement and rules there under.

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

No such cases are filed by any stakeholders against the Company.

- 4. Did your Company carry out any consumer survey / consumer satisfaction trends?**

We undertake customer satisfaction survey through consistent visit/ interaction with the customers.

For and on behalf of the Board

Sd/-

T.G. Bharath

Chairman & Managing Director

(DIN : 00125087)

Place: Kurnool

Date : August 13, 2022



ANNEXURE-E TO DIRECTORS REPORT

Report on Corporate Governance

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

Company's Philosophy On Code Of Governance

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

Board Of Directors

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

Sl. No.	Name of the Director	Category	No. of Board meeting attended during the fy 2022	whether attended last AGM held on September 30, 2021 by Video Conference	Number of Director ship in other Public Companies	No of other Committee positions held in other Public Companies		Directorship in other listed entities (Category of Directorship)
						As Chairman	As Member	
1.	Sri T.G. Bharath	Chairman & Managing Director	4	Yes	1	-	-	-
2.	Sri A.Kailashnath	Independent Director	5	Yes	-	-	-	-
3	Sri. P.Ramachandra Gowd	Independent Director	5	Yes	-	-	-	-
4.	Smt. R Triveni	Independent Director	5	Yes	-	-	-	-
5.	Sri.H.Gurunath Reddy	Non-Executive Director	5	Yes	-	-	-	-
6.	Sri.Krishnamoorthy Chandraiah naik	Non-Executive Director	5	No	-	-	-	-

**Number of Board Meetings:**

During the financial year ended March 31, 2022, five (5) Board meetings were held on (1) June 03, 2021 (2) June 30, 2021 (3) August 14, 2021 (4) November 13, 2021 (5) February 14, 2022.

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

3. Committees of The Board**(i) Audit Committee**

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

- (i) the recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- (ii) review and monitor the auditor's independence and performance and effectiveness of audit process ;
- (iii) examination of the financial statement and the auditor's report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments ;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters.

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

The Audit committee Meetings were held on following dates :

- (1) June 30, 2021 (2) August 14, 2021 (3) November 13, 2021
- (4) February 14, 2022 and all the members attended the meetings.

(ii) Nomination And Remuneration Committee

The Nomination and Remuneration Committee comprises of Sri. A. Kailashnath as Chairman, Smt. R Triveni and Sri.P. Ramachandra



Gowd as members. The Committee inter alia, deals with all elements of remuneration of Chairman & Managing Director's service contracts, notice period, severance of payments etc. Meetings of Nomination and Remuneration committee were held on June 30, 2021 and August 14, 2021 and all the members attended the meeting. The Non-Executive Directors will be paid sitting fee of Rs. 5,000 per meeting of Board and Audit Committee and Rs. 1500/- per meeting of other committees.

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

Salary	Perquisites	Commission	Total (Rs.)
Rs. 7,13,89,500	---	---	Rs. 7,13,89,500

(iii) Stakeholders Relationship Committee

Stakeholders Relationship Committee is constituted to review the actions taken by the Company in relieving Investors' Grievances and its response to Stock Exchanges, SEBI and other related Government correspondence. The Committee comprises of Sri.A.Kailashnath as Chairman, Smt. R Triveni and Sri.P.Ramachandra Gowd as members. The Company is vested with the requisite powers and authorities to specifically look into redressal of shareholder and investor grievances. During the financial year ended March 31, 2022, four meetings were held and all the members attended the meetings.

Details of compliants:

1. No. of complaints at the beginning of the year : Nil
2. No. of Investor queries /complaints received in the year 2021-22 :18
3. No of complaints pending at the end of the year : Nil

Name and designation of the Compliance Officer:

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

(iv) Risk Management Committee:

Pursuant to Regulation 21 of SEBI(LODR)Regulations 2015, Risk Management Committee was constituted on 30.06.2021 with Sri T G Bharath as Chairman, Sri A Kailashnath, Sri P Ramachandra Gowd and Sri H Gurunath Reddy as members to visualize internal and external threats, risks. The policy is placed on Company's website www.tgvgroup.com. During the year, meetings of Risk Management Committee were held on



(v) Corporate Social Responsibility Committee

Corporate Social Responsibility Committee comprises of Sri.A.Kailashnath as Chairman, Smt. R Triveni and Sri.P.Ramachandra Gowd as members.

During the year ,meeting of Corporate Social Responsibility Committee was held on June 30, 2021 and all the members attended the meeting .

4. General Body Meetings:

The details of last three Annual General Meetings of the Company and the Special resolutions approved by the members.

Year	Location of AGM	Date	Time	Items of Special resolutions approved
2019	Regd. Office, Gondiparla, Kurnool-518004 (A.P)	September 30, 2019	11 A.M.	1. Appointment of Sri T G Bharath as Chairman & Managing Director. 2. Reappointment of independent director for second term. 3. Alteration of Articles of Association
2020	Held through video conference/ audio visual means. Deemed venue was Regd. Office, Gondiparla, Kurnool-518004 (A.P)	November 30,2020	11 A.M	1. Reappointment of independent director for second term.
2021	Held through video conference / audio visual means. Deemed venue was Regd. Office, Gondiparla, Kurnool-518004 (A.P)	September 30 ,2021	1 P.M.	1. Reappointment of Independent director for second term. 2 Appointment of Smt R Triveni as Independent Director 3 Appointment of Sri T.G. Bharath as Chairman & Managing Director for a period of 3 years.

Resolution(s) passed through Postal Ballot :

No postal ballot was conducted during the financial year 2021-22.

5. Disclosures:

None of the transactions with any of the related parties were in conflict with the interest of the Company at large. The details of related party transactions are furnished in Notes to Accounts to financial statements. The Company has not received any notices from Stock Exchanges or SEBI regarding non-



compliance of statutory provisions. The Company is complying with all mandatory requirements as per SEBI(LODR) Regulations, 2015.

6. Means of Communications:

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

7. General Shareholder Information

1. Date, Time and Venue of the AGM	Thursday, 29th September, 2022 at 3.00 P.M. by Video Conferencing ("VC")/ Other Audio visual means ("OAVM")
2. Financial Calendar	April 1, 2022 to March 31, 2023
(i) For the quarter ending June 30, 2022	On or before August 14, 2022
(ii) For the quarter and half year ending September 30, 2022	On or before November 14, 2022
(iii) For the quarter and nine months ending December 31, 2022	On or before February 14, 2023
(iv) For the fourth quarter and financial year ending March 31, 2023	On or before May 30, 2023
3. Trading window closure for financial results	From the 1st day from close of quarter till the completion of 48 hours after the UPSI becomes generally available.
4. Date of Book Closure	23rd September, 2022 to 29th September 2022 (both days inclusive) for the purpose of Annual General meeting and dividend.
5. Dividend and Dividend Payment Date	Rs. 3.50 per equity share for FY 2021-22. The Final dividend will be paid on October 20, 2022, if approved by the Shareholders at the ensuing Annual General Meeting of the Company. The payment of dividend will be subject to deduction of tax at source, as applicable, in compliance with the statutory requirements.



6. Listing on Stock Exchanges	<p>1. Name: BSE Limited Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001</p> <p>2. Name: National Stock Exchange of India Limited Address: Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai–400051</p>
7. Stock Code	532842 on BSE Limited SRHHYPOLTD on National Stock Exchange of India Limited
8. ISIN Number for NSDL & CDSL	INE917H01012
9. Corporate Identity Number (CIN)	L24110AP2005PLC045726

(g) Market price Data for Financial year 2021-22:

Month & Year	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2021	317.70	232.50	318.80	234.15
May, 2021	332.35	267.00	333.00	272.00
June, 2021	368.00	279.70	368.00	278.95
July 2021	370.00	314.00	354.00	313.35
August, 2021	363.95	274.80	362.00	274.00
September, 2021	357.50	304.65	357.95	305.15
October, 2021	417.00	319.50	410.00	319.15
November, 2021	353.00	269.10	356.65	301.70
December, 2021	370.60	303.00	394.65	305.20
January, 2022	369.00	317.25	361.95	300.00
February, 2022	459.00	320.00	459.40	324.25
March, 2022	523.00	390.00	518.95	384.00

(h) Share Transfer System:

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

(i) Share Transfer Agents:

M/s. Aarathi Consultants Pvt. Ltd
Regd. Office: 1-2-285, Domalguda
Hyderabad-500029 (Telangana)
Tel No. 040-27638111 / 4445
Fax No: 040-27632184
Email: info@aarathiconsultants.com

**(j) Distribution of Shareholding as on March 31, 2022 :**

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

(k) Dematerialisation of shares and liquidity:

The Company's shares are covered under compulsory dematerialization list and are transferrable under depository system. As on March 31, 2022, 85.30 % of shares were held in Dematerialised form and rest in physical form.

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

Not applicable

(m) Code of Conduct

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

DECLARATION BY CMD

As provided in Schedule-V (D) of SEBI(LODR) Regulations, 2015, the Directors and Senior Management personnel have confirmed compliance with code of conduct for the period ended March 31, 2022.

Sd/-
T G Bharath

Place : Kurnool
Date : August 13, 2022

Chairman & Managing Director
DIN : 00125087

(n) Plant Locations:

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



- Bottling of Hydrogen Gas plant situated at Gondiparla, Kurnool District, Andhra Pradesh.
- Wind energy generators (7 Nos) units situated in Tamilnadu State .
- Sodium Methoxide and Sodium Hydraxide Plant at Gondiparla, Kurnool.
- 10MW thermal Power Plant at Gondiparla, Kurnool.
- 5MW Solar Power Plant at Gondiparla, Kurnool.

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

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

(B) Sree Rayalaseema Hi-strength Hypo Limited
No. 6-2-1012, IV Floor, TGV Mansion
Above ICICI Bank, Khairatabad
Hyderabad – 500 004 (A.P.)
Tel. Nos. 040-23313964, Fax No.: 040-23313875
e-mail Id : companysecretary@srhhl.com

8. Non Disqualification Certificate from Company Secretary in Practice:

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

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

Not Applicable

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

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



11. Credit Rating:

As the company has not issued any debt instruments or accepted any fixed deposit, the Company was not required to obtain credit ratings in respect of the same. The credit rating from CRISIL during the financial year 2021-22 for bank facilities are CRISIL A-/Positive Stable for long term and CRISIL A1 for Short term.

12. Fee paid to Statutory Auditors:

Total fees for all services paid by the Company to the Statutory Auditors M/s. T. Adinarayana & Co., Chartered Accountants during the year ended March 31,2022 is Rs. 2,00,000/-

For and on behalf of the Board

Sd/-

T.G. Bharath

Chairman & Managing Director
(DIN : 00125087)

Place: Kurnool

Date : August 13, 2022



CERTIFICATE ON CORPORATE GOVERNANCE

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

We have examined the compliance of the conditions of Corporate Governance by Sree Rayalaseema Hi-strength Hypo Limited ("the Company") for the year ended March 31, 2022 as stipulated under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C,D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanation given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2022.

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

Geeta Serwani & Associates
(Practicing Company Secretary)

Sd/-
(Geeta Serwani)
Proprietor
Memb No. F8991

UDIN : F008991D000792642

Date : August 13, 2022
Place : Hyderabad

ACS: 24479
COP: 8842

**ANNEXURE-F TO DIRECTORS REPORT****Management Discussion & Analysis Report:****A) Industry Structure And Developments:**

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

B) Opportunities And Threats:

- (1) There is growing demand for Calcium Hypochlorite in the international market
- (2) Most of the raw materials are easily available locally thus savings in the transportation costs
- (3) The raw material prices are uncertain in the market. Any steep upward price rise would affect the profitability of the unit.
- (4) The import of lime for the manufacture of Hi-strength Hypochlorite and Sodium Metal for Sodium Hydride may affect the profitability of the Company due to exchange fluctuations.
- (5) The generation of power through wind mainly depends on high wind velocity which is seasonal in nature and thermal energy mainly depends on availability of coal both indigenous and imported .

C) Segment-Wise Or Product-Wise Performance:

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

D) Outlook:

The Company is exploring possibilities in manufacturing of electrolyte products.

E) Risks And Concerns:

- (i) Raw material prices are market driven and any upward revision will affect the profitability of the Company.
- (ii) Fluctuations in foreign exchange currencies in relation to exports, Imports and FCTL.
- (iii) The investments in shares are market driven which are exposed to related risks.

F) Internal Control Systems and Their Adequacy:

The Company has a good system of internal controls in all spheres of its activities. All the staff of the Internal Audit Department are well trained in



internal control procedures and well versed with computerized environment. Further, in key areas like stores, finalization of purchase orders and fixation of material prices are under pre-audit. The Management regularly reviews the findings of the internal auditors and effective steps to implement the suggestions/observations of the Auditors are taken and monitored regularly. In the opinion of the Board, an effective internal control system adequate to the size of the Company are in place.

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

For the year 2021-22 net profit before Tax is Rs. 13,698.67 lakhs against Rs. 8,086.70 lakhs during the previous year. The Company provided Rs. (86.95) lakhs towards deferred tax, Rs.3,507.02 lakhs towards current tax and net profit after Tax is Rs. 10,278.60 lakhs.

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

During the year, the Company maintained harmonious and cordial industrial relations. The Company regularly conducting seminars and workshops to improve the safety and maintenance of the factory and for also timely dispatches of quality products. The Company is deputing employees for attending seminars for updating their skills and knowledge. The Company had around 421 employees on its rolls.

Details of Key Financial Ratios :

Ratios	March 31, 2022	March 31, 2021	% of Change
Interest coverage ratio (Profit before tax + interest + Depreciation) / Interest	1965.32	454.16	(332.74)
Debtors turnover ratio (Receivable + more than 90 days) / Gross Sales	0.10	0.11	1.73
Inventory Turnover ratio (Inventory) / Cost of goods sold (note: cost of goods sold is excluding interest, selling and other overheads)	0.33	0.11	(189.78)
Current ratio Current Assets / Current Liabilities (excluding AMTL)	2.36	2.65	11.20
Debt equity ratio Long term Debt / Net worth	0.001	0.002	(53.40)
Operating profit margin (%) PBIT / net sales	0.11	0.09	(21.39)
Net Profit margin (%) Net profit / net sales	0.08	0.07	(21.92)
Return on Net worth Net Profit / Net worth	0.18	0.16	(15.40)



Annexure G-Corporate Social Responsibility

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

2. Composition of CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri A kailashnath	Independent Director	1	1
2.	Sri P Ramachandra Gowd	Independent Director	1	1
3.	Smt R Triveni	Independent Director	1	1

3. Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company www.tgvgroup.com

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

NOT APPLICABLE

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

Sl No	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1.	2020-21	17,52,394	17,52,394
2.	2019-20	33,24,838	33,24,838
3.	2018-19	38,46,524	38,46,524
	Total	89,23,756	89,23,756

6. Average net profits of the Company as per section 135 (5) : Rs.56,17,39,943

7. (a) Two percent of average net profit of the Company as per section 135(5): Rs. 1,12,34,799

(b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. Rs.89,23,756

(c) Amount required to be set off for the financial year, if any : Rs.89,23,756

(d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 1,12,34,799



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

Total amount spent for the financial year (in Rs.)	Amount Unspent(in Rs.)				
	Total amount transferred to Unspent CSR account as per Section 135(6)		Amount transferred to any funds specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
24,66,291	-	-	-	-	-

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

Not Applicable

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

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

1	2	3	4	5	6	7	8
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project	Amount allocated for the project (in Rs.)	Mode of implementation- Direct (Yes / No)	Mode of implementation- Through implementing agency
				State District			Name CSR Registration number
1.	Drinking water to people of nearby areas	Provision of drinking water	Yes	Andhra Pradesh	Kurnool	5,24,906	Yes
2.	Education	Provision of education	Yes	Andhra Pradesh	Kurnool	23,169	Yes
3.	Animal Welfare	Provision of animal welfare	Yes	Andhra Pradesh	Kurnool	5,40,000	Yes
4.	Health Care	Health care	Yes	Andhra Pradesh	Kurnool	8,78,215	Yes
5.	Woman Welfare	Women welfare	Yes	Andhra Pradesh	Kurnool	5,00,000	Yes
Total						24,66,291	



- (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) : Rs.24,66,291
 (g) Excess amount for set off, if any

Sl No	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company a per section 135(5)	1,12,34,799
2.	Total amount spent for the Financial year	24,66,291
3.	Excess amount spent for the financial year [(ii)-(i)]	-
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	89,23,756
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,55,248

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

Sl No	Preceding Financial year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial year (in Rs.)	Amount transferred to any fund specified under schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years.(in Rs.)
				Name of the fund	Amount (in Rs.)	Date of Transfer	

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NOT APPLICABLE**

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial year (in Rs.)	Cumulative amount spent at the end of the reporting Financial year (in Rs.)	Stauts of the project-Completed / ongoing
1.								
2.								
3.								
	Total							



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

(Asset-wise details)

(a) Date of creation or acquisition of the capital asset(s)

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s) if the Company has failed to spend two percent of the average net profit as per section 135(5). **NOT APPLICABLE**

Sd/-

T G Bharath

(Chairman & Managing Director)

Sd/-

A Kailashnath

(Chairman of CSR Committee)



ANNEXURE - H TO DIRECTORS' REPORT:

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,

The Member,

Sree Rayalaseema Hi-Strength Hypo Limited

(CIN : L24110AP2005PLC045726)

Gondiparla Kurnool 518004

Kurnool Dist

Andhra Pradesh

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2022 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 (' SEBI Act');
 - (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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;



- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;
- (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

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

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

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

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

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

Geeta Serwani & Associates
(Practicing Company Secretary)

Sd/-

(Geeta Serwani)

Proprietor

Memb No. F8991

UDIN: F008991D000802751

ACS: 24479

CP: 8842

Date : August 13, 2022

Place : Hyderabad

Note: This report is to be read with letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.



“ANNEXURE A” to SECRETARIAL AUDIT REPORT

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

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

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

Geeta Serwani & Associates
(Practicing Company Secretary)

Sd/-

(Geeta Serwani)

Proprietor

Memb No. F8991

UDIN: F008991D000802751

ACS: 24479

CP: 8842

Date : August 13, 2022
Place : Hyderabad



**“ANNEXURE I”
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sree Rayalaseema Hi-Strength Hypo Limited having CIN (L24110AP2005PLC045726) and having registered office at Gondiparla, Kurnool-518004 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

Geeta Serwani & Associates
(Practicing Company Secretary)
Sd/-
(Geeta Serwani)
Proprietor
Memb No. F8991
UDIN:F008991D000792719
ACS: 24479
CP: 8842

Date : August 13, 2022
Place : Hyderabad



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sree Rayalaseema Hi-Strength Hypo limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sree Rayalaseema Hi-Strength Hypo Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, 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 then ended, and notes to the standalone financial statements, including 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, 2022 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key audit matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the 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	<p>Revenue Recognition</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period.</p>	<p>Principal Audit Procedures</p> <p>We reviewed the Company's implementation of Ind AS 115, including recognition of the effect on opening equity and changes to procedures, accounting guidelines, disclosures and systems to support correct revenue recognition. We reviewed and discussed the accounting policy including the key accounting estimates and judgements made by management.</p>



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

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

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the 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 management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial



statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards ('Ind AS') and other accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 are 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by 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 of India 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 to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in '**Annexure-B**'.



3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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;
- (c) Based on the audit procedures that have been 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.
4. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of amendments to section 197(16) of the Act as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule-V of the Act.
5. As stated in Note 15(v) to the financial statements the final dividend proposed in the previous year (FY 2020-21), declared and paid by the company during the year (FY 2021-22) is in compliance with Section 123 of the Act, as applicable.

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S
Sd/-

Y. Pullarao
Partner

Membership No. 25266

Place: Kurnool
Date : May 30, 2022

ICAI UDIN:22025266AJZZAK7803



Annexure A to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sree Rayalaseema Hi-Strength Hypo Limited of even date)

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

Sl. No.	Ref.to CARO	Report by Independent Auditors
1	3(i)	Property, Plant and Equipment and Intangible Assets:
	3(i)(a)A	The Company has maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
	3(i)(a)B	According to the information and explanation given to us and on the basis of our examination of the records, the Company does not have any Intangible assets. Accordingly, provisions of clause 3 (i)(a)(B) of the Order are not applicable to the Company for the year under review
	3(i)(b)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment, and right-of-use assets so to cover all the assets are verified on annual basis. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all fixed assets were physically verified during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
	3(i)(c)	As per the information and explanations given to us the title deeds of all the free hold immovable properties are held in the name of the Company except certain properties which were received in the scheme of Amalgamation. The details of those properties are given in note no. 51 of notes to accounts.
	3(i)(d)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year. Accordingly the reporting under clause 3(i)(d) is not applicable to the company for the year under review
	3(i)(e)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, no proceeding have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made thereunder.
2.	3(ii)	Inventories
	3(ii) (a)	The inventories have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. There were no material discrepancies as consumption is on the basis of derived consumption.



