

RADIX INDUSTRIES (INDIA) LTD

**Registered Office: 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District,
Andhra Pradesh. E-mail: radixindustries@gmail.com PH : 040- 64523706
CIN: L37200AP1993PLC016785 Website: www.radixindustries.in**

To
Corporate Relations Department.
The B S E Limited
P.J Towers, Dalal Street
Mumbai – 400001

Date: 23.08.2020

Dear Sir,

Sub: -Submission of Annual Report for the Financial Year – 2019-20

Scrip Code: 531412

**Ref: Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements),
Regulations, 2015**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing here with, Annual Report of the Company along with Notice of Annual General Meeting of the Company for the Financial Year 2019-20

This is for your information and records.

Kindly take the same on record and acknowledge

Thanking You

For Radix Industries (India) Limited



**P Lenin Babu
Company Secretary & Compliance officer**



26th
Annual Report
2019-20

RADIX INDUSTRIES (INDIA) LIMITED

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CORPORATE INFORMATION

BOARD OF DIRECTORS

- Sri. G. Raghu Rama Raju : Managing Director
- Smt. G. Parvathi : Director
- Sri. G. Ganapathi Rama Prabhakara Raju : Director & CFO
- Sri S. Siva Rama Prasad : Independent Director
- Sri Kathari Siddhardha : Independent Director
- Sri M. Kiran Phani Varma : Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER : Sri P. Lenin Babu

STATUTORY AUDITORS : M/s. K S Rao & Co.
Chartered Accountants, Vijayawada

INTERNAL AUDITORS : Sri Papolu Anjaneyulu,
Chartered Accountants
D No13-84, Kambalavari
Street, Penugonda- 534320

CIN : L37200AP1993PLC016785

REGISTERED OFFICE : Door No. 4-243
Chivatam, Near NH-5 Road
Tanuku - 534211, West Godavari Dist,
Andhra Pradesh, India

BANKERS : State Bank of India, Tanuku
Axis Bank, Tanuku

LISTED AT : The BSE Limited, Mumbai

**REGISTRARS &
SHARE TRANSFER AGENTS** : M/s. Bigshare Services Private Limited
Local office at 306, Right Wing, Amrutha
Ville, Opp. Yashoda Hospital, Somajiguda,
Rajbhavan Road, Hyderabad - 500 082

SECRETARIAL AUDITORS : M/s. P. S. Rao & Associates
Company Secretaries
Flat No.10, 4th Floor, D. No.6-3-347/22/2
Ishwarya Nilayam, Opp. Sai Baba Temple,
Dwarakapuri Colony, Punjagutta,
Hyderabad - 500 082,
Telangana, India.

NOTICE

Notice is hereby given that the **Twenty Sixth Annual General Meeting** of the members of the Company will be held on Monday, 14th Day of September, 2020 at 11.00 a.m. through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2020 and the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date along with the Report of the Board of Directors and the Auditors thereon
2. To declare dividend of Rs.0.50/- per Equity Share of Rs.10/- each to the shareholders for the financial year 2019-20.
3. To appoint a Director in the place of Sri. G. Ganapathi Rama PrabhakaraRaju, (DIN: 00454614) who retires by rotation and being eligible offers himself for re-appointment.
4. Increase in remuneration payable to Statutory Auditors of the Company

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

"RESOLVED THAT pursuant to Sections 139,141,142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the Act and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), remuneration payable to M/s. K.S.Rao & Co, Chartered Accountants (Firm Registration No.003109S), Statutory Auditors of the Company, for a remaining tenure of 4 years of their appointment from conclusion of 26th Annual General Meeting until the conclusion of 30th Annual General Meeting of the Company be and is hereby increased to Rs. 50,000/- per annum plus out of pocket expenses and taxes at the applicable rates".

SPECIAL BUSINESS:**5. Re appointment of Mr. G Raghu Rama Raju as Managing Director of the Company**

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

"RESOLVED THAT pursuant to Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and as recommended by Nomination Remuneration Committee approval of the Company, Mr. G Raghu Rama Raju be and is here by re appointed as Managing Director of the Company for a period of 3 years from 1st September, 2020 to 31st August, 2023 with liberty to the Board/ Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board/ Nomination and Remuneration Committee and Sri G. Raghu Rama Raju".

| | | |
|----|---|---|
| 1. | Monthly Remuneration (Basic Salary Other Perquisites and Allowances) | Rs.1,00,000/- per month |
| 2. | Overall remuneration: | Overall remuneration including salaries, perquisites and other allowances shall not exceed an amount of Rs. 1,00,000 per month. Further, within the overall remuneration, the individual components may be changed as desired by Sri G Raghu Rama Raju and accepted by the Nomination and Remuneration Committee. |
| 3. | Minimum remuneration: | In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration subject to the ceiling mentioned in Schedule V of the Companies Act 2013 from time to time |

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

6. Re appointment of Shri Kathari Siddhardha as an Independent Director of the Company

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

"RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr.Kathari Siddhardha (DIN: 07005720), who was appointed as an Independent Director of the Company at the 21st Annual General Meeting of the Company and who holds office of the Independent Director up to 27th September, 2020 and who is eligible for being re-appointed as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of Five consecutive years commencing from 14th September, 2020 to 13th September, 2025 and his term of office is not liable to retire by rotation."