Sl. No.	Ref.to CARO	Report by Independent Auditors																																																							
2	3(ii)(b)	During the year, the company has been sanctioned working capital limits in excess of ₹ Five crores, in aggregate, from banks on the basis of security of current assets. The company has filed quarterly returns or statements with such banks, which are in agreement with the books of accounts/ stock registers, with some insignificant variances.																																																							
3	3(iii)(a)	<p>Loans to parties covered by Sec.189 of the Companies Act,2013 ('the Act')</p> <p>According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has made investments in its subsidiary company and given a loan to its subsidiary. The company has not provided any security or corporate guarantees (other than guarantees and securities provided by the company to its bankers against working capital/ other loans. The aggregate amount during the year and balance outstanding as at balance sheet date with respect to loan to subsidiary and to parties other than subsidiary are as per table given below:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Guarantees ₹</th> <th>Securities ₹</th> <th>Loans ₹</th> <th>Advances in the nature of Loans ₹</th> </tr> </thead> <tbody> <tr> <td>a) Aggregate amount granted/provided during year:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>-Subsidiaries</td> <td>-</td> <td>-</td> <td>-</td> <td>20,22,007</td> </tr> <tr> <td>-Joint Ventures</td> <td>-</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>-Associates</td> <td>-</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>-Others</td> <td>-</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>b) Balance outstanding as on balance sheet date in respect of the above:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>-Subsidiaries</td> <td>-</td> <td>-</td> <td>-</td> <td>20,22,007</td> </tr> <tr> <td>-Joint Ventures</td> <td>-</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>-Associates</td> <td>-</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>-Others</td> <td>-</td> <td>-</td> <td>-</td> <td></td> </tr> </tbody> </table> <p>Note: The above loan is included in note 14 to balance sheet under loans and advances which include share application money to subsidiary.</p>	Particulars	Guarantees ₹	Securities ₹	Loans ₹	Advances in the nature of Loans ₹	a) Aggregate amount granted/provided during year:					-Subsidiaries	-	-	-	20,22,007	-Joint Ventures	-	-	-		-Associates	-	-	-		-Others	-	-	-		b) Balance outstanding as on balance sheet date in respect of the above:					-Subsidiaries	-	-	-	20,22,007	-Joint Ventures	-	-	-		-Associates	-	-	-		-Others	-	-	-	
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	3(iii)(b)	In respect of aforesaid loan, the terms and conditions are as authorised by the members and as per information and explanation provide by company to us, the loan granted is not prejudicial to the company's interest.																																																							
	3(iii)(c)	According to the information and explanation given to us, the loan to subsidiary comprises of Rs10,00,000.- for share application money pending allotment and advance paid recoverable within 12 months free of interest. Hence commenting on regularity of payment of interest and repayment of principal does not arise and accordingly provisions of clause 3(iii)(c) are not applicable to the company for the period under review.																																																							



Sl. No.	Ref.to CARO	Report by Independent Auditors																				
	3(iii)(d)	There are no over dues in respect of interest payment or repayment of principal. Accordingly the provision of clause 3(iii)(d) are not applicable to the company for the period under review.																				
	3(iii)(e)	According to the information and explanation given to us there are no renewal or extension or grant of fresh loan to settle over dues which has fallen due during the year. Accordingly the provision of clause 3(iii)(e) are not applicable to the company for the period under review.																				
	3(iii)(f)	<p>The loan to subsidiary given during the year is repayable on demand and aggregate amount of such loan is as under.</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>All Parties₹</th> <th>Promoters₹</th> <th>Related parties₹</th> </tr> </thead> <tbody> <tr> <td>Repayable on demand</td> <td>-</td> <td>-</td> <td>20,22,007</td> </tr> <tr> <td>No terms or repayment terms are specified</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Total</td> <td></td> <td></td> <td>20,22,007</td> </tr> <tr> <td>Percentage of to the total loans granted</td> <td>-</td> <td>-</td> <td>100%</td> </tr> </tbody> </table> <p>The above loan is included in note 12 to balance sheet(Loans and advances)</p>	Particulars	All Parties₹	Promoters₹	Related parties₹	Repayable on demand	-	-	20,22,007	No terms or repayment terms are specified	-	-	-	Total			20,22,007	Percentage of to the total loans granted	-	-	100%
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No terms or repayment terms are specified	-	-	-																			
Total			20,22,007																			
Percentage of to the total loans granted	-	-	100%																			
4	3(iv)	<p>Loans, guarantees, securities to and investments in other companies</p> <p>According to the information and explanation given to us and on the basis of our examination of the records of the Company, the provisions of section 185 are not applicable to the company for the year and the Company has complied with the provisions of Section 186 of the Act, in relation to loans given and investments made.</p>																				
5	3(v)	<p>Acceptance of deposits</p> <p>In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts during the year as per provisions of Section 73 or 76 of the Act and any other relevant provisions of the Act and the relevant Rules framed thereunder. Accordingly, provisions of clause 3 (v) of the Order are not applicable to the Company for the year under review.</p>																				
6	3(vi)	<p>Maintenance of cost records</p> <p>Pursuant to the rules made by the Central Government of India, the company is required to maintain cost records as specified under section148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.</p>																				
7	3(vii)	<p>Statutory Dues</p>																				
	3(vii)(a)	<p>According to the information and explanations given to us and on the basis of our examination of the record of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employee's State insurance, Income Tax, Goods and Service Tax, duty of Customs, Cess and other material statutory dues have been deposited during the year by the Company with the appropriate authorities regularly.</p>																				



		According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Goods and Service Tax, duty of Customs, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable for more than six months from the date they become payable as on last day of the financial year.										
	3(vii)(b)	Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of disputes are given below: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Nature of Statute</th> <th>Nature of dues</th> <th>Forum where the dispute is pending</th> <th>Period in which the dispute is</th> <th>pending Amount ₹ lakhs</th> </tr> </thead> <tbody> <tr> <td>Income Tax Act</td> <td>Income Tax</td> <td>IncomeTax Appellate Tribunal, Hyderabad.</td> <td>A.Y.2017-18 A.Y.2018-19</td> <td>316.07 360.21</td> </tr> </tbody> </table>	Nature of Statute	Nature of dues	Forum where the dispute is pending	Period in which the dispute is	pending Amount ₹ lakhs	Income Tax Act	Income Tax	IncomeTax Appellate Tribunal, Hyderabad.	A.Y.2017-18 A.Y.2018-19	316.07 360.21
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Income Tax Act	Income Tax	IncomeTax Appellate Tribunal, Hyderabad.	A.Y.2017-18 A.Y.2018-19	316.07 360.21								
8.	3(viii)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961(43 of 1961). Accordingly, provisions of clause 3 (viii) of the Order are not applicable to the Company for the year under review.										
9.	3(ix)	Defaults in repayments to any lender										
	3(ix)(a)	According to the information and explanation 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 or other borrowings or in the payment of interest to any lender during the year. Accordingly, provisions of clause 3 (ix)(a) of the Order are not applicable to the Company for the year under review.										
	3(ix)(b)	According to the information and explanation given to us and on the basis of our audit proceedings, we report that the Company has not been declared a wilful defaulter by any banker financial institution or government or government authority. Accordingly, provisions of clause 3 (ix)(b) of the Order are not applicable to the Company for the year under review.										
	3(ix)(c)	According to the information and explanation given to us by the management, the Company has not obtained any term loans. Accordingly, provisions of clause 3 (ix)(c) of the Order are not applicable to the Company for the year under review.										
	3(ix)(d)	According to the information and explanation given to us and on an examination of the balance sheet of the Company and we report that, no funds raised on short-term basis have been utilized for long term purposes by the Company. Accordingly, provisions of clause 3 (ix)(d) of the Order are not applicable to the Company for the year under review.										



Sl. No.	Ref. to CARO	Report by Independent Auditors
	3(ix)(e)	According to the information and explanation given to us and on an examination of the 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 as defined under the Companies Act, 2013. Accordingly, provisions of clause 3 (ix)(e) of the Order are not applicable to the Company for the year under review.
	3(ix)(f)	According to the information and explanation given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable for the period under review.
10.	3(x)	Initial public offer/further offer
	3(x) (a)	The Company has not raised moneys by way of initial public offer (including debt instruments) during the year. Accordingly, provisions of clause 3 (x)(a) of the Order are not applicable to the Company for the year under review.
	3(x) (b)	According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable to the Company for the year under review.
11.	3(xi)	Frauds by or on the company
	3(xi) (a)	During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company, noticed or reported during the year, nor have we been informed of any such case by the management.
	3(xi) (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 the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	3(xi) (c)	According to the information and explanation given to us The company has not received any whistle blower complaints during the year. Accordingly, provisions of clause 3 (xi)(c) of the Order are not applicable to the Company for the year under review.
12.	3(xii)	Nidhi company
		According to the information and explanations given to us, the company is not a Nidhi Company as prescribed under Section 406 of the Act and Accordingly, provisions of clause 3 (xii) of the Order are not applicable to the Company for the year under review.



Sl. No.	Ref. to CARO	Report by Independent Auditors
13.	3(xiii)	<p>Transactions with Related parties</p> <p>In our opinion and according to the information and explanation given to us, transactions with related parties are in compliance with provisions of section 177 and section 188 of the Act where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.</p>
14.	3(xiv)	Internal Audit System
	3(xiv)(a)	Based on information and explanations provided to us and our audit procedures, In our opinion the Company has an internal audit system is commensurate with the size and the nature of its business.
	3(xiv)(b)	We have considered the internal audit report for the year, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedure.
15.	3(xv)	Non-cash transactions with directors u/s 192 of the Act
		In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Sec 192 of the Act, are not applicable to the Company for the year.
16.	3(xvi)	Registration u/s 45-IA of RBI Act,1934
	3(xvi)(a)	According to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable for the year under review.
	3(xvi)(b)	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 Accordingly, clause 3(xvi) of the Order is not applicable.
	3(xvi)(c)	The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
	3(xvi)(d)	According to the information and explanation provided to us during the course of audit. the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
17.	3(xvii)	Cash losses
		The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding the financials year.
18.	3(xviii)	Resignation of the statutory auditors
		There has been no resignation of the statutory auditors of the Company during the year
19.	3(xix)	According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of



Sl. No.	Ref.to CARO	Report by Independent Auditors
		Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20	3(xx)(a)	The Company has spent the amount of Corporate Social responsibilities for the year as required u/s 135(5) of the Act. Accordingly, provisions of clause 3 (xx) of the Order are not applicable to the Company for the year under review.
	3(xx)(b)	In our opinion, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provisions of sub section (6) of section 135 of the Act.
21.	3(xxi)	The Auditor of the subsidiary Company whose financials are included in our consolidated financials has not given any adverse comments in their CARO Reports hence we need not comment on this matter.

For **T. Adinarayana & Co.**

Chartered Accountants

Regn. No. 000041S

Sd/-

Y. Pullarao

Partner

Membership No. 25266

ICAI UDIN:22025266AJZZAK7803

Place: Kurnool

Date : May 30, 2022

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

We have audited the internal financial controls with reference to standalone financial statements of Sree Rayalaseema Hi-Strength Hypo Limited ("the Company") as of 31 March 2022 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 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.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls over to 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 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 with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S
Sd/-

Y. Pullarao
Partner

Membership No. 25266

Place: Kurnool
Date : May 30, 2022

ICAI UDIN:22025266AJZZAK7803



Standalone Balance sheet as at 31st March, 2022

(All amounts in ₹ Lakhs, except otherwise stated)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	12,214.59	10,161.44
(b) Right-to-use assets	3A	736.13	856.55
(c) Capital work-in-progress	3B	-	44.49
(d) Investment properties	4	-	2,375.00
(e) Financial assets			
i) Investments	5	16,384.91	5,045.32
ii) Other financial assets	6	434.61	432.47
(f) Deferred tax asset (net)	20	667.33	549.71
(g) Other non-current assets	7	131.90	1,013.95
Total Non-current assets		30,569.47	20,478.93
Current assets			
(a) Inventories	8	14,397.98	3,970.65
(b) Financial assets			
i) Trade receivables	9	13,207.76	9,660.33
ii) Cash and cash equivalents	10	1,413.52	685.50
iii) Bank balances other than Cash and cash equivalents	11	9,915.73	13,167.75
iv) Loans	12	96.68	77.02
v) Other financial assets	13	35.12	287.86
(d) Other current assets	14	9,104.20	3,564.14
Total current assets		48,170.99	31,413.25
TOTAL ASSETS		78,740.45	51,892.19
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,716.48	1,716.48
(b) Other equity	16	55,315.30	37,083.96
Total Equity		57,031.78	38,800.44
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	17	29.27	51.10
ii) Others	18	127.99	177.99
iii) Lease liabilities	19	794.41	845.16
(c) Deferred Government grants	21	89.96	95.95
(d) Provisions	22	208.56	84.27
Total Non-current liabilities		1,250.18	1,254.48
Current liabilities			
(a) Financial liabilities			
i) Borrowings	17	1,832.90	6,065.17
ii) Trade payables			
(A) dues of micro and small enterprises; and	23	73.72	261.93
(B) dues of creditors other than micro and small enterprises.	23	7,633.35	941.50
iii) Other financial liabilities	24	1,826.58	1,661.90
iv) Lease liabilities	24	131.51	171.48
(b) Other current liabilities	25	7,547.33	1,854.73
(c) Provisions	26	319.99	94.84
(d) Current tax liabilities (net)	27	1,093.11	785.72
Total Current liabilities		20,458.48	11,837.27
TOTAL LIABILITIES		21,708.66	13,091.75
TOTAL EQUITY AND LIABILITIES		78,740.45	51,892.19
Corporate information and significant accounting policies	1 & 2		
The accompanying notes form an integral part of the financial statements	39-52		

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AJZZAK7803

Place: Kurnool
Date : May 30, 2022

For and on behalf of the Board

Sd/- **Sri T.G.Bharath** **Sd/-** **Smt. R.Triveni**
Chairman & Managing Director Director
Sd/- **Smt. V.Surekha** **Sd/-** **Sri S. Ifthekhar Ahmed**
Company Secretary Chief Financial Officer

Place: Kurnool
Date : May 30, 2022


Standalone Statement of Profit and Loss for the year ended 31st March, 2022
(All amounts in ₹ Lakhs, except otherwise stated)

Particulars	Note No.	Year ended 31st March 2022	Year ended 31st March 2021
I Revenue from operations	28	1,26,727.24	91,082.52
II Other income	29	1,066.38	663.21
III Total revenue (I + II)		1,27,793.62	91,745.73
IV Expenses			
Cost of materials consumed	30	49,463.08	34,490.67
Purchase of stock-in-trade	31	49,365.97	28,585.60
Changes in inventories of finished goods, work in progress and stock-in-trade	32	(6,155.98)	118.61
Employee benefits expense	33	2,874.39	2,544.90
Finance costs	34	320.82	547.56
Depreciation and amortisation expense	3	1,922.72	5,060.75
Other expense	35	16,303.95	12,310.93
Total expenses (IV)		114,094.95	83,659.03
V Profit before tax (III-IV)		13,698.67	8,086.70
VI Tax expense			
Current tax	36	3,507.02	3,050.15
Deferred tax	36	(86.95)	(1,022.96)
Total Tax expense		3,420.07	2,027.18
VII Profit for the year after Tax (V-VI)		10,278.60	6,059.51
VIII Other comprehensive income	37		
Items not to be reclassified to profit or loss subsequently			
Net gain/(losses) on FVTOCI financial instruments		11,437.38	2,661.38
Re-measurement gains/(losses) on defined benefit plans		(121.79)	29.37
Tax effect thereon		(2,847.91)	(677.21)
Other comprehensive income/(loss) for the year		8,467.68	2,013.54
IX Total comprehensive income for the year (VII+VIII)		18,746.28	8,073.06
X Earnings per equity share			
Basic and Diluted	38	59.88	35.30
Corporate information and significant accounting policies ¹ & 2			
The accompanying notes form an integral part of the financial statements	39-52		

As per our report of even date attached.

For T. Adinarayana & Co.,
 Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
 Partner
 Membership No.25266
 UDIN No.:22025266AJZZAK7803

 Place: Kumool
 Date : May 30, 2022

For and on behalf of the Board

Sd/-	Sd/-
Sri T.G.Bharath	Smt. R.Triveni
Chairman & Managing Director	Director
Sd/-	Sd/-
Smt. V.Surekha	Sri S. Ifthekhar Ahmed
Company Secretary	Chief Financial Officer

 Place: Kumool
 Date : May 30, 2022



Standalone Cash flow statement for the year ended March 31, 2022

(All amounts in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Cash flow from operating activities		
Profit before tax	13,698.67	8,086.70
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	1,922.72	5,060.75
Interest received	(444.72)	(396.21)
Interest paid	320.82	547.56
Interest expense due to amortisation of processing fees	-	1.95
Interest income & expenses due to amortisation of rent deposits	2.51	(9.12)
Income due to government grant recognised	(6.00)	(6.00)
Net (gains)/losses on FVTPL instruments	(399.75)	-
Operating profit before working capital changes	15,094.25	13,285.62
Working capital adjustments:		
(Decrease)/Increase in trade payables	6,503.64	(1,295.79)
(Decrease)/Increase in non-current financial liabilities	(50.00)	50.00
(Decrease)/Increase in current financial liabilities	146.49	165.08
(Decrease)/Increase in other current liabilities	5,692.60	(19.45)
(Decrease)/Increase in short term provisions	225.14	(0.64)
(Decrease)/Increase in long term provisions	2.49	15.57
(Increase)/Decrease in non-current financial asset	(4.65)	(9.24)
(Increase)/Decrease in other non-current assets	882.05	(4.63)
(Increase)/Decrease in trade receivables	(3,547.44)	(1,457.31)
(Increase)/Decrease in inventories	(10,427.33)	(299.82)
(Increase)/Decrease in other current assets	(5,540.05)	303.45
(Increase)/Decrease in financial assets	233.07	13.37
Cash generated from operating activities	9,210.26	10,746.22
Direct taxes paid (net)	(3,199.64)	(3,692.18)
Net cash flow from operating activities (A)	6,010.63	7,054.04
Cash flows from investing activities		
Purchase of PPE, including CWIP	(1,435.96)	(2,044.18)
Purchase of investments	(2,377.08)	(1,210.16)
Interest received	440.78	396.21
Redemption/(investment) of margin money deposit	3,296.10	(8,653.57)
Earmarked for dividend	(44.09)	(36.65)
Net cash flow from/ (used in) investing activities (B)	(120.24)	(11,548.35)
Cash flows from financing activities		
Interest paid	(240.07)	(458.94)
(Repayment)/Proceeds of long term borrowings	(3.64)	(43.28)
(Repayment)/Proceeds from short term borrowings	(4,232.27)	2,204.54
Dividend paid	(514.94)	(429.30)
(Repayment)/Proceeds of lease liabilities	(171.48)	(257.18)
Net cash flow from/ (used in) financing activities (C)	(5,162.40)	1,015.84
Net increase/(decrease) in cash and cash equivalents (A + B + C)	728.00	(3,478.47)
Cash and cash equivalents at the beginning of the year	685.50	4,163.97
Cash and cash equivalents at the end of the year	1,413.52	685.50
Components of cash and cash equivalents		
Cash on hand	6.39	4.07
Balances with banks		
- in Current Account	1,407.12	681.44
Total cash and cash equivalents (Note 10)	1,413.52	685.50

Note:

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

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AJZZAK7803

Place: Kurnool
Date : May 30, 2022

For and on behalf of the Board
Sd/- **Sd/-**
Sri T.G.Bharath **Smt. R.Triveni**
Chairman & Managing Director Director
Sd/- **Sd/-**
Smt. V.Surekha **Sri S. Ifthekhar Ahmed**
Company Secretary Chief Financial Officer

Place: Kurnool
Date : May 30, 2022



Stipulative Statement of changes in Equity
(All amounts in ₹ in Lakhs, except otherwise stated)

a. Equity share capital	Note	Amount	Standalone						
			Reserves and Surplus	Other Comprehensive income	FVOCI - preference instruments	OCI - Actuarial gain/loss on gratuity	Money received against other share warrants	Total other equity	
As at 1st Apr 2020		1,716.48							
Changes in equity share capital during the year	15	-							
As at 31st Mar 2021		1,716.48							
Changes in equity share capital during the year	15	-							
As at 31st Mar 2022		1,716.48							
b. Other Equity									
Particulars	Note	Securities premium reserve	Retained earnings	Other reserve (Amalgamation & General reserve)	FVOCI - preference instruments	OCI - Actuarial gain/loss on gratuity	Money received against other share warrants	Total other equity	
Balance at 31st March, 2020	16	3,026.59	23,818.64	2,762.75	(178.02)	10.24	-	29,440.20	
Changes in equity for the period ended 31st March 2021									
Preferential issue during the year	16(i), (v)	-	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	16(iv)	-	-	-	1,991.56	-	-	1,991.56	-
Reclassified in Statement of Profit and Loss during the year on account of redemption of preference shares	16(iv)	-	-	-	-	-	-	-	-
Gains/(losses) on arising from actuarial gain/loss on gratuity	16(iv)	-	6059.51	-	-	21.98	-	21.98	-
Ind AS 116 - Leases impact	16(ii)	-	-	-	-	-	-	6059.51	-
Proposed dividend	16(ii)	-	(429.30)	-	-	-	-	(429.30)	-
Balance at 31st March, 2021		3,026.59	29,448.85	2,762.75	1,813.54	32.22	-	37,083.96	
Changes in equity for the period ended 31st March 2022									
Equity instruments through other comprehensive income	16(iv)	-	-	-	8,558.82	-	-	8,558.82	-
Gains/(losses) on arising from actuarial gain/loss on gratuity	16(iv)	-	-	-	-	(91.14)	-	(91.14)	-
Profit for the year	16(ii)	-	10,278.60	-	-	-	-	10,278.60	-
Ind AS 116 Leases impact	16(ii)	-	-	-	-	-	-	-	-
Proposed dividend	16(ii)	-	(514.94)	-	-	-	-	(514.94)	-
Balance at 31st March, 2022		3,026.59	39,212.51	2,762.75	10,372.37	(58.92)	-	55,315.30	

As per our report of even date attached.
P. S. A. Chartered Accountants & Co.
 Chartered Accountants (Regn.No.000041S)
Sd/- P. S. A.
 Membership No.25266
 UIN No.20200566A/JZAK7803
 Place : Kurnool
 Date : May 30, 2022

For and on behalf of the Board
Sd/- Sri T. G. Bharath
 Chairman & Managing Director
Sd/- Sri S. S. Surekha
 Company Secretary
Sd/- Sri S. Jitheshkar Ahmed
 Chief Financial Officer
Sd/- Smt. R. Triveni
 Director
Sd/- Sri S. Jitheshkar Ahmed
 Chief Financial Officer
 Place : Kurnool
 Date : May 30, 2022

**Notes to financial statements for the year ended 31st, March 2022****Note 1: General Information**

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

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

The financial statements are approved for issue by the Company's Board of Director's on 30th May, 2022.

Note 2: Significant Accounting Policies**2.1 Statement of Compliance**

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

The Standalone Financial statements have been prepared in accordance with Indian Accounting Standards (as amended) (Ind AS) as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 together with comparative period data as at the year end March, 31st 2022.

2.2 Basis of preparation and presentation of financial statements

Financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for

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

share-based payment transaction that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36 Impairment of Assets.

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

2.3 Use of estimates and judgements

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

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

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

2.4 Operating cycle.

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

2.5 Current and Non-Current Classification.

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

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

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

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The company classifies all the assets as noncurrent.

A liability is current when:

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

The company classifies all other liabilities as noncurrent.

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

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

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

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

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

Provision and contingent liability

On an ongoing basis, Company reviews pending cases, claims by third parties and other. For contingent losses that are considered probable an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed



as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

Useful lives of depreciable assets

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

2.7 Functional Currency:

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

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

2.8 Business Combinations

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

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

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquire or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see note 3.16.2); and
- Assets (or disposal Company's) that are classified as held for sale in accordance with Ind AS 105 (Non- current Assets Held for Sale and Discontinued Operations) are measured in accordance with that Standard.

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

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

In case of a bargain purchase, before recognising a gain in respect thereof, the Company whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Company recognises it in order comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing(as described above), directly in equity as capital reserve.

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

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

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent

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

consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IndAS 39, or IndAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

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

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

2.9 Goodwill

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

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

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

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

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

2.10 Investments in associates and joint ventures

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

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

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

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

After application of the equity method of accounting, the Company determines whether there any is objective evidence of impairment as a result of one or

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

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

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

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

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

When the Company reduces its ownership interest in an associate or a joint venture but the Company continues to use the equity method, the Company

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

reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

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

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

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

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



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

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

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

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

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

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

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.12 Revenue Recognition

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

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

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

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

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

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

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

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

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

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

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

2.13 Leasing

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

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lease is 'a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. An underlying asset has been defined to mean an

Asset that is the subject of lease, for which the right to use that asset has been provided by a lessor or lessee.

Measurement of lease liability

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

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

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

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

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

Right-of-use asset (ROU)

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

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

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

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

2.14 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the

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

cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

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

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

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

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

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

**Notes to financial statements for the year ended 31st, March 2022****2.15 Borrowing costs**

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

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

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

2.16 Government grants

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

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

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

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

2.17 Employee benefits**Retirement benefit costs and termination benefits**

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

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

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

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

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

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

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

Short-term and other long-term employee benefits

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

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

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

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

Contributions from employees or third parties to defined benefit plans

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

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

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

Share-based payment arrangementsShare-based payment transactions of the Company

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

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

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

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

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

2.18 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated [statement of profit or loss and other comprehensive income/ statement of profit or loss] because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal

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

of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.19 Property, plant and equipment

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

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

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

Freehold land is not depreciated.

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

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight- line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

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

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

Depreciation and amortisation

The Company depreciates property, plant and equipment over their estimated useful lives as specified in Schedule II to the Companies act, 2013 using the straight-line method.

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

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life as prescribed under Schedule II of the Companies Act have been followed except in respect of the thermal power plant, new hypo plant in whose case the life of the assets has been assessed as under based on technical advice, taking



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

into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

2.20 Investment property

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

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

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

2.21 Intangible assets

Intangible assets acquired separately

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

Internally-generated intangible assets - research and development expenditure

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

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

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

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

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

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

Intangible assets acquired in a business combination

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

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

Derecognition of intangible assets

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

Deemed cost on transition to Ind AS

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

**Notes to financial statements for the year ended 31st, March 2022****2.22 Impairment of tangible and intangible assets other than goodwill**

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

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

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

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

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

2.23 Inventories

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

**Notes to financial statements for the year ended 31st, March 2022****2.24 Provisions and contingencies****Provisions**

A Provision is recognised when the company has a present obligation (legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liability is disclosed for:

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

2.25 Financial instruments:

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

- **Financial assets**

Initial recognition and measurement

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

Subsequent measurement

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

- Financial assets at amortised cost

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

- Equity instruments at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

- A 'Financial asset' is measured at the amortised cost if both the following conditions are met:
- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

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

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

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

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

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

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

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

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

Impairment of Financial assets

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

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

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

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

historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

- **Financial liabilities**

Initial recognition and measurement

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

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

Subsequent measurement

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

Loans and borrowings

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

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

This category generally applies to borrowings.

Derecognition

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



2.26 Earning per equity share

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

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

2.27 Segment Reporting

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

2.28 Cash flow Statement

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

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

2.29 Estimates and assumptions

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

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

Revenue recognition:

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The



Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

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

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

Allowance for expected credit losses:

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

Fair value of investments:

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

Taxes

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

Contingent liability judgement:

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



Notes to financial statements for the year ended 31st March, 2022 (Contd....)
(All amounts in ₹ Lakhs, except otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Standalone

Particulars	land	Factory Buildings	Furniture & fixtures	Wind Power Plants	Plant and machinery	Other Assets	Total
(A) Costs							
As at 1st April, 2020	3,199.19	3,500.73	196.84	7,407.72	21,613.94	1,060.56	36,978.98
Additions	1,925.49	-	-	-	305.49	48.05	2,279.03
Disposals	-	-	-	-	5.70	-	5.70
As at 31st March, 2021	5,124.68	3,500.73	196.84	7,407.72	21,913.73	1,108.61	39,252.31
Additions	2,573.82	-	-	-	1,420.00	143.95	4,137.77
Disposals /transfer	0.00	-	-	-	-	-105.90	105.90
Transferred to stock in trade	-253.13	-	-	-	-	-	-253.13
As at 31st March, 2022	7,445.38	3,500.73	196.84	7,407.72	23,333.73	1,146.66	43,031.06
(B) Accumulated Depreciation							
As at 1st April, 2020	-	2,457.82	145.11	5,995.75	14,749.97	899.60	24,248.25
Depreciation	-	432.27	45.49	1,145.10	3,181.65	69.96	4,874.47
Disposals	-	-	-	-	-	-2.65	-2.65
As at 31st March, 2021	-	2,890.09	190.60	7,140.85	17,931.62	966.91	29,120.07
Depreciation	-	8.08	-	27.99	1,723.15	43.08	1,802.30
Disposals	-	-	-	-	-	-105.90	-105.90
As at 31st March, 2022	-	2,898.17	190.60	7,168.84	19,654.77	904.09	30,816.47
(C) NET BLOCK (A-B)							
Net Carrying amount as at 31st March, 2021	5,124.68	610.64	6.24	266.87	3,982.11	141.70	10,161.44
Net Carrying amount as at 31st March, 2022	7,445.38	602.57	6.24	238.88	3,678.96	242.57	12,214.59

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

b) The land, Building and Plant & Machinery have been secured by a charge in favour of Bank for loans provider.

c) The vehicles have been hypothecated in favour of respective banks who have lent against these vehicles.

d) Depreciation on property plant and equipment is charged on straight line method as per Schedule II to the Companies Act, 2013.


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Standalone
NOTE 3A: RIGHT OF USE ASSET

Particulars	Right to us Asset
(A) Costs	
As at April 1st, 2020	1,237.40
Additions	-
Disposals	-
As at 31st March, 2021	1,237.40
Additions	-
Disposals /transfer	-
As at 31st March, 2022	1,237.40
(B) ACCUMULATED DEPRECIATION	
As at April 1st, 2020	194.56
Depreciation	186.29
Disposals	-
As at April 1st, 2021	380.85
Depreciation	120.42
Disposals	-
As at 31st March, 2022	501.27
(C) NET BLOCK	
Net Carrying amount as at 31st March, 2021	856.55
Net Carrying amount as at 31st March, 2022	736.13

Note:

Right of Use Assets (ROU)

ROU is disclosed with effect from Financial year 2019-20 in compliance to new Indian Accounting Standard 116 - Leases which is notified by Ministry of Corporate Affairs with effect from 01.04.2019. The company adopted modified retrospective method for accounting leases.

The details are provided in Note No.43

NOTE 3B: CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening carrying value	44.49	305.49
Additions	-	-
Transfer to property, plant and equipment	44.49	261.00
Closing carrying value	-	44.49
Ageing Schedule		(₹ in lakhs)
Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening work in progress		
Less than 1 year	-	44.49
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	44.49


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 4: INVESTMENT PROPERTY

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Cost or Deemed Cost		
Opening balance	2,375.00	2,375.00
Additions	-	-
Disposal	-	-
Converted into stock intrade	(2,375.00)	-
Closing balance	-	2,375.00
Net carrying amount	-	2,375.00
	As at 31st, March, 2022	As at 31st, March, 2021
Fair value of Investment properties	-	5,099.22

Estimation of fair value

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

- (i) current prices in an active market for properties of different nature
- (ii) recent prices of similar properties in less active markets, adjusted to reflect those differences

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

NOTE 5: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
(I) Investments in equity instruments		
(A) Unquoted and Fully Paid Up		
(i) In Subsidiaries at cost		
TGV Sodium & Electrolite Private Limited 110,000 (March 31, 2021:10000) equity shares of ₹ 10 each	11.00	11.00
TGV Metals and Chemicals Private Limited 50,000 (March 31, 2021:0) equity shares of ₹ 10 each	5.00	-
(ii) Others at fair value through OCI		
MV Salts and Chemicals Private Limited 1200000 (March 31,2021:Nil) Equity shares of ₹ 10 each	574.33	566.14
(B) Quoted equity shares fully paid up at fair value through OCI		
TGV SRACC Ltd 2,05,44,496 (March 31, 2021:2,05,44,496) Equity shares of ₹ 10 each (15,000 shares pledged as security)	11,925.99	3,593.31
The South Indian Bank Ltd 7,07,000 (March 31, 2021:7,07,000) Equity shares of ₹ 10 each	39.90	43.97



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Standalone

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Roopa Industries Ltd	256.97	96.37
13,72,455 (March 31, 2021:13,72,455) Equity shares of ₹ 10 each		
Kabson Industries Ltd	1.16	0.52
10,100 (March 31, 2021:10,100) Equity shares of ₹10 each		
Karnataka Bank Ltd	1.96	2.12
3,700 (March 31, 2021:3,700) Equity shares of ₹ 10 each		
Lotus Chocolates Ltd	63.23	7.25
56,800 (March 31, 2021:56,800) Equity shares of ₹ 10 each		
NEPC Micon Ltd	0.02	0.01
200 (March 31, 2021:200) Equity shares of ₹ 10 each		
BNR Udyog Ltd	0.03	0.01
500 (March 31, 2021:500) Equity shares of ₹ 10 each		
Consom Biotech Ltd	0.02	0.01
300 (March 31, 2021:300) Equity shares of ₹ 10 each		
Neha International Ltd	0.13	0.01
1,700 (March 31, 2021:1,700) Equity shares of ₹ 10 each		
Indo Wind Energy Ltd	7.24	3.05
42,000 (March 31, 2021:42,000) Equity shares of ₹ 10 each		
Nazara Technologies Ltd	7.05	6.44
469 (March 31,2021:Nil) Equity share of ₹ 10 each		
(C) Quoted equity shares partly paid up at fair value through OCI		
Surya Jyothi Spinning Mills Ltd	0.01	0.01
100 (March 31, 2021:100) Equity shares of ₹ 10 each		
Total of Equity Instruments	12,894.04	4,330.22
(II) Investment in Government securities (at cost)		
National Saving Certificates	0.10	0.10
Total of Government securities	0.10	0.10
(III) Investment in Venture Capital Funds at fair value through Profit & Loss account		
IIFL Wealth Finance Ltd	375.00	175.00
Blume Ventures Fund 1X	778.73	325.00
TVS Shriram Growth Fund 3	350.00	215.00
Sixth sense india opportunities-iii	290.73	-
Inflexor technology fund	241.00	-
Care health insurance ltd.	100.00	-
Aventus future leaders fund ii	325.00	-
Epiq capital ii	100.00	-
Gaja capital india fund 2020	100.00	-
Blume ventures india fund iv	100.00	-
	2,760.46	715.00
(IV) Investment in quoted Mutual Funds at fair value through Profit & Loss account		
Quant multi asset fund 216773.47 units	175.80	-
Quant small cap fund 134420.55 units	184.53	-
Quant mid cap fund 144600.63 units	183.72	-
Quant active fund 41645.635 units	186.26	-
	730.31	-
Total non-current investments	16,384.91	5,045.32
Aggregate amount of quoted investments at market value thereof	12,303.71	3,753.08
Aggregate amount of un-quoted investments	590.43	577.24
Aggregate amount of venture capital Funds	2,760.46	715.00
Aggregate amount of Mutual Funds	730.31	-
	16,384.91	5,045.32


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 6: OTHER FINANCIAL ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Security Deposits with Government departments	32.92	28.34
deposits with related parties	369.88	369.88
deposits with others	31.81	34.25
Total	434.61	432.47

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Advances for capital assets	131.90	1,013.95
Total	131.90	1,013.95

NOTE 8: INVENTORIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Raw Materials	2,978.88	1,576.41
Work-in-progress	197.98	87.15
Finished Goods	6,824.36	1,577.43
Stores and spares, Chemicals, fuel and packing materials	731.44	670.76
Goods in transit	857.13	58.89
Stock in trade Real Estate property (Plots)	2,808.19	-
Total	14,397.98	3,970.65

NOTE 9: TRADE RECEIVABLES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Unsecured and considered good*	13,207.76	9,660.33
Unsecured and considered doubtful	67.29	67.29
	13,275.05	9,727.62
Expected Credit Loss Allowance (allowance for bad and doubtful debts)**	(67.29)	(67.29)
Total trade receivables	13,207.76	9,660.33

The Average credit period on sales is 60 days

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

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


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone

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

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

Trade receivables Ageing Schedule as at March 31, 2022.

Particulars	Current but not due	< 6 months	6 months -1 year	1-2 Year	2-3 Year	> 3 Year	Total
Undisputed Trade Receivables - Considered Good	5,535.38	5,314.21	2,425.47	-	-	-	13,275.06
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							
Total	5,535.38	5,314.21	2,425.47				13,275.06

Trade receivables Ageing Schedule as at March 31, 2021.

Particulars	Current but not due	< 6 months	6 months -1 year	1-2 Year	2-3 Year	> 3 Year	Total
Undisputed Trade Receivables - Considered Good	4,962.08	3,754.87	1,010.66				9,727.62
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							
Total	4,962.08	3,754.87	1,010.66				9,727.62

Expected credit loss

Aging :	As at 31st, March, 2022	As at 31st, March, 2021
With credit period	0.00%	0.00%
Upto 60 days past due	0.25%	0.25%
61-90 days past due	0.50%	0.50%
91-180 days past due	0.75%	0.75%
more than 180 days past due	1.00%	1.00%


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 9 : Trade receivables (Cont..)
Aging of receivables

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
With credit period	5,535.39	4,962.08
Upto 60 days past due	2,720.17	1,791.52
61-90 days past due	1,282.24	1,076.69
91-180 days past due	1,311.79	886.67
more than 180 days past due	2,425.47	1,010.66
Total trade receivables (before impairment allowance)	13,275.06	9,727.62

Movement in Expected Credit Loss Allowance :

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Balance at beginning of the year	67.29	31.43
Movement in Expected Credit Loss Allowance on trade receivables calculated at lifetime expected credit losses	-	35.86
Balance at end of the year	67.29	67.29

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Balances with banks in Current Account	1,407.12	681.44
Cash on hand	6.39	4.07
Total	1,413.52	685.50

NOTE 11: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
LC-Margin deposit with bank	9,681.83	12,977.94
Balances with banks in Current Account earmarked for dividend	233.90	189.81
Total	9,915.73	13,167.75


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 12: LOANS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Loans/advances to Employees	96.68	77.02
Total	96.68	77.02

NOTE 13: OTHER FINANCIAL ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Other deposits	31.79	284.52
Insurance claim receivable	3.33	3.33
Total	35.12	287.86

NOTE 14: OTHER CURRENT ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Amounts receivable and advance taxes	712.58	565.44
Advance to related parties	20.22	2,794.83
Advance to suppliers and others	8,173.53	68.69
Prepaid Insurance and other Expenses	25.13	55.21
Export incentives receivable	172.74	79.97
Total	9,104.20	3,564.14

NOTE 15: EQUITY SHARE CAPITAL

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
(a) Authorised :		
4,90,00,000 Equity shares of Rs.10/- each (as at 31st March 2021 4,90,00,000 Equity shares of Rs.10/- each)	4,900.00	4,900.00
	4,900.00	4,900.00
(b) Issued, Subscribed and fully paid:		
1,71,64,821 Equity shares of Rs.10/- each fully paid (as at 31st March 2021 1,71,64,821 Equity shares of Rs.10/- each fully paid)	1,716.48	1,716.48
Total	1,716.48	1,716.48

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Standalone****(i) Reconciliation of the number of equity shares outstanding**

Particulars	As at 31st,	As at 31st,
	March, 2022	March, 2021
At the beginning of the year	17,164,821	17,164,821
Add: Issued during the year	-	-
At the end of the year	17,164,821	17,164,821

(ii) Terms/ rights attached to equity shares

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

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

(iii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% of total shares	No. of shares	% of total shares
Gowri Gopal Hospitals Pvt Ltd	3742639	21.80%	3668639	21.37%
Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82%	1513989	8.82%
TGV Projects and Investments Pvt Ltd	2619400	15.26%	2405400	14.01%

(iv) Shares held by promoters at the end of the year

Name of the Promoter	Year ended 31st March, 2022			Year ended 31st March, 2021		
	No. of shares	% of total shares	% change during the year	No. of	% of total	% change during the year
Gowri Gopal Hospitals Pvt Ltd	3742639	21.80%	0.43%	3668639	21.37%	-
Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82%	-	1513989	8.82%	-
TGV Projects and Investments Pvt Ltd	2619400	15.26%	1.25%	2405400	14.01%	-
T G V Securities Pvt Ltd	656414	3.82%	-	656414	3.82%	-
Sree Rayalaseema Dutch Kassenbouw Pvt Ltd	499422	2.91%	-	499422	2.91%	-
Brilliant Industries Pvt Ltd	9042	0.05%	(1.68%)	297042	1.73%	0.05%
T G V SRAAC Ltd	244749	1.43%	-	244749	1.43%	-
T G Bharath	515737	3.00%	-	515737	3.00%	-
T G Shilpa Bharath	425714	2.48%	-	425714	2.48%	-
T G Rajyalakshmi	415744	2.42%	-	415744	2.42%	-
Boda Mourya	488	0.00%	-	488	0.00%	-
Jyothsna S Mysore	7047	0.04%	-	7047	0.04%	-
TGV Industries Private Ltd	8000	0.05%	-	-	-	-


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Standalone

- (v) The final dividend on shares is recorded as a liability on the date of approval by the shareholders. The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of final dividend of ₹ 3 per share for financial year 2020-21 is recognized and distributed to equity shareholders in accordance with the Companies Act, 2013, during the financial year 2021-22.

During the year ended 31st March 2022, on account of the final dividend for FY 20-2021, the Company has incurred a net cash outflow of ₹.514.94 Lakhs and adjusted in retained earnings.

- (vi) The Board of Directors, in their meeting on 30th May, 2022, recommended a dividend of ₹3.50 per equity share for the financial year ended March 31, 2022. This payment is subject to the approval of shareholders in the AGM of the Company to be held on 29th September, 2022 and if approved, would result in a net cash outflow of approximately ₹ 600.76 Lakhs.

NOTE 16: OTHER EQUITY

Particulars		As at 31st March, 2022	As at 31st March, 2021
Share premium	(i)	3,026.59	3,026.59
Retained earnings	(ii)	39,212.51	29,448.85
Other reserve	(iii)	2,762.75	2,762.75
Reserve for other comprehensive income items	(iv)	10,313.45	1,845.77
Total		55,315.30	37,083.96

Reserves and Surplus
(i) Share premium

Particulars		As at 31st March, 2022	As at 31st March, 2021
Balance opening		3,026.59	3,026.59
Add: Addition on preferential issue during the year		0.00	0.00
Closing Balance		3,026.59	3,026.59



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Standalone

(ii) Retained earnings

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	29,448.85	23,818.64
Net profit for the period	10,278.60	6,059.51
Payment of Dividend and Dividend distribution tax (F.Y.2020-21)	(514.94)	(429.30)
Closing balance	39,212.51	29,448.85

(iii) Other Reserve

A. General reserve

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	334.09	334.09
Closing balance	334.09	334.09

B. Amalgamation reserve

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	2,428.67	2,428.67
Closing balance	2,428.67	2,428.67

C. Total of other reserves (A+B)

2,762.75 2,762.75

(iv) Reserve for other comprehensive income items

Particulars	As at 31st March, 2022	As at 31st March, 2021
Change in fair value of FVOCI - equity & preference instruments (Net of taxes)		
Opening balance	1,813.54	(178.02)
- Net gains/(losses) on FVTOCI securities during the year	8,558.82	1,991.56
- Closing balance	10,372.37	1,813.54
Other Comprehensive income arising from actuarial gain/loss on defined benefit obligation (Net of taxes)		
Opening balance	32.22	10.24
- Gains/(losses) on arising from actuarial gain/loss on gratuity	(91.14)	21.98
- Closing balance	(58.92)	32.22
Total	10,313.45	1,845.77


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
Nature and purpose of other reserves
Securities premium reserve

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

General Reserve

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

FVTOCI intruments

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

Note on Amalgamatin Reserve

The company had scheme of amalgamation for merger of SRHHL Industries Ltd (transferor company) into the company. The amalgamation reserve in the books of transferor company are inherited in the scheme and confirmed in the books of the company.