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs has permitted the holding of the Annual General Meeting through Video conferencing mode, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020, SEBI Circular dated May 12, 2020 the AGM of the Company is being held through Video conferencing (VC).
2. 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, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
3. The Explanatory Statement as required under section 102 of the Companies Act, 2013 is annexed hereto. Further, additional information with respect to Item No. 4, 5 and 6 is also annexed hereto.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mohitkamdard@yahoo.co.in or radixindustries@gmail.com.
5. The Register of Members and Transfer Books of the Company will be closed from Monday, 7th September, 2020, to Monday 14th September, 2020 (both days inclusive).
6. The dividend, if declared at the Annual General Meeting, would be paid after 14th September, 2020 to those persons or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on Friday, 4th September, 2020 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before 07th September, 2020.
7. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
8. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to RTA/

Company to update their Bank Account details. Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant.

9. SEBI has decided that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
10. Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2019-20 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company/RTA.. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with RTA (in case of Shares held in physical form). For any communication, the Members may also send requests to the Company's email id: radixindustries@gmail.com
11. Members desirous of getting any information about the accounts and / or operations of the company are requested to write to the company at least seven days before the date of the Meeting to enable the company to keep the information ready at the Meeting.
12. In Compliance with the MCA circulars and SEBI Circular dated 12th May, 2020 Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company. Members may note that the Notice and Annual Report 2019-20 will also be available on the website of the Company www.radixindustries.in, website of BSE i.e www.bseindia.com and on the website of CDSL, www.evotingindia.com
13. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. At the 25th AGM held on 19th September, 2019 the Members approved appointment of M/s. K S Rao & Co. as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 30th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.
15. Members who have not yet encashed the dividend warrants from the financial year ended 31st March 2014 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount.
16. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
17. Members are requested to:-
 - (a) intimate to RTA, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
 - (b) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialised form;
 - (c) quote their folio numbers/Client ID/DP ID in all correspondence;

- (d) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
 - (e) register their Permanent Account Number (PAN) with their Depository Participants, in case of Shares held in dematerialised form and RTA/ Company, in case of Shares held in physical form, as directed by SEBI.
18. 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/ RTA (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 radixindustries@gmail.com on or before 14th September, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

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, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to radixindustries@gmail.com. The aforesaid declarations and documents need to be submitted by the shareholders on or before 14th September, 2020.

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

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through 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.radixindustries.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. 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.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING :

- (i) The voting period begins on Friday, September 11, 2020 at 09.00 hrs and ends on Sunday, September 13, 2020 at 17.00 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date ie., Monday, September, 7th may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Board of Directors have appointed Mr. Mohit Gurjar Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website www.evotingindia.com.
- (v) Click on "Shareholders" module.
- (vi) 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.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - My easi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vii) Next enter the Image Verification as displayed and Click on Login.

(viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on

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

an earlier e-voting of any company, then your existing password is to be used.

- (ix) If you are a first time user follow the steps given below:
- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) 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.
- (xii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant Company ie., Radix Industries (India) Limited on which you choose to vote.
- (xiv) 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.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) 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.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) 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.
- (xx) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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 at** radixindustries@gmail.com or to RTA at bsshyd@bigshareonline.com
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company at radixindustries@gmail.com or to RTA at bsshyd@bigshareonline.com
3. The Company Secretary shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 from September, 8, 2020 9.00 a.m. to September, 11, 2020 5.00 p.m., 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 i.e., from September, 8, 2020 9.00 a.m. to September, 11, 2020 mentioning their name, demat account number/folio number, email id, mobile number at radixindustries@gmail.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those 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.
3. 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.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; radixindustries@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

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

General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on September, 07, 2020.
- ii. The Scrutinizer, after scrutinising the votes cast through remote e-voting and during AGM will, not later than 48 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 consolidated scrutinizer's report shall be placed on the website of the Company www.radixindustries.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

Place: Tanuku
Date : 08.08.2020

Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)

**EXPLANATORY STATEMENT IN RESPECT OF THE ORDINARY / SPECIAL BUSINESS
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4:**

Citing to increasing responsibilities and additional amount of work and time involved in conducting the audit in line with new amendments notified by Ministry of Corporate Affairs from time to time, a request has been received from M/s. K.S.Rao & Co, Chartered Accountants. Statutory Auditors of the Company to consider the proposal for increasing the remuneration. Considering the industry standards and the responsibilities, the Audit Committee in their Committee Meeting held on 08.08.2020 has recommended to increase the remuneration of Statutory Auditors of the Company to Rs. 50,000/- per annum plus out of pocket expenses and taxes at the applicable rates.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for fixing remuneration of Statutory Auditors by means of an ordinary resolution. Accordingly, approval of the members is sought for increasing the remuneration of M/s. K.S.Rao & Co , Chartered Accountants, Statutory Auditors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is concerned or interested in the Resolution financially or otherwise.