NOTE 17: BORROWINGS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
A. Non-current borrowings		
Secured		
Term Loans		
For vehicles	29.27	51.10
Non Current Portion	29.27	51.10
B. Current borrowings		
Secured		
Working capital demand loans	1,832.90	6,065.17
Current Portion	1,832.90	6,065.17

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


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
Terms of Repayment

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
A. Term Loans		
(a) Monthly EMI of ₹ 8,172 payable up to Nov,2025, but foreclosed during the year	-	3.68
B. Vehicle Loans		
EMI of ₹ 1,94,635 payable up to Jun,2024, ROI @ 8.50%	47.46	65.60

Security :

- (a) The loan repayable on demand from banks are cash credits, bills purchases, discountings, letter of credits limits and bank guarantees are secured by Hypothecation of Raw-material, Stock in process, Finished goods, consumable Spares, Book debts and receivables.
- (b) The working capital loans from banks are also secured by first and second charge on some of the Plant, Property & equipment of the company.
- (c) The working capital loans are further secured by guarantee from Managing Director and a promoter in individual capacities.

NOTE 18: OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Security deposits from customers	127.99	177.99
Total	127.99	177.99

NOTE 19: LEASE LIABILITY

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Lease Liability (Refer Note.43)	794.41	854.16
Total	794.41	854.16


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 20: DEFERRED TAX LIABILITY

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
The balance comprises temporary differences attributable to:		
Deferred tax liabilities		
FVTPL Instruments	74.01	-
Unwinding of interest on assets discounted	0.67	6.15
Deferred government grant	2.94	(5.15)
Provision for gratuity	(30.65)	12.55
Less:		
Deferred tax assets		
Property, plant and equipment	(418.23)	(277.40)
Borrowing costs measured at amortised cost	(1.28)	7.68
Provision for Expected Credit Loss (ECL)	-	1.30
MAT Credit entitlement	(294.77)	(294.84)
Net deferred tax liability	(667.33)	(549.71)

Reconciliation of net deferred tax liabilities

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Opening balance as at the beginning of the year	(549.72)	465.85
Recognised in Statement of profit and loss	(86.95)	(1,022.96)
Recognised in Other comprehensive income	(36.65)	7.39
Closing balance as at end of the year	(667.33)	(549.72)

NOTE 21: GOVERNMENT GRANTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Capital subsidy in solar projects	89.96	95.95
Closing balance	89.96	95.95

NOTE 22: LONG-TERM PROVISIONS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Provision for Gratuity	208.56	84.27
Total	208.56	84.27



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Standalone

NOTE 23: TRADE PAYABLES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Micro, Small and Medium Enterprises (Refer note 48)	73.72	261.93
Others	7,633.35	941.50
Total	7,707.07	1,203.43

Trade Payables Ageing Schedule as at March 31, 2022

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			< 1	1-2 Year	2-3 Years	>3 Years	
Total outstanding dues of Micro and Small Enterprise	-	-	73.72				73.72
Total outstanding dues of Creditors other than Micro and Small Enterprise	-	-	7633.35				7633.35
Disputed outstanding dues of Creditors of Micro and Small Enterprise	-	-					
Disputed outstanding dues of Creditors other than Micro and Small Enterprise	-	-					
Total	-	-	7,707.07				7,707.07

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			< 1	1-2 Year	2-3 Years	>3 Years	
Total outstanding dues of Micro and Small Enterprise	-	-	261.63				261.63
Total outstanding dues of Creditors other than Micro and Small Enterprise	-	-	941.50				941.50
Disputed outstanding dues of Creditors of Micro and Small Enterprise	-	-					
Disputed outstanding dues of Creditors other than Micro and Small Enterprise	-	-					
Total	-	-	1,203.43				1,203.43

Ageing of Trade payable

Particulars	As at 31st March, 2022	As at 31st March, 2021
Less than One year	7707.07	1203.43
One -Two Years	-	-
Two year to Three Years	-	-
More than Three Years	-	-
Total trade Payable	7,707.07	1,203.43



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹ Lakhs, except otherwise stated)

Standalone

NOTE 24: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
A Current maturities of long term debt		
Secured		
From Banks	18.19	18.19
Un Secured		
Others		
Trade payables for capital assets	-	95.19
Unpaid dividend	233.90	189.81
Security deposits - others	102.83	92.49
Dealers commission payable	878.83	461.28
Overseas commission	11.07	14.59
Payable towards services availed	564.29	774.31
Others	17.48	16.04
Total	1,826.58	1,661.90
B Lease liability (Refer Note.43)	131.51	171.48
	131.51	171.48

NOTE 25: OTHER CURRENT LIABILITIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Advances from customers	7,297.77	1,654.60
Statutory Dues	249.56	200.12
Total	7,547.33	1,854.73

NOTE 26: SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Employee benefits - gratuity	319.99	94.84
Total	319.99	94.84

NOTE 27: CURRENT TAX LIABILITY/(ASSET) (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current tax liability		
Provision for income tax	10,832.71	7,325.04
Current tax asset		
Tax deducted at source & Advance tax	(9,739.60)	(6,539.32)
Closing balance liability (Net)	1,093.11	785.72


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 28: REVENUE FROM OPERATIONS

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
a) Sale of manufactured Products	78,731.65	57,221.75
traded goods	44,892.00	30,398.16
energy	2,652.01	3,245.88
b) Other operating revenue		
Sale of Scrap	144.84	149.21
Export incentives	306.74	67.52
Total	126,727.24	91,082.52

NOTE 29: OTHER INCOME

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Insurance claim received	99.53	72.57
Net gains/(losses) on FVTPL instruments	399.75	15.32
Interest on bank and other deposits and customers rental income	444.72	396.21
Unwinding of interest on assets discounted	58.89	48.40
Profit on sale of investments/assets	2.65	34.32
Deferred government grant income	3.50	-
Gain on foreign exchange transaction and translation	6.00	6.00
Other non operating incomes	34.55	78.13
	16.78	12.27
Total	1,066.38	663.21

NOTE 30: COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of raw materials	41,553.19	25,955.02
Consumption of stores, spares, Chemicals and Packing Materials	7,909.89	8,535.65
Total	49,463.08	34,490.67

NOTE 31 : PURCHASE OF STOCK IN TRADE

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Purchase of stock-in-trade	49,365.97	28,585.60
Total	49,365.97	28,585.60



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Standalone

NOTE 32: CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Closing Stock		
Finished Goods	7,681.48	1,636.32
Stock-in-process	197.98	87.15
Stock-in-trade	2,808.19	0.00
Total Closing Stock : A	10,687.65	1,723.48
Opening Stock		
Finished goods	1,636.32	1,644.55
Stock-in-process	87.15	197.54
Total Opening Stock	1,723.48	1,842.09
Transferred from investment property to stock-in-trade	2,808.19	0.00
Total stock : B	4,531.67	1,842.09
Total changes in inventories of work-in-progress stock-in-trade and finished goods : C (A-B)	6,155.98	(118.61)

NOTE 33: EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, wages, bonus and allowances*	2,252.19	2,042.11
Contribution to Funds	71.81	61.30
Staff Welfare expenses	550.40	441.49
TOTAL	2,874.39	2,544.90

* includes managerial remuneration to
whole time director

NOTE 34: FINANCE COST

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest expenses		
Term loans	-	20.78
Working capital Loans/Cash credits	7.95	8.23
Bank Charges	125.18	115.18
Others	106.94	314.75
lease liabilities	80.75	88.62
Total	320.82	547.56


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
NOTE 35: OTHER EXPENSES

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Repairs and maintenance	4,069.47	3,966.28
Insurance	202.89	315.54
Rents	192.54	47.07
Travelling and conveyance	36.07	78.12
Printing and stationery	3.58	7.33
Postage Telegrams and Telephones	17.37	26.73
Freight outward Charges	9,141.24	5,029.51
sales commission	1,466.84	630.70
Advertisement	2.60	1.68
Audit fees and Expenses		
Statutory audit fees	2.00	2.00
Out of pocket expenses	-	0.06
Tax audit fees	1.00	1.00
Cost audit fees	0.60	0.70
Secraterial audit fees	0.70	0.70
Security Service Charges	938.77	1,197.45
Legal Expenses	10.15	6.95
Power and Fuel	55.84	29.85
Other Expenses	24.77	715.10
Corporate Social Responsibility Expenses (refer note 52)	24.66	100.64
Expected credit Loss allowance	-	35.86
Other Selling expenses	112.87	117.68
Total	16,303.95	12,310.93



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Standalone

NOTE 36: TAX EXPENSES

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Income tax expense		
Current tax on profits for the year	3,507.02	3,050.15
Earlier year tax adjustment	-	-
Total current tax expenses	3,507.02	3,050.15
Deferred tax		
Decrease/(Increase) in deferred tax assets	33.42	(755.94)
(Decrease)/Increase in deferred tax liabilities	(151.03)	(259.62)
Total Deferred tax expense/(benefit)	(117.61)	(1,015.56)
Recognised in Other comprehensive income	(30.65)	7.39
Income tax expenses	(3420.07)	2,027.19

The income tax expense for the year can be reconciled to the accounting profit as follows:
Tax under normal provisions of Income tax act, 1961:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Net profit before taxes	13,698.67	8,086.70
Exceptional items	-	-
(A) Total Net profit before taxes	13,698.67	8,086.70
(B) Applicable tax rate under normal provisions	25.17%	25.17%
(C) Tax payable under normal provisions as per applicable rate = (A*B)	3,447.68	2,035.26
(D) Increase/decrease in tax on account of :		
Depreciation as per books	483.91	1,273.79
Depreciation as per income tax act, 1961	(307.01)	(284.15)
Expenses disallowed	12.26	25.25
Section 43B	(5.50)	-
Ind AS adjustments	(124.32)	-
Tax as per normal provision under Income Tax (C+D)	3,507.02	3,050.15
Income tax expenses recognised in statement of profit and loss at effective rate of 25.60% (31 March 2021: 37.72%)	3,507.02	3,050.15

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Standalone****NOTE 37: OTHER COMPREHENSIVE INCOME (OCI)**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Re-measurement gains/(losses) on defined benefit plan	(121.79)	29.37
Tax effect on gains/(losses) on defined benefit plan	30.65	(7.39)
Net gains/(losses) on FVTOCI equity securities	11,437.38	2,661.38
Tax effect on FVTOCI equity securities	(2,878.56)	(669.82)
Total	8,467.68	2,013.54

NOTE 38: EARNING PER SHARE (EPS)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Basic Earning per Share		
Net Profit After Tax available for Equity Shareholders	10278.60	6059.51
Weighted Average Number of Equity Shares of Rs.10/- each	171.65	171.65
Basic and diluted	59.88	35.30

NOTE 39: FAIR VALUE MEASUREMENTS**Financial Instruments by category**

The carrying value of financial instruments by categories as of March 31, 2022 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	12,878.04	16.00	12,894.04
Government securities	-	-	0.10	0.10
Venture capital funds	2,760.46	-	-	2,760.46
Mutual funds	730.31	-	-	730.31
Trade receivables	-	-	13,207.76	13,207.76
Cash and cash equivalents	-	-	1,413.52	1,413.52
Bank balances other than Cash and cash equivalents	-	-	9,915.73	9,915.73
Loans	-	-	96.68	96.68
Other financial assets	-	-	469.73	469.73
Total Financial assets	3,490.77	12,878.04	25,119.52	41,488.34
Financial liabilities				
Borrowings	-	-	1,880.36	1,880.36
Trade payables	-	-	7,707.07	7,707.07
Other financial liabilities	-	-	1,936.39	1,936.39
Total Financial liabilities	-	-	11,523.82	11,523.82


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
The carrying value of financial instruments by categories as of March 31, 2021 s as follows:

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	4,319.22	11.00	4,330.22
Government securities	-	-	0.10	0.10
Venture capital funds	715.00	-	-	715.00
Trade receivables	-	-	9,660.33	9,660.33
Cash and cash equivalents	-	-	685.50	685.50
Bank balances other than Cash and cash equivalents	-	-	13,167.75	13,167.75
Loans	-	-	77.02	77.02
Other financial assets	-	-	720.33	720.33
Total Financial assets	715.00	4,319.22	24,322.02	29,356.24
Financial liabilities				
Borrowings	-	-	6,116.27	6,116.27
Trade payables	-	-	1,203.43	1,203.43
Other financial liabilities	-	-	1,839.90	1,839.90
Total Financial liabilities	-	-	9,159.60	9,159.60

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:

Fair value measurement using	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	12,878.04	-	-	12,878.04
Investment in mutual funds	730.31			
Investment in venture capital funds	2,760.46			
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	16,368.81	5,099.22	-	17,977.26
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:				
Fair value measurement using				
Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	4,319.22	-	-	4,319.22
Investment in venture capital funds	715.00			
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	5,034.22	5,099.22	-	9,418.44

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)**

(All amounts in ₹Lakhs, except otherwise stated)

Standalone

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.

NOTE 40: CAPITAL MANAGEMENT & RISK MANAGEMENT**Capital Management**

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

The Company is not subject to any externally imposed capital requirements. "The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk.


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
Gearing ratio

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

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total Debt*	47.46	69.29
Equity share capital	1,716.48	1,716.48
Other equity	55,315.30	37,083.96
Total equity	57,031.78	38,800.44
Total debt to Total equity ratio	0.00	0.00

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

Financial risk management and objectives and policies

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements.

A Special Team with Senior Executives having exposure in various fields has been formed to assist Chief Financial Officer (CFO) in (a) Overseeing and approving the Company's enterprise wide risk management framework, and (b) Overseeing that all the risks that the organisation faces such as market risk (including currency risk, interest rate risk and other price risk), Credit risk and liquidity risk have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The CFO, monitors and reports on the principal risks and uncertainties that can impact the company and its ability to achieve strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

A. Market risk

The Company is exposed to market risk through changes in foreign currency exchange rates and changes in interest rates. Financial assets/liabilities affected by this risk are borrowings, letter of credits and trade receivables.

The Company's investments in equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The company's Board of Directors reviews and approves all equity investment decisions.

Foreign Currency risk management

The Company operates internationally and is exposed to foreign currency risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from import as well as exports of goods. The risk is measured through a forecast of highly probable foreign currency cash flows.


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone

The special team as mentioned above analysis the options for hedging. Based on the analysis the management takes decision regarding hedging of foreign currency exposures. Currently, the Company has not hedged any of the foreign currency transactions in the view of the natural hedging. The natural hedging is sufficient to manage the current foreign currency risk management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are restated at the end of each reporting period. The same at the end of the reporting period are as follows :

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Currency	Amount in FC	Currency	Amount in FC
Receivables for export	USD	25.00	USD	22.10
Payables for imports	USD	76.56	USD	67.49

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollar.

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

	As at 31st March, 2022	As at 31st March, 2021
	Impact on profit before tax	
USD Sensitivity		
Impact due to increase by 5%	(195.43)	(166.82)
Impact due to decrease by 5%	195.43	166.82

Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating base interest rates. Based on the interest rate sensitivity the Company decides on the management of interest rate risk. The Company manages by having a balanced portfolio of variable and fixed interest rate borrowings.

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating base rate borrowings, as follows:


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
40. Capital Management & Risk management (Cont..)

	As at 31st March, 2022	As at 31st March, 2021
	Impact on profit before tax	
Increase/decrease in base points		
50 base points higher	(0.24)	(0.02)
50 base points lower	0.24	0.02

B. Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. Regular monitoring of the receivables is undertaken by the Marketing Department and in case the limits are exceeded, steps will be taken by the Marketing departments and after discussing with the management the Company will decide whether to stop or not further supplies to the concerned dealer till the amount outstanding is recovered. For the export made by the Company, the sales are backed by letters of credit or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken. "Export sales are fully secured through letters of credit or against advance receipts. (refer Note No.9 for Trade Receivables outstanding).

C. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Standalone****Financing arrangements**

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

Particulars	On demand	< 1 year	1 - 5 years	5 + years	Total
As at 31st March, 2022					
Bank borrowings	-	-	47.46	-	47.46
Others - Security deposits	127.99	-	-	-	127.99
Total non-current financial liabilities	127.99	-	47.46	-	175.45
Current borrowings	-	1,832.90	-	-	1,832.90
Trade payables	-	7,707.07	-	-	7,707.07
Other current financial liabilities	-	1,808.39	-	-	1,808.39
Total current financial liabilities	-	11,348.37	-	-	11,348.37
Total	127.99	11,348.37	47.46	-	11,523.82
As at 31st March, 2021					
Bank borrowings	-	-	51.10	-	51.10
Others - Security deposits	177.99	-	-	-	177.99
Total non-current financial liabilities	177.99	-	51.10	-	229.09
Current borrowings	-	6,065.17	-	-	6,065.17
Trade payables	-	1,203.43	-	-	1,203.43
Other current financial liabilities	-	1,661.90	-	-	1,661.90
Total current financial liabilities	-	8,930.50	-	-	8,930.50
Total	177.99	8,930.50	51.10	-	9,159.60

The following table shows summary of the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements:

Exposure arising from	Risk	Measurement	Management
Foreign currency transactions	Market risk - foreign exchange	Cash flow forecasting Sensitivity analysis	Natural hedging
Borrowings with floating interest rates	Market risk - interest rate	Sensitivity analysis	Balanced variable and fixed interest rates
Cash and cash equivalents, trade receivables, financial instruments, financial assets measured at amortised cost.	Credit risk	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Borrowings and Financial liabilities	Liquidity risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

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

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Contingent Liabilities		
a) Claims against company not acknowledged as debts	50.79	4.29
b) Guarantees issued by banks on behalf of the company and outstanding at end of the year	12,261.33	124.37
Commitments		
a) Unexpired Letters of Credit established by the Company	6,159.11	5,509.07


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
42. EMPLOYEE BENEFITS:
A) Defined Contribution Plans

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

B) Defined Benefit Plan

The Company's obligation towards the Gratuity Fund is a defined benefit plan and is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefits scheme and the amount recognised in financial statements as per Actuarial Valuation:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
1 Changes in present value of Obligations		
Present value at the beginning of the year	246.44	240.20
Interest cost	16.18	15.74
Current Service Cost	18.93	19.78
Cost PSC - Vested	0.00	0.00
Benefits paid	(15.09)	(12.71)
Actuarial (gain)/loss on obligations	121.79	16.57
Present value at the end of the year	388.26	246.44
2 Changes in fair value of planned assets		
Fair value of plan assets at the beginning of the year	162.16	135.39
Expected return on plan assets	11.06	9.29
Contributions	21.85	17.29
Benefits paid	(15.09)	(12.71)
Actuarial (gain)/loss on planned assets	1.09	12.90
Fair value of plan assets at the end of the year	181.08	162.16
3 Amount recognized in the balance sheet*		
Present value of obligations as at the end of year	388.26	246.44
Fair value of plan assets as at the end of year	181.08	162.16
Net asset/(liability) recognized in balance sheet	207.17	84.28
4 Expenses recognized in Statement of Profit and Loss		
Current service cost	18.93	19.78
Interest cost	16.18	15.74
Expected return on plan assets	11.05	9.29
Total Actuarial Gain/Loss.	1.09	12.90
PSC – Non vested	(0.00)	(0.00)
5 Amount recognised in Other Comprehensive Income*		
Actuarial (gain)/ loss on obligations	121.79	16.57
Actuarial (gain)/loss - plan assets	1.09	12.88
Actuarial (gain)/loss recognized in the year	1.09	12.90


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Standalone
43. LEASES:

The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The changes in the carrying value of ROU assets for the year ended 31st March, 2022 are as follows:

Particulars	Buildings
Balance as at 1st April 2021	856.55
Additions	-
Deletions	-
Depreciation	120.42
Balance as at 31st March, 2022	736.13

The break-up of current and non-current lease liabilities as at 31st March, 2022 is as follows

(₹ in lakhs)

Particulars	As at 31 st March, 2022
Current lease liabilities	131.51
Non- Current lease liabilities	794.41
Total	925.91

The movement in lease liabilities during the year ended 31st March, 2022 is as follows:

(₹ in lakhs)

Particulars	Buildings
Balance as at 1st April 2021	1,016.64
Finance cost during the year	80.74
Payment of lease	(171.47)
Balance as at 31st March, 2022	925.91

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

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

Particulars	Year Ended 31st March, 2022
(i) Not later than one year	220.00
(ii) Later than one year and not later than five years	690.00
(iii) Later than five years	2920.00


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone

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

Particulars	Year Ended 31st March, 2022
(i) Not later than one year	48.00
(ii) Later than one year and not later than five years	192.00
(iii) Later than five years	Nil

C. Lease Receipts recognized in the Profit and Loss Account is ₹58.89 Lakhs during the year ended March 31, 2022.

44. SEGMENT REPORTING:

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Segment Revenue		
a) Chemicals	79,183.23	57,449.40
c) Trading	46,172.07	32616.54
b) Power generation	4,696.83	6892.41
c) unallocated	1,066.38	663.21
TOTAL	1,31,118.50	97621.56
Less: Inter segment revenue	(3,324.88)	(5875.84)
Net Sales/Income from Operations	1,27,793.62	91,745.73
Segment Results Profit/(Loss) Before tax and interest:		
a) Chemicals	10,906.67	6209.31
b) Trading	1,336.41	897.72
b) Power generation	710.03	864.02
c) unallocated	1,066.38	663.21
TOTAL	14,019.49	8634.25
Less: I) a) Interest Expenses	(320.82)	(547.56)
Total Profit before Tax	13,698.67	8086.70
Segment Assets		
a) Chemicals	52,888.46	42078.09
b) Trading	7,060.28	864.93
b) Power generation	2,406.79	3,903.85
c) Others	16,384.91	5045.32
TOTAL	78,740.45	51,892.19
Segment Liabilities		
a) Chemicals and Trading	15,325.89	12,922.42
b) Trading	6,381.03	153.42
b) Power generation	1.75	15.90
c) Others		-
TOTAL	21,708.66	13091.75


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
45. RELATED PARTY DISCLOSURES

As required under Ind As 24, Related Party Disclosures, the following are the related parties identified, transactions with such related parties during the year ended 31st March, 2022 and the balances as on that date are given below:

Related party Transactions:

1.	Related Parties	Transactions during the year
1.1	Subsidiary Company	
	TGV Sodium & Electrolite Private Limited	Yes
	TGV metals and chemicals private limited	Yes
1.2	Person has control or significant influence on the Company	
	T G Bharath	Yes
1.3	Close members of family of T G Bharath	
	T G Venkatesh – Father	Yes
1.4	Entities controlled by T G Bharath and close members of his family	
	TGV SRAAC Limited	Yes
	T G V Projects & Investments Private Limited	Yes
	Sree Rayalaseema Galaxy Projects Private Limited	Yes
	Gowri Gopal Hospitals Private Limited	Yes
	Brilliant Industries Private Limited	Yes
	TGV Industries Private Limited	Yes
	M V SALTS and chemicals Private Limited	Yes
	GG ICU LLP	Yes
1.5	Key Managerial Personnel	
	T G Bharath – CMD	Yes
	V Surekha – Company Secretary	Yes
	ShaikIfthekhar Ahmed – Chief Financial Officer	Yes


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
45. Related Party Disclosures (Contd...)
a. Transactions during the year :

Particulars	Related Parties as per para 1.1,1.2,1.3,1.4,1.5				
	1.1	1.2	1.3	1.4	1.5
Purchase / subscriptions in investments	15.00	Nil	Nil	Nil	Nil
Redemption of investments(CRPS)	Nil	Nil	Nil	Nil	Nil
Net loans and advances given / received	Nil	Nil	Nil		Nil
Revenue from operations	Nil	Nil	Nil	5257.51	Nil
Purchase of raw material / Material consumed	Nil	Nil	Nil	18632.72	Nil
Employee benefits	Nil	713.89	Nil	Nil	17.56
Rent	Nil	57.01	63.14	252.24	Nil
Services Received	Nil	259.60	259.60	687.99	Nil
Services Rendered	Nil	Nil	Nil	149.46	Nil
Rental Deposit	Nil	Nil	Nil	Nil	Nil

b. Outstanding balances

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Other Current Assets - Advances to Related Parties	20.22	2794.83
Other Current Financial Liability	13.69	176.45
Other Non Current Assets	209.88	209.88
Rental Deposit to Key Managerial Personnel (KMP) and Relative of KMP	160.00	160.00


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
c) Summary of transactions with the above related parties as follows:
Enterprises where significant influence of key managerial personnel or their relatives exists:

Name of the party	Nature of Transaction	For the year ended 31.03.2022	For the year ended 31.03.2021
TGV SRAAC Ltd	Purchases	14,350.21	12,477.94
	Sales	4,905.41	9953.05
	Lease Rentals	7.87	7.46
	Services rendered	149.46	-
	Services received	39.09	-
Gowri Gopal Hospitals Pvt Limited	Purchases	1.83	12.84
	Sales	3.16	3.18
	Lease Rentals	19.05	19.04
	Services Received	31.32	37.91
TGV Projects and Investments Pvt Ltd.,	Purchases	0.00	0.00
	Sales	2.48	1.36
	Lease Rentals	225.32	213.73
	Services Received	122.36	101.07
SreeRayalaseema Galaxy Projects Ltd.,	Purchases	22.26	18.21
	Sales	247.86	109.22
	Services Received	492.28	436.40
TGV INDUSTRIES PVT LTD	Purchases	4258.42	3244.55
	Sales	98.60	83.75
	Rent received	28.32	
GG ICU LLP	Services Received	2.94	1.03
BRILLIANT INDUSTRIES PVT LTD	Loan Given	550.00	0.00
	Loan Repaid	1470.11	0.00
TGV Metals and chemical Private Limited	Shares capital	5.00	0.00
	Share application	10.00	0.00
	Rent Received	1.50	0.00
Shri TG Venkatesh,	Rent paid	63.14	63.14
	Services Received	259.60	260.00
Shri. TG BHARATH, Chairman and Managing Director	Rent paid	57.01	51.82
	Remuneration Employers	713.89	416.45
	Contribution to P.F.	0.70	0.67
	Services Received	259.60	260.00
Smt. V. Surekha Company Secretary	Remuneration Employers	8.14	7.59
	Contribution to P.F.	0.20	0.20
Sri S Iftekhar Ahmed Chief Financial Officer	Remuneration Employers	9.02	8.64
	Contribution to P.F.	0.20	0.19

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹ Lakhs, except otherwise stated)***Standalone****46. INCOME AND EXPENDITURE IN FOREIGN CURRENCY**

Earnings in Foreign Currency (₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
FOB value of exports	24,777.13	23,921.55

Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
i) Commission Paid	16.54	77.78
ii) Freight and CFS	4,887.33	3006.90
iii) Machinery and Spares	48.73	34.71
iv) Fee and Charges	0.94	0.86
v) Other	1.82	0.35

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

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials & Coal	58,295.03	29,413.08

47. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

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

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end. (all dues are outstanding within appointed date)	73.72	261.93
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	Nil	Nil
c) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
d) Principal payment made to suppliers registered under the MSMED Act, beyond the appointed day during the year;	Nil	Nil
e) Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
f) Interest due and payable for the year amount of interest accrued and remaining unpaid at the end of each year towards suppliers registered under MSMED Act, for payments already made; and	Nil	Nil
g) Further interest remaining due and payable for even in succeeding years.	Nil	Nil


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Standalone
48. REVENUE FROM CONTRACTS WITH CUSTOMERS:

The Company is producer of calcium hypochlorite, sulphuric acid, stable bleaching powder, hydrogen gas, sodium methoxide, sodium hydride and also in coal trading and generation and distribution of Power.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

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

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

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

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

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

The Company represents revenue net of indirect taxes in its Statement of Profit and Loss.

A. Disaggregate revenue information

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

(₹ in lakhs)

Sl.No.	Revenue by contract type	As at 31st March, 2022	As at 31st March, 2021
1	Fixed time frame	1,23,623.65	87,619.91
2	Time and material	2,710.90	3,294.28

B. Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of entity's performance completed to date.

The aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 is ₹ 595 Lakhs out of which, approximately 100% is expected to be recognized as revenues within one year and the balance beyond one year.



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹ Lakhs, except otherwise stated)

Standalone

49. VALUE OF RAW MATERIALS CONSUMED

PARTICULARS	As at 31 st March, 2022		As at 31 st March, 2021	
	Rs in lakhs	%	Rs in lakhs	%
a) Imported	58,154.55	63.96%	29,413.08	53.93
b) Indigenous	32,764.61	36.04%	25,127.55	46.07
Total	90,919.16	100	54,540.63	100

50. CONFIRMATION OF BALANCES

Confirmation of balances from certain parties for amounts due to them or due from them are yet to be received confirmation letters were received from some of the parties. And as per the letter of confirmation the balances are deemed to be accepted if not responded with in 15 days

51. IMMOVABLE PROPERTY NOT HELD IN THE NAME OF COMPANY

Sl.No.	Balance sheet head	Description of property	Gross carrying value (in lakhs)	Title deeds in the name of	Whether title deeds holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since date (Financial Year)	Reason for not being held in the name of the Company
1	Property plant and Equipments	Land	2,37,576	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
2	Property plant and Equipments	Land	3,57,772	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
3	Property plant and Equipments	Land	14,92,627	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
4	Property plant and Equipments	Land	23,30,990	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
5	Property plant and Equipments	Land	42,54,639	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Standalone****52. Corporate Social Responsibility(CSR) expenses :**

Disclosure relating to Corporate Social Responsibility (CSR)

The company is covered by provisions of Section 135 of the Companies Act, 2013 to spend 2% of average net profits towards corporate social responsibility. The details for CSR are furnished below:

S.No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Amount required to be spent by the company during the year	112.35	83.11
2	Amount of expenditure incurred	24.66	100.64
3	Excess/shortfall at the end of the year	(87.69)	17.53
4	Previous years Excess/(shortfall)	89.23	71.70
5	Total Exces/(shortfall)	1.54	89.23
6	Reasons for shortfall	Nil	Nil
7	Details of Related party transactions	Nil	Nil
8	Provisions made with respect to a liability incurred by entering in to a contractual obligation and movement in provisions thereon	Nil	Nil
9	Details of nature of CSR Expenditure		
	Health care sanitation	6.47	80.14
	Education & Skill Development	0.23	1.85
	Drinking water to people of nearby areas	12.56	5.55
	Animal Welfare	5.40	13.10
	Total	24.66	100.64

Unspent amount

S.No.	Particulars	For the year ended	
		31.03.2022	31.03.2021
1	Unspent (over spent)amount of ealier years	89.23	71.70
2	Liability for the current year	-112.35	-83.11
3	Amount spent during the year	24.66	100.64
	Amount un spent/(over spent)	1.54	89.23

53. RATIOS

Particulars	31-Mar-22	31-Mar-21	Variance	Reasons
A Current ratio	2.36	2.65	0.29	-
B Debt Equity ratio	0.00	0.00	0.00	-
C Debt Service Coverage ratio	0.00	0.00	0.00	-
D Return on Equity ratio	0.18	0.16	0.02	-
E Inventory turnover ratio	0.11	0.04	0.07	-
F Trade Receivables turnover ratio	2.77	2.55	0.22	-
G Trade Payables turnover ratio	9.64	8.68	0.96	-
H Net Capital turnover ratio	4.61	4.69	0.08	-
I Net Profit ratio	0.08	0.07	0.01	-
J Return on capital employed	0.24	0.21	0.03	-
K Return on Investment	0.00	0.00	0.00	-


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Standalone
Note:

1. Total Debt = Long term Borrowings (including current maturities of Long term Borrowings), Sales tax deferment loan
(Current and non-current), short term borrowings and Interest accrued on Debts
2. Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + interest+ other adjustments like loss on sale of Fixed assets etc
3. Debt service = Interest & Lease Payments + Principal Repayments
4. Avg. Shareholder's Equity = Average of Opening Total Equity and Closing Total Equity
5. Avg. Inventory = Average of Opening Inventory and Closing Inventory
6. Avg. Trade Receivable = Average of Opening Trade Receivables and Closing Trade Receivables
7. Avg. Trade Payables = Average of Opening Trade Payables and Closing Trade Payables
8. Working capital shall be calculated as current assets minus current liabilities
9. Capital Employed = Tangible Net Worth (excluding revaluation reserve) + Total Debt + Deferred Tax Liability
10. Average Total Assets = Average of Opening Total Assets and Closing Total Assets
11. Average Total equity = Average of Opening Equity Share capital + other equity and Closing Equity share capital + other equity.

Additional Regulatory Information:

- (1) The Company has not granted any loans or Advances in the nature of Loans to Promoters, Directors, KMPs and other related parties except Rs.20.22 lakhs to subsidiaries (See Note No. 14) which are without specifying terms and period of repayment and constitutes 100% of total advances.
- (2) The company has no investment property as at the close of the year for fair valuation. The company has not revalued its Property Plant and Equipment (including Right of Use Assets).
- (3) The Company is not holding any Benami property and no proceeding has been initiated or pending against the company.
- (4) The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey or any relevant provisions of Income Tax Act, 1961)
- (5) (A) The Company has not advanced or loaned or invested any funds in any other person(s) or entity(ies), including foreign entities (intermediaries) with understanding that the intermediary shall be directly or indirectly lend or invest in other person or entities on behalf of the company or provide any guarantee or security or the like to or on behalf of the company.
(B) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that company shall lend or


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Standalone

invest in other person or entity identified in any manner by or on behalf of the funding party/Ultimate beneficiary or provide any guarantee or security or the like on behalf of the funding party/Ultimate beneficiary.

- (6) The Company is not declared as willful defaulter by any Bank or Financial Institutions or RBI or other lenders.
- (7) The Company has borrowings from Banks or Financial Institutions on the basis of security of Current Assets. Quarterly returns or Statement of Current Assets filed by the company with Banks or Financial Institutions are in agreement with the Books of Accounts with some insignificant variances.
- (8) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (9) The company has no transactions and no relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (10) The Company has not made any investments through any layers of investment companies.
- (11) There are no Schemes of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (12) The Company has not invested or traded in Crypto currency or Virtual Currency during the financial year 2021-22.
54. Figures have been rounded off to the nearest decimal of lakhs as required under Schedule III.
55. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current Year's classification/ disclosure.

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AJZZAK7803

Place: Kurnool
Date : May 30, 2022

For and on behalf of the Board

Sd/- Sri T.G.Bharath Chairman & Managing Director	Sd/- Smt. R.Triveni Director
Sd/- Smt. V.Surekha Company Secretary	Sd/- Sri S. Ifthekhar Ahmed Chief Financial Officer

Place: Kurnool
Date : May 30, 2022



Consolidated



INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sree Rayalaseema Hi-Strength Hypo limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sree Rayalaseema Hi-Strength Hypo Limited (the 'Parent Company') and its subsidiary (the Company and its subsidiary together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key audit matters

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

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



Sl.No.	Key Audit Matter	Auditor's Response
	<p>Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The application of the new revenue accounting standard involves certain significant judgements and estimates made by the management including identification of distinct performance obligations, determination of transaction price of the identified performance obligations, determination of transaction price, the appropriateness of the basis used to measure revenue recognized over a period. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>Accumulated expenses are used to estimate provisions of discounts, rebates. Refer note 2.13 of the financial statements.</p>	<p>We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognised.</p> <p>We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115, and had been applied consistently. We focused on contract classification, allocation of income and cost to the individual performance obligations and timing of transfer of control.</p> <p>We evaluated the significant judgements and estimates made by management in applying accounting policy to sample of contracts and we obtained evidence to support them, including contractual agreements, delivery records. We also considered the historical outturns of estimates used in prior periods.</p> <p>We applied Audit Techniques to establish, whether any revenue has been recognized where no corresponding accounts receivable or cash has been recorded in the general ledger.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

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

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

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these



consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Parent Company and Subsidiary) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements.

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

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditor's regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements / financial information of a Wholly-owned subsidiary, & a subsidiary. Whose financial statements / financial information (before eliminating intercompany balances) reflects total assets of Rs.45,90,313/- as at 31st March 2022, total revenues of Rs.1,52,666/- and net cash inflows amounting to Rs.40,00,000/-for the year ended on that date, as considered in the consolidated financial statements. The consolidated



financial statements also include the Group's share of net Loss (including other comprehensive income) of Rs.75,178/- for the year ended 31 March 2022, as considered in the consolidated financial statements in respect of one subsidiary, whose financial statements have been audited by other auditors. These audited financial statements have been approved by the Board of Directors and furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such audited financial statements. In our opinion and according to the information and explanation given to us by the Management, the financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :
 - a. We have sought and obtained all the information and explanations which to 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 the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors of the Parent Company and its subsidiary which are incorporated in India as on 31st March, 2021 taken on record by the Board of Directors of respective companies, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
2. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :



- i. The consolidated financial statements disclose the impact of pending litigations on its financial position of the Group
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary incorporated in India.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid during the current year by the Parent Company and its subsidiary, which is incorporated in India is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Parent Company and its subsidiary, which is incorporated in India is not in excess of the limit laid down under Section 197 of the Act.

4. As stated in note 15 (v) to the financial statements the final dividend proposed in the previous year (FY 2020-21), declared and paid by the company during the year (FY 2021-22) is in compliance with Section 123 of the Act, as applicable.

For **T. Adinarayana & Co.**
Chartered Accountants
Regn. No. 000041S

Sd/-

Y. Pullarao
Partner

Membership No. 25266

UDIN: 22025266AKAAUS2329

Place : Kurnool
Date : May 30, 2022

SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED



Consolidated Balance sheet as at 31st March, 2022

(All amounts in ₹ Lakhs, except otherwise stated)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	12,214.59	10,161.44
(b) Right-to-use assets	3A	736.13	856.55
(c) Capital work-in-progress	3B	4.54	44.49
(d) Investment properties	4	-	2,375.00
(e) Financial assets			
i) Investments	5	16,368.91	5,034.32
ii) Other financial assets	6	434.61	432.47
(f) Deferred tax asset (net)	20	667.33	549.71
(g) Other non-current assets	7	165.64	1,016.36
Total Non-current assets		30,591.75	20,470.34
Current assets			
(a) Inventories	8	14,397.98	3,970.65
(b) Financial assets			
i) Trade receivables	9	13,207.76	9,660.33
ii) Cash and cash equivalents	10	1,424.78	698.99
iii) Bank balances other than Cash and cash equivalents	11	9,915.73	13,167.75
iv) Loans	12	96.68	77.02
v) Other financial assets	13	35.53	287.86
(d) Other current assets	14	9,104.19	3,564.14
Total current assets		48,182.65	31,426.74
TOTAL ASSETS		78,774.41	51,897.08
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	1,716.48	1,716.48
(b) Other equity	16	55,311.70	37,081.11
Non controlling interest		2.91	-
Total Equity		57,031.09	38,797.59
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	17	29.27	51.10
ii) Others	18	127.99	177.99
iii) Lease liabilities	19	794.41	845.16
(c) Deferred Government grants	21	89.96	95.95
(d) Provisions	22	208.56	84.27
Total Non-current liabilities		1,250.18	1,254.48
Current liabilities			
(a) Financial liabilities			
i) Borrowings	17	1,862.90	6,065.17
ii) Trade payables			
(A) dues of micro and small enterprises; and	23	73.72	261.93
(B) dues of creditors other than micro and small enterprises.	23	7,633.35	941.50
iii) Other financial liabilities	24	1,826.58	1,661.90
iv) Lease liabilities	24	131.51	171.48
(b) Other current liabilities	25	7,551.98	1,862.47
(c) Provisions	26	319.99	94.84
(d) Current tax liabilities (net)	27	1,093.11	785.72
Total Current liabilities		20,493.14	11,845.01
TOTAL LIABILITIES		21,743.32	13,099.49
TOTAL EQUITY AND LIABILITIES		78,774.41	51,897.08
Corporate information and significant accounting policies	1 & 2		
The accompanying notes form an integral part of the financial statements	39-52		

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AKAAUS2329

For and on behalf of the Board

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

Sd/- Smt. V.Surekha Company Secretary
Sd/- Sri S. Ifthekhar Ahmed Chief Financial Officer

Place: Kurnool
Date : May 30, 2022

Place: Kurnool
Date : May 30, 2022

**Consolidated Statement of Profit and Loss for the year ended 31st March, 2022***(All amounts in ₹ Lakhs, except otherwise stated)*

Particulars	Note No.	Year ended 31st March 2022	Year ended 31st March 2021
I Revenue from operations	28	1,26,727.24	91,082.52
II Other income	29	1,067.91	663.21
III Total revenue (I + II)		1,27,795.15	91,745.73
IV Expenses			
Cost of materials consumed	30	49,463.08	34,490.67
Purchase of stock-in-trade	31	49,365.97	28,585.60
Changes in inventories of finished goods, work in progress and stock-in-trade	32	(6,155.98)	118.61
Employee benefits expense	33	2,874.39	2,544.90
Finance costs	34	320.82	547.56
Depreciation and amortisation expense	3	1,922.72	5,060.75
Other expense	35	16,306.23	12,313.30
Total expenses (IV)		114,097.23	83,661.40
V Profit before tax (III-IV)		13,697.92	8,084.32
VI Tax expense			
Current tax	36	3,507.02	3,050.15
Deferred tax	36	(86.95)	(1,022.96)
Total Tax expense		3,420.07	2,027.18
VII Profit for the year after Tax (V-VI)		10,277.85	6,057.14
VIII Other comprehensive income	37		
Items not to be reclassified to profit or loss subsequently			
Net gain/(losses) on FVTOCI financial instruments		11,437.38	2,661.38
Re-measurement gains/(losses) on defined benefit plans		(121.79)	29.37
Tax effect thereon		(2,847.91)	(677.21)
Other comprehensive income/(loss) for the year		8,467.68	2,013.54
IX Total comprehensive income for the year (VII+VIII)		18,745.53	8,070.68
X Earnings per equity share			
Basic and Diluted	38	59.88	35.29
Corporate information and significant accounting policies 1 & 2			
The accompanying notes form an integral part of the financial statements	39-52		

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)**Sd/-**
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AKAAUS2329Place: Kumool
Date : May 30, 2022**For and on behalf of the Board**

Sd/-	Sd/-
Sri T.G.Bharath	Smt. R.Triveni
Chairman & Managing Director	Director
Sd/-	Sd/-
Smt. V.Surekha	Sri S. Ifthekhar Ahmed
Company Secretary	Chief Financial Officer

Place: Kumool
Date : May 30, 2022

SREE RAYALASEEMA HI-STRENGTH HYPO LIMITED

Consolidated Cash flow statement for the year ended March 31, 2022
(All amounts in ₹ Lakhs, except otherwise stated)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Cash flow from operating activities		
Profit before tax	13,697.92	8,084.32
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	1,922.72	5,060.75
Interest received	(444.72)	(396.21)
Interest paid	320.82	547.56
Interest expense due to amortisation of processing fees	-	1.95
Interest income & expenses due to amortisation of rent deposits	2.51	(9.12)
Income due to government grant recognised	(6.00)	(6.00)
Net (gains)/losses on FVTPL instruments	(399.75)	-
Operating profit before working capital changes	15,093.50	13,283.25
Working capital adjustments:		
(Decrease)/Increase in trade payables	6,503.64	(1,295.79)
(Decrease)/Increase in non-current financial liabilities	(50.00)	50.00
(Decrease)/Increase in current financial liabilities	138.74	165.08
(Decrease)/Increase in other current liabilities	5,692.60	(12.29)
(Decrease)/Increase in short term provisions	225.14	(0.64)
(Decrease)/Increase in long term provisions	2.49	15.57
(Increase)/Decrease in non-current financial asset	(4.65)	(9.24)
(Increase)/Decrease in other non-current assets	848.31	(7.04)
(Increase)/Decrease in trade receivables	(3,547.44)	(1,457.31)
(Increase)/Decrease in inventories	(10,427.33)	(299.82)
(Increase)/Decrease in other current assets	(5,538.05)	303.45
(Increase)/Decrease in financial assets	237.73	13.37
Cash generated from operating activities	9,174.68	10,748.60
Direct taxes paid (net)	(3,199.64)	(3,692.18)
Net cash flow from operating activities (A)	5,975.04	7,056.42
Cash flows from investing activities		
Non controlling interest	2.91	-
Purchase of PPE, including CWIP	(1,440.50)	(2,044.18)
Purchase of investments	(2,372.08)	(1,200.16)
Interest received	440.78	396.21
Redemption/(investment) of margin money deposit	3,296.10	(8,653.57)
Earmarked for dividend	(44.09)	(36.65)
Net cash flow from/ (used in) investing activities (B)	(116.88)	(11,538.35)
Cash flows from financing activities		
Interest paid	(240.07)	(458.94)
(Repayment)/Proceeds of long term borrowings	26.36	(43.28)
(Repayment)/Proceeds from short term borrowings	(4,232.27)	2,204.54
Dividend paid	(514.94)	(429.30)
(Repayment)/Proceeds of lease liabilities	(171.48)	(257.18)
Net cash flow from/ (used in) in financing activities (C)	(5,132.39)	1,015.85
Net increase/(decrease) in cash and cash equivalents (A + B + C)	725.79	(3,466.07)
Cash and cash equivalents at the beginning of the year	698.99	4,165.06
Cash and cash equivalents at the end of the year	1,424.78	698.99
Components of cash and cash equivalents		
Cash on hand	6.39	4.07
Balances with banks		
- in Current Account	1,418.39	694.93
Total cash and cash equivalents (Note 10)	1,424.78	698.99

Note:

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

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AKAAUS2329

Place: Kurnool
Date : May 30, 2022

For and on behalf of the Board

Sd/- **Sd/-**
Sri T.G.Bharath **Smt. R.Triveni**
Chairman & Managing Director Director
Sd/- **Sd/-**
Smt. V.Surekha **Sri S. Ifthekhar Ahmed**
Company Secretary Chief Financial Officer

Place: Kurnool
Date : May 30, 2022



Consolidated

Stipulative Statement of changes in Equity
(All amounts in ₹ in Lakhs, except otherwise stated)

a. Equity share capital	Note	Amount	Other Comprehensive income					
			Reserves and Surplus	FVOCI - preference instruments	OCI - Actuarial gain/loss on gratuity	Money received against share warrants	Total other equity	
As at 1st Apr 2020		1,716.48						
Changes in equity share capital during the year	15	-						
As at 31st Mar 2021		1,716.48						
Changes in equity share capital during the year	15	-						
As at 31st Mar 2022		1,716.48						
b. Other Equity								
Particulars	Note	Securities premium reserve	Retained earnings	Other reserve (Amalgamation & General reserve)	FVOCI - preference instruments	OCI - Actuarial gain/loss on gratuity	Money received against share warrants	Total other equity
Balance at 31st March, 2020	16	3,026.59	23,818.64	2,762.75	(178.02)	10.24	-	29,439.72
Changes in equity for the period ended 31st March 2021								
Preferential issue during the year	16(i), (v)	-	-	-	-	-	-	-
Equity instruments through other company retransfers	16(iv)	-	-	1,991.56	-	-	-	1,991.56
Reclassified to Statement of Profit and Loss during the year on account of redemption of preference shares	16(iv)	-	-	-	-	-	-	-
Gains/(losses) on arising from actuarial gain/(loss) on gratuity	16(iv)	-	6,057.14	-	-	21.98	-	21.98
Profit for the year	16(ii)	-	6,057.14	-	-	-	-	6,057.14
Ind AS 116 - Leases impact	16(ii)	-	(429.30)	-	-	-	-	(429.30)
Proposed dividend	16(ii)	-	-	-	-	-	-	-
Balance at 31st March, 2021		3,026.59	29,446.00	2,762.75	1,813.54	32.22	-	37,081.11
Changes in equity for the period ended 31st March 2022								
Equity instruments through other comprehensive income	16(iv)	-	-	8,558.82	-	-	-	8,558.82
Gains/(losses) on arising from actuarial gain/(loss) on gratuity	16(iv)	-	-	-	-	(91.14)	-	(91.14)
Profit for the year	16(ii)	-	10,277.85	-	-	-	-	10,277.85
Ind AS 116 - Leases impact	16(ii)	-	(514.94)	-	-	-	-	(514.94)
Proposed dividend	16(ii)	-	-	-	-	-	-	-
Balance at 31st March, 2022		3,026.59	39,208.91	2,762.75	10,372.37	(58.92)	-	55,313.70

As per our report of even date attached.
For Auditors & Chartered Accountants (Regn.No.0000941S)

Sd/- Y. Pulla Rao
Partner
Membership No. 25286
UJIN No. 202025266AKAAUS2329
Place : Kurnool
Date : May 30, 2022

For and on behalf of the Board
Sd/- Sri T.G.Bharath
Chairman & Managing Director
Sd/- Smt. V.Surekha
Company Secretary
Place : Kurnool
Date : May 30, 2022
Sd/- Smt. R. Triveni
Director
Sd/- Sri S. Iftheekhar Ahmed
Chief Financial Officer



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

Note 1: General Information

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

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

The financial statements are approved for issue by the Company's Board of Director's on 30thMay, 2022.

Note 2: Significant Accounting Policies

2.1 Statement of Compliance

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

The Consolidation Financial statements have been prepared in accordance with Indian Accounting Standards (as amended) (Ind AS) as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 together with comparative period data as at the year end March, 31st 2022.

2.2 Basis of consolidation

The Consolidation Financial Statements comprise the Financial Statement of Sree Rayalaseema Hi-Strength Hypo Limited and its wholly owned subsidiary company TGV Sodium & Electrolyte Private Limited

All Intercompany transaction, Balances, income and expenses are eliminated in full on consolidation.

Following are subsidiary companies as on 31st March 2021 and 31st March 2022 and the same are consolidated for the purpose of this Consolidated Financial Statements.

Name of the Company	Country of Incorporation	% Holding as on 31 March 2022	% Holding as on 31 March 2021
TGV Sodium & Electrolytes Private Limited	India	100%	100%
TGV Metals and Chemicals Private Limited	India	50%	-

The Company holds more than 20% in investee company Viz SRAAC LTD but not consolidation for reasons given in details in the note 2.11 and Annexure to Div II in Schedule III to the companies Act 2013.

**Notes to financial statements for the year ended 31st, March 2022****2.3 Basis of preparation and presentation of financial statements**

These Consolidated Financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

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

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

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

2.4 Use of estimates and judgements

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

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

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

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

2.5 Operating cycle.

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

2.6 Current and Non-Current Classification.

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

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

The company classifies all the assets as noncurrent.

A liability is current when:

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

The company classifies all other liabilities as noncurrent.

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

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

In the application of the company's accounting policies, the management of the company are required to make judgements, estimates, and assumptions



about the carrying amounts of the asset and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

Provision and contingent liability

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

Useful lives of depreciable assets

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

2.8 Functional Currency:

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

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

2.9 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company

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

to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquire. Acquisition-related costs are generally recognised in profit or loss as incurred.

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

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquire or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see note 3.16.2); and
- Assets (or disposal Company's) that are classified as held for sale in accordance with Ind AS 105 (Non- current Assets Held for Sale and Discontinued Operations) are measured in accordance with that Standard.

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

In case of a bargain purchase, before recognising a gain in respect thereof, the Company whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Company reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Company then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Company recognises it in order comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing(as described above), directly in equity as capital reserve.

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

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

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

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

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

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to

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

reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

2.10 Goodwill

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

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

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

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

2.11 Investments in associates and joint ventures

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

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

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Company's share

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

of the profit or loss and other comprehensive income of the associate or joint venture. When the Company's share of losses of an associate or a joint venture exceeds the Company's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

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

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

The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.13 Revenue Recognition

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

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

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

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

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

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

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

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

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

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

2.14 Leasing

Ind AS 116 'Leases' was notified on 30th March, 2019 and it replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. Ind AS 116 sets out the principles

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

for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-Balance Sheet model similar to the accounting for finance leases under Ind AS 17.

The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lease is 'a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. An underlying asset has been defined to mean an

Asset that is the subject of lease, for which the right to use that asset has been provided by a lessor or lessee.

Measurement of lease liability

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

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

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

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

Right-of-use asset (ROU)

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

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

- Less any accumulated depreciation and any accumulate impairment losses; and

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

- Adjusted for any re-measurement of the lease liability on subsequent to lease commencement date

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

2.15 Foreign currencies

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these financial statements, the assets and liabilities of the Company's foreign operations are translated into Currency Units using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions

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

are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

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

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

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

2.16 Borrowing costs

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

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

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

2.17 Government grants

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

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

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

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

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

2.18 Employee benefits**Retirement benefit costs and termination benefits**

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

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

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

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

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

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

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

Short-term and other long-term employee benefits

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

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

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

Contributions from employees or third parties to defined benefit plans

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

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

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of

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

service, the entity reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the entity [reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with IndAS 19

Share-based payment arrangementsShare-based payment transactions of the Company

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

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

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

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

2.19 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated [statement

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

of profit or loss and other comprehensive income/ statement of profit or loss] because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

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

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

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

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

**Notes to financial statements for the year ended 31st, March 2022****Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.20 Property, plant and equipment

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

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

Freehold land is not depreciated.

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

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight- line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

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

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

the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

Depreciation and amortisation

The Company depreciates property, plant and equipment over their estimated useful lives as specified in Schedule II to the Companies act, 2013 using the straight-line method.

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

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

2.21 Investment property

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

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

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognised as of 01.04.2016



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

(transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

2.22 Intangible assets

Intangible assets acquired separately

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

Internally-generated intangible assets - research and development expenditure

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

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

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

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

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment



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

losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

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

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

Derecognition of intangible assets

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

Deemed cost on transition to Ind AS

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

2.23 Impairment of tangible and intangible assets other than goodwill

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

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

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects

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

current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

2.24 Inventories

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

2.25 Provisions and contingencies**Provisions**

A Provision is recognised when the company has a present obligation (legal or constructive) as a result of past event i.e., it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

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

- Contingent liabilities and assets are not recognised in financial statements. A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

2.26 Financial instruments:

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

- Financial assets**

Initial recognition and measurement

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

Subsequent measurement

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

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

Financial assets at amortised cost

- A 'Financial asset' is measured at the amortised cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
 - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

This category generally applies to trade receivables. For more information on receivables, refer to Note 8.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

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

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

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

Derecognition

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

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

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

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

Impairment of Financial assets

The Company recognizes loss allowances using the Expected Credit

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

Loss (ECL) model for the financial assets which are not fair valued through profit or loss.

The Company follows “Simplified approach” for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

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

- **Financial liabilities**

Initial recognition and measurement

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

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

Subsequent measurement

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



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

Loans and borrowings

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

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

This category generally applies to borrowings.

Derecognition

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

2.27 Earning per equity share

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

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

2.28 Segment Reporting

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



Decision Marker ('CODM').

2.29 Cash flow Statement

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

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

2.30 Estimates and assumptions

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

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

Revenue recognition:

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

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

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

Allowance for expected credit losses:

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

**Fair value of investments:**

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

Taxes

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

Contingent liability judgement:

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



Consolidated
Notes to financial statements for the year ended 31st March, 2022 (Contd....)
(All amounts in ₹Lakhs, except otherwise stated)

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

Particulars	land	Factory Buildings	Furniture and fixtures	Wind Power Plants	Plant and machinery	Other Assets	Total
(A) Costs							
As at 1st April, 2020	3,199.19	3,500.73	196.84	7,407.72	21,613.94	1,060.56	36,978.98
Additions	1,925.49	-	-	-	305.49	48.05	2,279.03
Disposals	-	-	-	-	-5.70	-	-5.70
As at 31st March, 2021	5,124.68	3,500.73	196.84	7,407.72	21,913.73	1,108.61	39,252.31
Additions	2,573.82	-	-	-	1,420.00	143.95	4,137.77
Disposals /transfer	0.00	-	-	-	-	-105.90	-105.90
Transferred to stock in trade	-253.13	-	-	-	-	-	-253.13
As at 31st March, 2022	7,445.38	3,500.73	196.84	7,407.72	23,333.73	1,146.66	43,031.06
(B) Accumulated Depreciation							
As at 1st April, 2020	-	2,457.82	145.11	5,995.75	14,749.97	899.60	24,248.25
Depreciation	-	432.27	45.49	1,145.10	3,181.65	69.96	4,874.47
Disposals	-	-	-	-	-	-2.65	-2.65
As at 31st March, 2021	-	2,890.09	190.60	7,140.85	17,931.62	966.91	29,120.07
Depreciation	-	8.08	-	27.99	1,723.15	43.08	1,802.30
Disposals	-	-	-	-	-	-105.90	-105.90
As at 31st March, 2022	-	2,898.17	190.60	7,168.84	19,654.77	904.09	30,816.47
(C) NET BLOCK (A-B)							
Net Carrying amount as at 31st March, 2021	5,124.68	610.64	6.24	266.87	3,982.11	141.70	10,161.44
Net Carrying amount as at 31st March, 2022	7,445.38	602.57	6.24	238.88	3,678.96	242.57	12,214.59

- a) Title to some of the properties acquired by the Company under Scheme of Arrangements in earlier years are in the process of being transferred in the Company's name.
- b) The land, Building and Plant & Machinery have been secured by a charge in favour of Bank for loans provider.
- c) The vehicles have been hypothecated in favour of respective banks who have lent against these vehicles.
- d) Depreciation on property plant and equipment is charged on straight line method as per Schedule II to the Companies Act, 2013.



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

NOTE 3A: RIGHT OF USE ASSET

Particulars	Right to us Asset
(A) Costs	
As at April 1st, 2020	1,237.40
Additions	-
Disposals	-
As at 31st March, 2021	1,237.40
Additions	-
Disposals /transfer	-
As at 31st March, 2022	1,237.40
(B) ACCUMULATED DEPRECIATION	
As at April 1st, 2020	194.56
Depreciation	186.29
Disposals	-
As at April 1st, 2021	380.85
Depreciation	120.42
Disposals	-
As at 31st March, 2022	501.27
(C) NET BLOCK	
Net Carrying amount as at 31st March, 2021	856.55
Net Carrying amount as at 31st March, 2022	736.13

Note:

Right of Use Assets (ROU)

ROU is disclosed with effect from Financial year 2019-20 in compliance to new Indian Accounting Standard 116 - Leases which is notified by Ministry of Corporate Affairs with effect from 01.04.2019. The company adopted modified retrospective method for accounting leases.

The details are provided in Note No.43

NOTE 3B: CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening carrying value	44.49	305.49
Additions	4.54	-
Transfer to property, plant and equipment	44.49	261.00
Closing carrying value	4.54	44.49
Ageing Schedule		(₹ in lakhs)
Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening work in progress		
Less than 1 year	4.54	44.49
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	4.54	44.49


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Consolidated
NOTE 4: INVESTMENT PROPERTY

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Cost or Deemed Cost		
Opening balance	2,375.00	2,375.00
Additions	-	-
Disposal	-	-
Converted into stock intrade	(2,375.00)	-
Closing balance	-	2,375.00
Net carrying amount	-	2,375.00
	As at 31st, March, 2022	As at 31st, March, 2021
Fair value of Investment properties	-	5,099.22

Estimation of fair value

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

- (i) current prices in an active market for properties of different nature
- (ii) recent prices of similar properties in less active markets, adjusted to reflect those differences

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

NOTE 5: FINANCIAL ASSETS - NON-CURRENT INVESTMENTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
(I) Investments in equity instruments at		
(A) Unquoted and Fully Paid Up at fair value through OCI		
MV Salts and Chemicals Private Limited	574.33	566.14
1200000 (March 31, 2021: Nil) Equity shares of ₹ 10 each		
(B) Quoted equity shares fully paid up at fair value through OCI		
TGV SRACC Ltd	11,925.99	3,593.31
2,05,44,496 (March 31, 2021: 2,05,44,496) Equity shares of ₹ 10 each (15,000 shares pledged as security)		
The South Indian Bank Ltd	39.90	43.97
7,07,000 (March 31, 2021: 7,07,000) Equity shares of ₹ 10 each		



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

Particulars	Consolidated	
	As at 31st, March, 2022	As at 31st, March, 2021
Roopa Industries Ltd	256.97	96.37
13,72,455 (March 31, 2021:13,72,455) Equity shares of ₹ 10 each		
Kabson Industries Ltd	1.16	0.52
10,100 (March 31, 2021:10,100) Equity shares of ₹10 each		
Karnataka Bank Ltd	1.96	2.12
3,700 (March 31, 2021:3,700) Equity shares of ₹ 10 each		
Lotus Chcolates Ltd	63.23	7.25
56,800 (March 31, 2021:56,800) Equity shares of ₹ 10 each		
NEPC Micon Ltd	0.02	0.01
200 (March 31, 2021:200) Equity shares of ₹ 10 each		
BNR Udyog Ltd	0.03	0.01
500 (March 31, 2021:500) Equity shares of ₹ 10 each		
Consom Biotech Ltd	0.02	0.01
300 (March 31, 2021:300) Equity shares of ₹ 10 each		
Neha International Ltd	0.13	0.01
1,700 (March 31, 2021:1,700) Equity shares of ₹ 10 each		
Indo Wind Energy Ltd	7.24	3.05
42,000 (March 31, 2021:42,000) Equity shares of ₹ 10 each		
Nazara Technologies Ltd	7.05	6.44
469 (March 31,2021:Nil) Equity share of ₹ 10 each		
(C) Quoted equity shares partly paid up at fair value through OCI		
Surya Jyothi Spinning Mills Ltd	0.01	0.01
100 (March 31, 2021:100) Equity shares of ₹ 10 each		
Total of Equity Instruments	12,878.04	4,319.22
(II) Investment in Government securities (at cost)		
National Saving Certificates	0.10	0.10
Total of Government securities	0.10	0.10
(III) Investment in Venture Capital Funds at fair value through profit & loss account		
IIFL Wealth Finance Ltd	375.00	175.00
Blume Ventures Fund 1X	778.73	325.00
TVS Shriram Growth Fund 3	350.00	215.00
Sixth sense india oportunities-iii	290.73	-
Inflexor technology fund	241.00	-
Care health insurance ltd.	100.00	-
Avendus future leaders fund ii	325.00	-
Epiq capital ii	100.00	-
Gaja capital india fund 2020	100.00	-
Blume ventures india fund iv	100.00	-
	2,760.46	715.00
(IV) Investment in quoted Mutual Funds at fair value through profit & loss account		
Quant multi asset fund 216773.47 units	175.80	-
Quant small cap fund 134420.55 units	184.53	-
Quant mid cap fund 144600.63 units	183.72	-
Quant active fund 41645.635 units	186.26	-
	730.31	-
Total non-current investments	16,368.91	5,034.32
Aggregate amount of quoted investments at market value thereof	12,303.71	3,753.08
Aggregate amount of un-quoted investments	574.43	566.24
Aggregate amount of venture capital Funds	2,760.46	715.00
Aggregate amount of Mutual Funds	730.31	-
	16,368.91	5,034.32



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

NOTE 6: OTHER FINANCIAL ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Security Deposits with Government departments	32.92	28.34
deposits with related parties	369.88	369.88
deposits with others	31.81	34.25
Total	434.61	432.47

NOTE 7: OTHER NON-CURRENT ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Advances for capital assets	165.64	1,016.36
Total	165.64	1,016.36

NOTE 8: INVENTORIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Raw Materials	2,978.88	1,576.41
Work-in-progress	197.98	87.15
Finished Goods	6,824.36	1,577.43
Stores and spares, Chemicals, fuel and packing materials	731.44	670.76
Goods in transit	857.13	58.89
Stock in trade Real Estate property (Plots)	2,808.19	-
Total	14,397.98	3,970.65

NOTE 9: TRADE RECEIVABLES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Unsecured and considered good	13,207.76	9,660.33
Unsecured and considered doubtful	67.29	67.29
	13,275.05	9,727.62
Expected Credit Loss Allowance (allowance for bad and doubtful debts)	(67.29)	(67.29)
Total trade receivables	13,207.76	9,660.33

The Average credit period on sales is 60 days

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

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


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated

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

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

Trade receivables Ageing Schedule as at March 31, 2022.

Particulars	Current but not due	< 6 months	6 months -1 year	1-2 Year	2-3 Year	> 3 Year	Total
Undisputed Trade Receivables - Considered Good	5,535.38	5,314.21	2,425.47	-	-	-	13,275.06
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							
Total	5,535.38	5,314.21	2,425.47				13,275.06

Trade receivables Ageing Schedule as at March 31, 2021.

Particulars	Current but not due	< 6 months	6 months -1 year	1-2 Year	2-3 Year	> 3 Year	Total
Undisputed Trade Receivables - Considered Good	4,962.08	3,754.87	1,010.66				9,727.62
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							
Total	4,962.08	3,754.87	1,010.66				9,727.62

Expected credit loss

Aging :	As at 31st, March, 2022	As at 31st, March, 2021
With credit period	0.00%	0.00%
Upto 60 days past due	0.25%	0.25%
61-90 days past due	0.50%	0.50%
91-180 days past due	0.75%	0.75%
more than 180 days past due	1.00%	1.00%



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

NOTE 9 : Trade receivables (Cont..)

Aging of receivables

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
With credit period	5,535.39	4,962.08
Upto 60 days past due	2,720.17	1,791.52
61-90 days past due	1,282.24	1,076.69
91-180 days past due	1,311.79	886.67
more than 180 days past due	2,425.47	1,010.66
Total trade receivables (before impairment allowance)	13,275.06	9,727.62

Movement in Expected Credit Loss Allowance :

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Balance at beginning of the year	67.29	31.43
"Movement in Expected Credit Loss Allowance on trade receivables"calculated at lifetime expected credit losses"	-	35.86
Balance at end of the year	67.29	67.29

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Balances with banks in Current Account	1,418.39	694.93
Cash on hand	6.39	4.07
Total	1,424.78	698.99

NOTE 11: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
LC-Margin deposit with bank	9,681.84	12,977.94
Balances with banks in Current Account earmarked for dividend	233.90	189.81
Total	9,915.73	13,167.75


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
NOTE 12: LOANS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Loans/advances to Employees	96.68	77.02
Total	96.68	77.02

NOTE 13: OTHER FINANCIAL ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Other deposits	32.20	284.52
Insurance claim receivable	3.33	3.33
Total	35.53	287.86

NOTE 14: OTHER CURRENT ASSETS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Amounts receivable and advance taxes	712.57	565.44
Advance to related parties	20.22	2,794.83
Advance to suppliers and others	8,173.53	68.69
Prepaid Insurance and other Expenses	25.13	55.21
Export incentives receivable	172.74	79.97
Total	9,104.19	3,564.14

NOTE 15: EQUITY SHARE CAPITAL

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
(a) Authorised : 4,90,00,000 Equity shares of Rs.10/- each (as at 31st March 2021 4,90,00,000 Equity shares of Rs.10/- each)	4,900.00	4,900.00
	4,900.00	4,900.00
(b) Issued, Subscribed and fully paid: 1,71,64,821 Equity shares of Rs.10/- each fully paid (as at 31st March 2021 1,71,64,821 Equity shares of Rs.10/- each fully paid)	1,716.48	1,716.48
Total	1,716.48	1,716.48

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated****(i) Reconciliation of the number of equity shares outstanding**

Particulars	As at 31st,	As at 31st,
	March, 2022	March, 2021
At the beginning of the year	17,164,821	17,164,821
Add: Issued during the year	-	-
At the end of the year	17,164,821	17,164,821

(ii) Terms/ rights attached to equity shares

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

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

(iii) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	% of total shares	No. of shares	% of total shares
Gowri Gopal Hospitals Pvt Ltd	3742639	21.80%	3668639	21.37%
Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82%	1513989	8.82%
TGV Projects and Investments Pvt Ltd	2619400	15.26%	2405400	14.01%

(iv) Shares held by promoters at the end of the year

Name of the Promoter	Year ended 31st March, 2022			Year ended 31st March, 2021		
	No. of shares	% of total shares	% change during the year	No. of	% of total	% change during the year
Gowri Gopal Hospitals Pvt Ltd	3742639	21.80%	0.43%	3668639	21.37%	-
Sree Rayalaseema Galaxy Projects Pvt Ltd	1513989	8.82%	-	1513989	8.82%	-
TGV Projects and Investments Pvt Ltd	2619400	15.26%	1.25%	2405400	14.01%	-
T G V Securities Pvt Ltd	656414	3.82%	-	656414	3.82%	-
Sree Rayalaseema Dutch Kassenbouw Pvt Ltd	499422	2.91%	-	499422	2.91%	-
Brilliant Industries Pvt Ltd	9042	0.05%	(1.68%)	297042	1.73%	0.05%
T G V SRAAC Ltd	244749	1.43%	-	244749	1.43%	-
T G Bharath	515737	3.00%	-	515737	3.00%	-
T G Shilpa Bharath	425714	2.48%	-	425714	2.48%	-
T G Rajyalakshmi	415744	2.42%	-	415744	2.42%	-
Boda Mourya	488	0.00%	-	488	0.00%	-
Jyothsna S Mysore	7047	0.04%	-	7047	0.04%	-
TGV Industries Private Ltd	8000	0.05%	-	-	-	-


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Consolidated

- (v) The final dividend on shares is recorded as a liability on the date of approval by the shareholders. The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

The amount of final dividend of ₹ 3 per share for financial year 2020-21 is recognized and distributed to equity shareholders in accordance with the Companies Act, 2013, during the financial year 2021-22.

During the year ended 31st March 2022, on account of the final dividend for FY 20-2021, the Company has incurred a net cash outflow of ₹.514.94 Lakhs and adjusted in retained earnings.

- (iv) The Board of Directors, in their meeting on 30th May, 2022, recommended a dividend of ₹3.50 per equity share for the financial year ended March 31, 2022. This payment is subject to the approval of shareholders in the AGM of the Company to be held on 29th September, 2022 and if approved, would result in a net cash outflow of approximately ₹ 600.76 Lakhs.

NOTE 16: OTHER EQUITY

Particulars		As at 31st March, 2022	As at 31st March, 2021
Share premium	(i)	3,026.59	3,026.59
Retained earnings	(ii)	39,208.91	29,446.00
Other reserve	(iii)	2,762.75	2,762.75
Reserve for other comprehensive income items	(iv)	10,313.45	1,845.77
Total		55,311.70	37,081.11

Reserves and Surplus
(i) Share premium

Particulars		As at 31st March, 2022	As at 31st March, 2021
Balance opening		3,026.59	3,026.59
Add: Addition on preferential issue during the year		0.00	0.00
Closing Balance		3,026.59	3,026.59



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

(ii) Retained earnings

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	29,446.00	23,818.64
Net profit for the period	10,277.85	6,057.14
Payment of Dividend and Dividend distribution tax (F.Y.2020-21)	(514.94)	(429.30)
Closing balance	39,208.91	29,446.00

(iii) Other Reserve

A. General reserve

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	334.09	334.09
Closing balance	334.09	334.09

B. Amalgamation reserve

Particulars	As at 31st March, 2022	As at 31st March, 2021
Opening balance	2,428.67	2,428.67
Closing balance	2,428.67	2,428.67

C. Total of other reserves (A+B)

2,762.75 2,762.75

(iv) Reserve for other comprehensive income items

Particulars	As at 31st March, 2022	As at 31st March, 2021
Change in fair value of FVOCI - equity & preference instruments (Net of taxes)		
Opening balance	1,813.54	(178.02)
- Net gains/(losses) on FVTOCI securities during the year	8,558.82	1,991.56
- Closing balance	10,372.37	1,813.54
Other Comprehensive income arising from actuarial gain/loss on defined benefit obligation (Net of taxes)		
Opening balance	32.22	10.24
- Gains/(losses) on arising from actuarial gain/loss on gratuity	(91.14)	21.98
- Closing balance	(58.92)	32.22
Total	10,313.45	1,845.77


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
Nature and purpose of other reserves
Securities premium reserve

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

General Reserve

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

FVTOCI intruments

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

Note on Amalgamatin Reserve

The company had scheme of amalgamation for merger of SRHHL Industries Ltd (transferor company) into the company. The amalgamation reserve in the books of transferor company are inherited in the scheme and confirmed in the books of the company.

NOTE 17: BORROWINGS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
A. Non-current borrowings		
Secured		
Term Loans		
For vehicles	29.27	51.10
Non Current Portion	29.27	51.10
B. Current borrowings		
Secured		
Working capital demand loans	1,862.90	6,065.17
Current Portion	1,862.90	6,065.17

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

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated**

Terms of Repayment

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
A. Term Loans		
(a) Monthly EMI of ₹ 8,172 payable up to Nov,2025, but foreclosed during the year	-	3.68
B. Vehicle Loans		
EMI of ₹ 1,94,635 payable up to Jun,2024, ROI @ 8.50%	47.46	65.60

Security :

- (a) The loan repayable on demand from banks are cash credits, bills purchases, discountings, letter of credits limits and bank guarantees are secured by Hypothecation of Raw-material, Stock in process, Finished goods, consumable Spares, Book debts and receivables.
- (b) The working capital loans from banks are also secured by first and second charge on some of the Plant, Property & equipment of the company.
- (c) The working capital loans are further secured by guarantee from Managing Director and a promoter in individual capacities.

NOTE 18: OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Security deposits from customers	127.99	177.99
Total	127.99	177.99

NOTE 19: LEASE LIABILITY

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Lease Liability (Refer Note.43)	794.41	854.16
Total	794.41	854.16

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated****NOTE 20: DEFERRED TAX LIABILITY**

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
The balance comprises temporary differences attributable to:		
Deferred tax liabilities		
FVTPL Instruments	74.01	-
Unwinding of interest on assets discounted	0.67	6.15
Deferred government grant	2.94	(5.15)
Provision for gratuity	(30.65)	12.55
Less:		
Deferred tax assets		
Property, plant and equipment	(418.23)	(277.40)
Borrowing costs measured at amortised cost	(1.28)	7.68
Provision for Expected Credit Loss (ECL)	-	1.30
MAT Credit entitlement	(294.77)	(294.84)
Net deferred tax liability	(667.33)	(549.71)

Reconciliation of net deferred tax liabilities

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Opening balance as at the beginning of the year	(549.72)	465.85
Recognised in Statement of profit and loss	(86.95)	(1,022.96)
Recognised in Other comprehensive income	(36.65)	7.39
Closing balance as at end of the year	(667.33)	(549.72)

NOTE 21: GOVERNMENT GRANTS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Capital subsidy in solar projects	89.96	95.95
Closing balance	89.96	95.95

NOTE 22: LONG-TERM PROVISIONS

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Provision for Gratuity	208.56	84.27
Total	208.56	84.27



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

NOTE 23: TRADE PAYABLES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Micro, Small and Medium Enterprises (Refer note 48)	73.72	261.93
Others	7,633.35	941.50
Total	7,707.07	1,203.43

Trade Payables Ageing Schedule as at March 31, 2022

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			< 1	1-2 Year	2-3 Years	>3 Years	
Total outstanding dues of Micro and Small Enterprise	-	-	73.72				73.72
Total outstanding dues of Creditors other than Micro and Small Enterprise	-	-	7633.35				7633.35
Disputed outstanding dues of Creditors of Micro and Small Enterprise	-	-					
Disputed outstanding dues of Creditors other than Micro and Small Enterprise	-	-					
Total	-	-	7,707.07				7,707.07

Particulars	Unbilled dues	Current but not due	Outstanding for following periods from due date of payment				Total
			< 1	1-2 Year	2-3 Years	>3 Years	
Total outstanding dues of Micro and Small Enterprise	-	-	261.63				261.63
Total outstanding dues of Creditors other than Micro and Small Enterprise	-	-	941.50				941.50
Disputed outstanding dues of Creditors of Micro and Small Enterprise	-	-					
Disputed outstanding dues of Creditors other than Micro and Small Enterprise	-	-					
Total	-	-	1,203.43				1,203.43

Ageing of Trade payable

Particulars	As at 31st March, 2022	As at 31st March, 2021
Less than One year	7707.07	1203.43
One -Two Years	-	-
Two year to Three Years	-	-
More than Three Years	-	-
Total trade Payable	7,707.07	1,203.43



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

NOTE 24: OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
A Current maturities of long term debt		
Secured		
From Banks	18.19	18.19
Un Secured		
Others		
Trade payables for capital assets	-	95.19
Unpaid dividend	233.90	189.81
Security deposits - others	102.83	92.49
Dealers commission payable	878.83	461.28
Overseas commission	11.07	14.59
Payable towards services availed	564.29	774.31
Others	17.48	16.04
Total	1,826.58	1,661.90
B Lease liability (Refer Note.43)	131.51	171.48
	131.51	171.48

NOTE 25: OTHER CURRENT LIABILITIES

Particulars	As at 31st, March, 2022	As at 31st, March, 2021
Advances from customers	7,302.42	1,662.35
Statutory Dues	249.56	200.12
Total	7,551.98	1,862.47

NOTE 26: SHORT-TERM PROVISIONS

Particulars	As at 31st March, 2022	As at 31st March, 2021
Employee benefits - gratuity	319.99	94.84
Total	319.99	94.84

NOTE 27: CURRENT TAX LIABILITY/(ASSET) (NET)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current tax liability		
Provision for income tax	10,832.71	7,325.04
Current tax asset		
Tax deducted at source & Advance tax	(9,739.60)	(6,539.32)
Closing balance liability (Net)	1,093.11	785.72


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
NOTE 28: REVENUE FROM OPERATIONS

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
a) Sale of manufactured Products	78,731.65	57,221.75
traded goods	44,892.00	30,398.16
energy	2,652.01	3,245.88
b) Other operating revenue		
Sale of Scrap	144.84	149.21
Export incentives	306.74	67.52
Total	126,727.24	91,082.52

NOTE 29: OTHER INCOME

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Insurance claim received	99.53	72.57
Net gains/(losses) on FVTPL instruments	399.75	15.32
Interest on bank and other deposits and customers rental income	444.72	396.21
Unwinding of interest on assets discounted	58.89	48.40
Unwinding of interest on assets discounted	2.65	34.32
Profit on sale of investments/assets	3.50	-
Deferred government grant income	6.00	6.00
Gain on foreign exchange transaction and translation	34.55	78.13
Other non operating incomes	18.31	12.27
Total	1,067.91	663.21

NOTE 30: COST OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of raw materials	41,553.19	25,955.02
Consumption of stores, spares, Chemicals and Packing Materials	7,909.89	8,535.65
Total	49,463.08	34,490.67

NOTE 31 : PURCHASE OF STOCK IN TRADE

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Purchase of stock-in-trade	49,365.97	28,585.60
Total	49,365.97	28,585.60


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
**NOTE 32: CHANGES IN INVENTORIES OF FINISHED GOODS,
WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Closing Stock		
Finished Goods	7,681.48	1,636.32
Stock-in-process	197.98	87.15
Stock-in-trade	2,808.19	0.00
Total Closing Stock : A	10,687.65	1,723.48
Opening Stock		
Finished goods	1,636.32	1,644.55
Stock-in-process	87.15	197.54
Total Opening Stock	1,723.48	1,842.09
Transferred from investment property to stock-in-trade	2,808.19	0.00
Total stock : B	4,531.67	1,842.09
Total changes in inventories of work-in-progress stock-in-trade and finished goods : C (A-B)	6,155.98	(118.61)

NOTE 33: EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, wages, bonus and allowances*	2,252.19	2,042.11
Contribution to Funds	71.81	61.30
Staff Welfare expenses	550.40	441.49
TOTAL	2,874.39	2,544.90

* includes managerial remuneration to
whole time director

NOTE 34: FINANCE COST

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest expenses		
Term loans	-	20.78
Working capital Loans/Cash credits	7.95	8.23
Bank Charges	125.18	115.18
Others	106.94	314.75
lease liabilities	80.75	88.62
Total	320.82	547.56


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
NOTE 35: OTHER EXPENSES

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Repairs and maintenance	4,069.47	3,966.28
Insurance	202.89	315.54
Rents	192.54	48.27
Travelling and conveyance	36.07	78.12
Printing and stationery	3.58	7.33
Postage Telegrams and Telephones	17.37	26.73
Freight outward Charges	9,141.24	5,029.51
sales commission	1,466.84	630.70
Advertisement	2.60	1.68
Audit fees and Expenses		
Statutory audit fees	2.10	2.10
Out of pocket expenses	-	0.06
Tax audit fees	1.00	1.00
Cost audit fees	0.60	0.70
Secraterial audit fees	0.70	0.70
Security Service Charges	938.77	1,197.45
Legal Expenses	10.15	6.95
Power and Fuel	55.84	29.85
Other Expenses	26.95	716.17
Corporate Social Responsibility Expenses (refer note below)	24.66	100.64
Expected credit Loss allowance	-	35.86
Other Selling expenses	112.87	117.68
Total	16,306.23	12,313.30


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
NOTE 36: TAX EXPENSES

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Income tax expense		
Current tax on profits for the year	3,507.02	3,050.15
Earlier year tax adjustment	-	-
Total current tax expenses	3,507.02	3,050.15
Deferred tax		
Decrease/(Increase) in deferred tax assets	33.42	(755.94)
(Decrease)/Increase in deferred tax liabilities	(151.03)	(259.62)
Total Deferred tax expense/(benefit)	(117.61)	(1,015.56)
Recognised in Other comprehensive income	(30.65)	7.39
Income tax expenses	(3420.07)	2,027.19

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

Tax under normal provisions of Income tax act, 1961:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Net profit before taxes	13,698.67	8,086.70
Exceptional items		-
(A) Total Net profit before taxes	13,698.67	8,086.70
(B) Applicable tax rate under normal provisions	25.17%	25.17%
(C) Tax payable under normal provisions as per applicable rate = (A*B)	3,447.68	2,035.26
(D) Increase/decrease in tax on account of :		
Depreciation as per books	483.91	1,273.79
Depreciation as per income tax act, 1961	(307.01)	(284.15)
Expenses disallowed	12.26	25.25
Section 43B	(5.50)	-
Ind AS adjustments	(124.32)	-
Tax as per normal provision under Income Tax (C+D)	3,507.02	3,050.15
Income tax expenses recognised in statement of profit and loss at effective rate of 25.60% (31 March 2021: 37.72%)	3,507.02	3,050.15

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated****NOTE 37: OTHER COMPREHENSIVE INCOME (OCI)**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Re-measurement gains/(losses) on defined benefit plan	(121.79)	29.37
Tax effect on gains/(losses) on defined benefit plan	30.65	(7.39)
Net gains/(losses) on FVTOCI equity securities	11,437.38	2,661.38
Tax effect on FVTOCI equity securities	(2,878.56)	(669.82)
Total	8,467.68	2,013.54

NOTE 38: EARNING PER SHARE (EPS)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Basic Earning per Share		
Net Profit After Tax available for Equity Shareholders	10278.60	6059.51
Weighted Average Number of Equity Shares of Rs.10/- each	171.65	171.65
Basic and diluted	59.88	35.30

NOTE 39: FAIR VALUE MEASUREMENTS**Financial Instruments by category**

The carrying value of financial instruments by categories as of March 31, 2022 is as follows :

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	12,878.04	16.00	12,894.04
Government securities	-	-	0.10	0.10
Venture capital funds	2,760.46	-	-	2,760.46
Mutual funds	730.31	-	-	730.31
Trade receivables	-	-	13,207.76	13,207.76
Cash and cash equivalents	-	-	1,413.52	1,413.52
Bank balances other than Cash and cash equivalents	-	-	9,915.73	9,915.73
Loans	-	-	96.68	96.68
Other financial assets	-	-	469.73	469.73
Total Financial assets	3,490.77	12,878.04	25,119.52	41,488.34
Financial liabilities				
Borrowings	-	-	1,880.36	1,880.36
Trade payables	-	-	7,707.07	7,707.07
Other financial liabilities	-	-	1,936.39	1,936.39
Total Financial liabilities	-	-	11,523.82	11,523.82



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

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

Particulars	FVTPL	FVTOCI	Amortised cost	Total
Financial assets				
Investments				
Equity instruments	-	4,319.22	11.00	4,330.22
Government securities	-	-	0.10	0.10
Venture capital funds	715.00	-	-	715.00
Trade receivables	-	-	9,660.33	9,660.33
Cash and cash equivalents	-	-	685.50	685.50
Bank balances other than Cash and cash equivalents	-	-	13,167.75	13,167.75
Loans	-	-	77.02	77.02
Other financial assets	-	-	720.33	720.33
Total Financial assets	715.00	4,319.22	24,322.02	29,356.24
Financial liabilities				
Borrowings	-	-	6,116.27	6,116.27
Trade payables	-	-	1,203.43	1,203.43
Other financial liabilities	-	-	1,839.90	1,839.90
Total Financial liabilities	-	-	9,159.60	9,159.60

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:

Fair value measurement using	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	12,878.04	-	-	12,878.04
Investment in mutual funds	730.31			
Investment in venture capital funds	2,760.46			
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	16,368.81	5,099.22	-	17,977.26
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:				
Fair value measurement using				
Particulars	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTOCI				
Investment in quoted equity instruments	4,319.22	-	-	4,319.22
Investment in venture capital funds	715.00			
Investment property	-	5,099.22	-	5,099.22
Total Financial assets	5,034.22	5,099.22	-	9,418.44

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.

NOTE 40: CAPITAL MANAGEMENT & RISK MANAGEMENT**Capital Management**

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

The Company is not subject to any externally imposed capital requirements. "The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects to capture market opportunities at minimum risk.


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
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Gearing ratio

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

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total Debt*	47.46	69.29
Equity share capital	1,716.48	1,716.48
Other equity	55,315.30	37,083.96
Total equity	57,031.78	38,800.44
Total debt to Total equity ratio	0.00	0.00

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

Financial risk management and objectives and policies

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements.

A Special Team with Senior Executives having exposure in various fields has been formed to assist Chief Financial Officer (CFO) in (a) Overseeing and approving the Company's enterprise wide risk management framework, and (b) Overseeing that all the risks that the organisation faces such as market risk (including currency risk, interest rate risk and other price risk), Credit risk and liquidity risk have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The CFO, monitors and reports on the principal risks and uncertainties that can impact the company and its ability to achieve strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

A. Market risk

The Company is exposed to market risk through changes in foreign currency exchange rates and changes in interest rates. Financial assets/liabilities affected by this risk are borrowings, letter of credits and trade receivables.

The Company's investments in equity securities are susceptible to price risk arising from uncertainties about future value of the investment securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The company's Board of Directors reviews and approves all equity investment decisions.

Foreign Currency risk management

The Company operates internationally and is exposed to foreign currency risk arising from foreign currency transactions, primarily with respect to the US\$. Foreign exchange risk arises from import as well as exports of goods. The risk is measured through a forecast of highly probable foreign currency cash flows.


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated

The special team as mentioned above analysis the options for hedging. Based on the analysis the management takes decision regarding hedging of foreign currency exposures. Currently, the Company has not hedged any of the foreign currency transactions in the view of the natural hedging. The natural hedging is sufficient to manage the current foreign currency risk management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are restated at the end of each reporting period. The same at the end of the reporting period are as follows :

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	Currency	Amount in FC	Currency	Amount in FC
Receivables for export	USD	25.00	USD	22.10
Payables for imports	USD	76.56	USD	67.49

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollar.

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

	As at 31st March, 2022	As at 31st March, 2021
	Impact on profit before tax	
USD Sensitivity		
Impact due to increase by 5%	(195.43)	(166.82)
Impact due to decrease by 5%	195.43	166.82

Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating base interest rates. Based on the interest rate sensitivity the Company decides on the management of interest rate risk. The Company manages by having a balanced portfolio of variable and fixed interest rate borrowings.

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating base rate borrowings, as follows:


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
40. Capital Management & Risk management (Cont..)

	As at 31st March, 2022	As at 31st March, 2021
	Impact on profit before tax	
Increase/decrease in base points		
50 base points higher	(0.24)	(0.02)
50 base points lower	0.24	0.02

B. Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. Regular monitoring of the receivables is undertaken by the Marketing Department and in case the limits are exceeded, steps will be taken by the Marketing departments and after discussing with the management the Company will decide whether to stop or not further supplies to the concerned dealer till the amount outstanding is recovered. For the export made by the Company, the sales are backed by letters of credit or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken. "Export sales are fully secured through letters of credit or against advance receipts. (refer Note No.9 for Trade Receivables outstanding).

C. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated****Financing arrangements**

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

Particulars	On demand	< 1 year	1 - 5 years	5 + years	Total
As at 31st March, 2022					
Bank borrowings	-	-	47.46	-	47.46
Others - Security deposits	127.99	-	-	-	127.99
Total non-current financial liabilities	127.99	-	47.46	-	175.45
Current borrowings	-	1,832.90	-	-	1,832.90
Trade payables	-	7,707.07	-	-	7,707.07
Other current financial liabilities	-	1,808.39	-	-	1,808.39
Total current financial liabilities	-	11,348.37	-	-	11,348.37
Total	127.99	11,348.37	47.46	-	11,523.82
As at 31st March, 2021					
Bank borrowings	-	-	51.10	-	51.10
Others - Security deposits	177.99	-	-	-	177.99
Total non-current financial liabilities	177.99	-	51.10	-	229.09
Current borrowings	-	6,065.17	-	-	6,065.17
Trade payables	-	1,203.43	-	-	1,203.43
Other current financial liabilities	-	1,661.90	-	-	1,661.90
Total current financial liabilities	-	8,930.50	-	-	8,930.50
Total	177.99	8,930.50	51.10	-	9,159.60

The following table shows summary of the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements:

Exposure arising from	Risk	Measurement	Management
Foreign currency transactions	Market risk - foreign exchange	Cash flow forecasting Sensitivity analysis	Natural hedging
Borrowings with floating interest rates	Market risk - interest rate	Sensitivity analysis	Balanced variable and fixed interest rates
Cash and cash equivalents, trade receivables, financial instruments, financial assets measured at amortised cost.	Credit risk	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Borrowings and Financial liabilities	Liquidity risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

41. CONTINGENT LIABILITIES AND COMMITMENTS:

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Contingent Liabilities		
a) Claims against company not acknowledged as debts	50.79	4.29
b) Guarantees issued by banks on behalf of the company and outstanding at end of the year	12,261.33	124.37
Commitments		
a) Unexpired Letters of Credit established by the Company	6,159.11	5,509.07


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
42. EMPLOYEE BENEFITS:
A) Defined Contribution Plans

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

B) Defined Benefit Plan

The Company's obligation towards the Gratuity Fund is a defined benefit plan and is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefits scheme and the amount recognised in financial statements as per Actuarial Valuation:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
1 Changes in present value of Obligations		
Present value at the beginning of the year	246.44	240.20
Interest cost	16.18	15.74
Current Service Cost	18.93	19.78
Cost PSC - Vested	0.00	0.00
Benefits paid	(15.09)	(12.71)
Actuarial (gain)/loss on obligations	121.79	16.57
Present value at the end of the year	388.26	246.44
2 Changes in fair value of planned assets		
Fair value of plan assets at the beginning of the year	162.16	135.39
Expected return on plan assets	11.06	9.29
Contributions	21.85	17.29
Benefits paid	(15.09)	(12.71)
Actuarial (gain)/loss on planned assets	1.09	12.90
Fair value of plan assets at the end of the year	181.08	162.16
3 Amount recognized in the balance sheet*		
Present value of obligations as at the end of year	388.26	246.44
Fair value of plan assets as at the end of year	181.08	162.16
Net asset/(liability) recognized in balance sheet	207.17	84.28
4 Expenses recognized in Statement of Profit and Loss		
Current service cost	18.93	19.78
Interest cost	16.18	15.74
Expected return on plan assets	11.05	9.29
Total Actuarial Gain/Loss.	1.09	12.90
PSC – Non vested	(0.00)	(0.00)
5 Amount recognised in Other Comprehensive Income*		
Actuarial (gain)/ loss on obligations	121.79	16.57
Actuarial (gain)/loss - plan assets	1.09	12.88
Actuarial (gain)/loss recognized in the year	1.09	12.90


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Consolidated
43. LEASES:

The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The changes in the carrying value of ROU assets for the year ended 31st March, 2022 are as follows:

Particulars	Buildings
Balance as at 1st April 2021	856.55
Additions	-
Deletions	-
Depreciation	120.42
Balance as at 31st March, 2022	736.13

The break-up of current and non-current lease liabilities as at 31st March, 2022 is as follows

(₹ in lakhs)

Particulars	As at 31 st March, 2022
Current lease liabilities	131.51
Non- Current lease liabilities	794.41
Total	925.91

The movement in lease liabilities during the year ended 31st March, 2022 is as follows:

(₹ in lakhs)

Particulars	Buildings
Balance as at 1st April 2021	1,016.64
Finance cost during the year	80.74
Payment of lease	(171.47)
Balance as at 31st March, 2022	925.91

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

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

Particulars	Year Ended 31st March, 2022
(i) Not later than one year	220.00
(ii) Later than one year and not later than five years	690.00
(iii) Later than five years	2920.00

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated**

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

Particulars	Year Ended 31st March, 2022
(i) Not later than one year	48.00
(ii) Later than one year and not later than five years	192.00
(iii) Later than five years	Nil

C. Lease Receipts recognized in the Profit and Loss Account is ₹58.89 Lakhs during the year ended March 31, 2022.

44. SEGMENT REPORTING:

Particulars	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Segment Revenue		
a) Chemicals	79,183.23	57,449.40
c) Trading	46,172.07	32616.54
b) Power generation	4,696.83	6892.41
c) unallocated	1,066.38	663.21
TOTAL	1,31,118.50	97621.56
Less: Inter segment revenue	(3,324.88)	(5875.84)
Net Sales/Income from Operations	1,27,793.62	91,745.73
Segment Results Profit/(Loss)Before tax and interest:		
a) Chemicals	10,906.67	6209.31
b) Trading	1,336.41	897.72
b) Power generation	710.03	864.02
c) unallocated	1,066.38	663.21
TOTAL	14,019.49	8634.25
Less: I) a) Interest Expenses	(320.82)	(547.56)
Total Profit before Tax	13,698.67	8086.70
Segment Assets		
a) Chemicals	52,888.46	42078.09
b) Trading	7,060.28	864.93
b) Power generation	2,406.79	3,903.85
c) Others	16,384.91	5045.32
TOTAL	78,740.45	51,892.19
Segment Liabilities		
a) Chemicals and Trading	15,325.89	12,922.42
b) Trading	6,381.03	153.42
b) Power generation	1.75	15.90
c) Others		-
TOTAL	21,708.66	13091.75


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
45. RELATED PARTY DISCLOSURES

As required under Ind As 24, Related Party Disclosures, the following are the related parties identified, transactions with such related parties during the year ended 31st March, 2022 and the balances as on that date are given below:

Related party Transactions:

1.	Related Parties	Transactions during the year
1.1	Subsidiary Company	
	TGV Sodium & Electrolite Private Limited	Yes
	TGV metals and chemicals private limited	Yes
1.2	Person has control or significant influence on the Company	
	T G Bharath	Yes
1.3	Close members of family of T G Bharath	
	T G Venkatesh – Father	Yes
1.4	Entities controlled by T G Bharath and close members of his family	
	TGV SRAAC Limited	Yes
	T G V Projects & Investments Private Limited	Yes
	Sree Rayalaseema Galaxy Projects Private Limited	Yes
	Gowri Gopal Hospitals Private Limited	Yes
	Brilliant Industries Private Limited	Yes
	TGV Industries Private Limited	Yes
	M V SALTS and chemicals Private Limited	Yes
	GG ICU LLP	Yes
1.5	Key Managerial Personnel	
	T G Bharath – CMD	Yes
	V Surekha – Company Secretary	Yes
	ShaikIfthekhar Ahmed – Chief Financial Officer	Yes

**Notes to financial statements for the year ended 31st March, 2022 (Contd...)***(All amounts in ₹Lakhs, except otherwise stated)***Consolidated****45. Related Party Disclosures (Contd...)****a. Transactions during the year :**

Particulars	Related Parties as per para 1.1,1.2,1.3,1.4,1.5				
	1.1	1.2	1.3	1.4	1.5
Purchase / subscriptions in investments	15.00	Nil	Nil	Nil	Nil
Redemption of investments(CRPS)	Nil	Nil	Nil	Nil	Nil
Net loans and advances given / received	Nil	Nil	Nil		Nil
Revenue from operations	Nil	Nil	Nil	5257.51	Nil
Purchase of raw material / Material consumed	Nil	Nil	Nil	18632.72	Nil
Employee benefits	Nil	713.89	Nil	Nil	17.56
Rent	Nil	57.01	63.14	252.24	Nil
Services Received	Nil	259.60	259.60	687.99	Nil
Services Rendered	Nil	Nil	Nil	149.46	Nil
Rental Deposit	Nil	Nil	Nil	Nil	Nil

b. Outstanding balances

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Other Current Assets - Advances to Related Parties	20.22	2794.83
Other Current Financial Liability	13.69	176.45
Other Non Current Assets	209.88	209.88
Rental Deposit to Key Managerial Personnel (KMP) and Relative of KMP	160.00	160.00


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated
c) Summary of transactions with the above related parties as follows:
Enterprises where significant influence of key managerial personnel or their relatives exists:

Name of the party	Nature of Transaction	For the year ended 31.03.2022	For the year ended 31.03.2021
TGV SRAAC Ltd	Purchases	14,350.21	12,477.94
	Sales	4,905.41	9953.05
	Lease Rentals	7.87	7.46
	Services rendered	149.46	-
	Services received	39.09	-
Gowri Gopal Hospitals Pvt Limited	Purchases	1.83	12.84
	Sales	3.16	3.18
	Lease Rentals	19.05	19.04
	Services Received	31.32	37.91
TGV Projects and Investments Pvt Ltd.,	Purchases	0.00	0.00
	Sales	2.48	1.36
	Lease Rentals	225.32	213.73
	Services Received	122.36	101.07
SreeRayalaseema Galaxy Projects Ltd.,	Purchases	22.26	18.21
	Sales	247.86	109.22
	Services Received	492.28	436.40
TGV INDUSTRIES PVT LTD	Purchases	4258.42	3244.55
	Sales	98.60	83.75
	Rent received	28.32	
GG ICU LLP	Services Received	2.94	1.03
BRILLIANT INDUSTRIES PVT LTD	Loan Given	550.00	0.00
	Loan Repaid	1470.11	0.00
TGV Metals and chemical Private Limited	Shares capital	5.00	0.00
	Share application	10.00	0.00
	Rent Received	1.50	0.00
Shri TG Venkatesh,	Rent paid	63.14	63.14
	Services Received	259.60	260.00
Shri. TG BHARATH, Chairman and Managing Director	Rent paid	57.01	51.82
	Remuneration Employers	713.89	416.45
	Contribution to P.F.	0.70	0.67
	Services Received	259.60	260.00
Smt. V. Surekha Company Secretary	Remuneration Employers	8.14	7.59
	Contribution to P.F.	0.20	0.20
Sri S Iftekhar Ahmed Chief Financial Officer	Remuneration Employers	9.02	8.64
	Contribution to P.F.	0.20	0.19


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Consolidated
46. INCOME AND EXPENDITURE IN FOREIGN CURRENCY

Earnings in Foreign Currency (₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
FOB value of exports	24,777.13	23,921.55

Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
i) Commission Paid	16.54	77.78
ii) Freight and CFS	4,887.33	3006.90
iii) Machinery and Spares	48.73	34.71
iv) Fee and Charges	0.94	0.86
v) Other	1.82	0.35

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

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw Materials & Coal	58,295.03	29,413.08

47. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

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

(₹ in lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end. (all dues are outstanding within appointed date)	73.72	261.93
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	Nil	Nil
c) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
d) Principal payment made to suppliers registered under the MSMED Act, beyond the appointed day during the year;	Nil	Nil
e) Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
f) Interest due and payable for the year amount of interest accrued and remaining unpaid at the end of each year towards suppliers registered under MSMED Act, for payments already made; and	Nil	Nil
g) Further interest remaining due and payable for even in succeeding years.	Nil	Nil


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Consolidated
48. REVENUE FROM CONTRACTS WITH CUSTOMERS:

The Company is producer of calcium hypochlorite, sulphuric acid, stable bleaching powder, hydrogen gas, sodium methoxide, sodium hydride and also in coal trading and generation and distribution of Power.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

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

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

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

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

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

The Company represents revenue net of indirect taxes in its Statement of Profit and Loss.

A. Disaggregate revenue information

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

(₹ in lakhs)

Sl.No.	Revenue by contract type	As at 31st March, 2022	As at 31st March, 2021
1	Fixed time frame	1,23,623.65	87,619.91
2	Time and material	2,710.90	3,294.28

B. Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of entity's performance completed to date.

The aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 is ₹ 595 Lakhs out of which, approximately 100% is expected to be recognized as revenues within one year and the balance beyond one year.



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

49. VALUE OF RAW MATERIALS CONSUMED

PARTICULARS	As at 31 st March, 2022		As at 31 st March, 2021	
	Rs in lakhs	%	Rs in lakhs	%
a) Imported	58,154.55	63.96%	29,413.08	53.93
b) Indigenous	32,764.61	36.04%	25,127.55	46.07
Total	90,919.16	100	54,540.63	100

50. CONFIRMATION OF BALANCES

Confirmation of balances from certain parties for amounts due to them or due from them are yet to be received confirmation letters were received from some of the parties. And as per the letter of confirmation the balances are deemed to be accepted if not responded with in 15 days

51. IMMOVABLE PROPERTY NOT HELD IN THE NAME OF COMPANY

Sl.No.	Balance sheet head	Description of property	Gross carrying value (in lakhs)	Title deeds in the name of	Whether title deeds holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since date (Financial Year)	Reason for not being held in the name of the Company
1	Property plant and Equipments	Land	2,37,576	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
2	Property plant and Equipments	Land	3,57,772	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
3	Property plant and Equipments	Land	14,92,627	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
4	Property plant and Equipments	Land	23,30,990	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process
5	Property plant and Equipments	Land	42,54,639	Amalgamated company	No	Date of Amalgamation	This was received in scheme of Amalgamation. Change of title is under process



Notes to financial statements for the year ended 31st March, 2022 (Contd...)

(All amounts in ₹Lakhs, except otherwise stated)

Consolidated

52. Corporate Social Responsibility(CSR) expenses :

Disclosure relating to Corporate Social Responsibility (CSR)

The company is covered by provisions of Section 135 of the Companies Act, 2013 to spend 2% of average net profits towards corporate social responsibility. The details for CSR are furnished below:

S.No.	Particulars	As at 31.03.2022	As at 31.03.2021
1	Amount required to be spent by the company during the year	112.35	83.11
2	Amount of expenditure incurred	24.66	100.64
3	Excess/shortfall at the end of the year	(87.69)	17.53
4	Previous years Excess/(shortfall)	89.23	71.70
5	Total Exces/(shortfall)	1.54	89.23
6	Reasons for shortfall	Nil	Nil
7	Details of Related party transactions	Nil	Nil
8	Provisions made with respect to a liability incurred by entering in to a contractual obligation and movement in provisions thereon	Nil	Nil
9	Details of nature of CSR Expenditure		
	Health care sanitation	6.47	80.14
	Education & Skill Development	0.23	1.85
	Drinking water to people of nearby areas	12.56	5.55
	Animal Welfare	5.40	13.10
	Total	24.66	100.64

Unspent amount

S.No.	Particulars	For the year ended	
		31.03.2022	31.03.2021
1	Unspent (over spent)amount of ealier years	89.23	71.70
2	Liability for the current year	-112.35	-83.11
3	Amount spent during the year	24.66	100.64
	Amount un spent/(over spent)	1.54	89.23

53. RATIOS

Particulars	31-Mar-22	31-Mar-21	Variance	Reasons
A Current ratio	2.36	2.65	0.29	-
B Debt Equity ratio	0.00	0.00	0.00	-
C Debt Service Coverage ratio	0.00	0.00	0.00	-
D Return on Equity ratio	0.18	0.16	0.02	-
E Inventory turnover ratio	0.11	0.04	0.07	-
F Trade Receivables turnover ratio	2.77	2.55	0.22	-
G Trade Payables turnover ratio	9.64	8.68	0.96	-
H Net Capital turnover ratio	4.61	4.69	0.08	-
I Net Profit ratio	0.08	0.07	0.01	-
J Return on capital employed	0.24	0.21	0.03	-
K Return on Investment	0.00	0.00	0.00	-


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹ Lakhs, except otherwise stated)
Consolidated
Note:

1. Total Debt = Long term Borrowings (including current maturities of Long term Borrowings), Sales tax deferrment loan
(Current and non-current), short term borrowings and Interest accrued on Debts
2. Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + interest+ other adjustments like loss on sale of Fixed assets etc
3. Debt service = Interest & Lease Payments + Principal Repayments
4. Avg. Shareholder's Equity = Average of Opening Total Equity and Closing Total Equity
5. Avg. Inventory = Average of Opening Inventory and Closing Inventory
6. Avg. Trade Receivable = Average of Opening Trade Receivables and Closing Trade Receivables
7. Avg. Trade Payables = Average of Opening Trade Payables and Closing Trade Payables
8. Working capital shall be calculated as current assets minus current liabilities
9. Capital Employed = Tangible Net Worth (excluding revaluation reserve) + Total Debt + Deferred Tax Liability
10. Average Total Assets = Average of Opening Total Assets and Closing Total Assets
11. Average Total equity = Average of Opening Equity Share capital + other equity and Closing Equity share capital + other equity.

Additional Regulatory Information:

- (1) The Company has not granted any loans or Advances in the nature of Loans to Promoters, Directors, KMPs and other related parties except Rs.20.22 lakhs to subsidiaries (See Note No. 14) which are without specifying terms and period of repayment and constitutes 100% of total advances.
- (2) The company has no investment property as at the close of the year for fair valuation. The company has not revalued its Property Plant and Equipment (including Right of Use Assets).
- (3) The Company is not holding any Benami property and no proceeding has been initiated or pending against the company.
- (4) The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey or any relevant provisions of Income Tax Act, 1961)
- (5) (A) The Company has not advanced or loaned or invested any funds in any other person(s) or entity(ies), including foreign entities (intermediaries) with understanding that the intermediary shall be directly or indirectly lend or invest in other person or entities on behalf of the company or provide any guarantee or security or the like to or on behalf of the company.
(B) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that company shall lend or


Notes to financial statements for the year ended 31st March, 2022 (Contd...)
(All amounts in ₹Lakhs, except otherwise stated)
Consolidated

invest in other person or entity identified in any manner by or on behalf of the funding party/Ultimate beneficiary or provide any guarantee or security or the like on behalf of the funding party/Ultimate beneficiary.

- (6) The Company is not declared as willful defaulter by any Bank or Financial Institutions or RBI or other lenders.
- (7) The Company has borrowings from Banks or Financial Institutions on the basis of security of Current Assets. Quarterly returns or Statement of Current Assets filed by the company with Banks or Financial Institutions are in agreement with the Books of Accounts with some insignificant variances.
- (8) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (9) The company has no transactions and no relationship with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (10) The Company has not made any investments through any layers of investment companies.
- (11) There are no Schemes of Arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (12) The Company has not invested or traded in Crypto currency or Virtual Currency during the financial year 2021-22.
- 54.** Figures have been rounded off to the nearest decimal of lakhs as required under Schedule III.
- 55.** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current Year's classification/ disclosure.

As per our report of even date attached.

For T. Adinarayana & Co.,
Chartered Accountants (Regn.No.000041S)

Sd/-
C.A. Y. Pulla Rao
Partner
Membership No.25266
UDIN No:22025266AKAAUS2329

Place: Kumool
Date : May 30, 2022

For and on behalf of the Board

Sd/- Sri T.G.Bharath Chairman & Managing Director	Sd/- Smt. R.Triveni Director
Sd/- Smt. V.Surekha Company Secretary	Sd/- Sri S. Ifthekhar Ahmed Chief Financial Officer

Place: Kumool
Date : May 30, 2022



If undelivered, please return to :

Sree Rayalaseema Hi-Strength Hypo Limited
T.G.V. Mansion, 6-2-1012, 4th Floor,
Above ICICI Bank, Khairatabad,
Hyderabad - 500 004.
Telangana State. India.