The Board of Directors recommend the resolution for approval of the members by way of ordinary resolution.

ITEM NO. 5:

The Board of Directors at its Meeting held on 8th August, 2020 has re-appointed Shri. G Raghu Rama Raju as Chairman & Managing Director of the Company for a period of 3 years w.e.f 01.09.2020 at a remuneration of Rs. 1.00 Lakh per month inclusive of any remuneration directly or otherwise or by way of salary and perquisites, performance based rewards/ incentives to Mr G Raghu Rama Raju Managing Director of the Company subject to approval of Shareholders..

Any appointment or reappointment or alteration in terms of appointment of Managing Director requires approval of members by way of Ordinary Resolution. Further, In terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on 9th May, 2018 ("Amended Listing Regulations"), the fees or compensation payable to Executive Directors who are Promoters or members of the Promoter group, shall be subject to the approval of the shareholders by Special Resolution in general meeting, if: a. The annual remuneration payable to such Executive Director exceeds rupees 5 crore or 2.5 per cent of the net profits of the Listed Entity, whichever is higher; or b. Where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the Listed Entity. Hence the Board commends the approval of shareholders for this item by way of Special Resolution.

Excepting for Mr G Raghu Rama Raju, Appointee, himself and Mrs G Parvarthi wife of G Raghu Rama Raju and G PrabhakaraRaju, being relative of G Raghu Rama Raju, none of the directors, KMPs or their relatives are interested financially or otherwise for the item No. 5 of the accompanying notice.

Information pursuant to Section II of Part II of Schedule V of Companies Act, 2013

| I General Information | | | | | | | | | | | | | | | | | |
|--|--|-------------|---------|---------|---------|-------------------------|---------|---------|---------|-------------------|--------|--------|--------|----------------------|--------|--------|--------|
| a) Nature of Industry | Makers of Human Hair wigs and extentions | | | | | | | | | | | | | | | | |
| b) Date or Expected date of commencement of commercial production | FY 2010-11 | | | | | | | | | | | | | | | | |
| c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable | | | | | | | | | | | | | | | | |
| d) Financial performance based on given indicators | <p style="text-align: right;">Rs in Lakhs</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2017-18</th> <th>2018-19</th> <th>2019-20</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>1206.58</td> <td>1069.60</td> <td>1058.03</td> </tr> <tr> <td>Profit before tax</td> <td>172.71</td> <td>173.37</td> <td>169.69</td> </tr> <tr> <td>Net Profit after Tax</td> <td>126.22</td> <td>124.60</td> <td>119.06</td> </tr> </tbody> </table> | Particulars | 2017-18 | 2018-19 | 2019-20 | Revenue from Operations | 1206.58 | 1069.60 | 1058.03 | Profit before tax | 172.71 | 173.37 | 169.69 | Net Profit after Tax | 126.22 | 124.60 | 119.06 |
| Particulars | 2017-18 | 2018-19 | 2019-20 | | | | | | | | | | | | | | |
| Revenue from Operations | 1206.58 | 1069.60 | 1058.03 | | | | | | | | | | | | | | |
| Profit before tax | 172.71 | 173.37 | 169.69 | | | | | | | | | | | | | | |
| Net Profit after Tax | 126.22 | 124.60 | 119.06 | | | | | | | | | | | | | | |
| e) Foreign investments or collaborations, if any | Not Applicable | | | | | | | | | | | | | | | | |
| II Information about the appointee | | | | | | | | | | | | | | | | | |
| a) Background details | Sri G. Raghu Rama Raju, aged 54 Years, is a Post graduate in Business Management from Shivaji University and Diploma in Labour Laws and Labour Welfare. In the year 1995, he floated a mini cement manufacturing Unit and erected a mini cement plant (clinker grinding unit) at Hyderabad. In the year 1998, he worked as Export Executive with M/S Geetha Enterprises, Eluru, pioneer in the field of Process and Export of Human Hair. Later on he floated a Partnership firm M/s Veenalmpex (100% E.O.U) during July 1999, which was later converted in to a company in the name and style of M/S Arqube Industries (India) Limited which isalso an 100% E.O.U and is the Managing Director of the Company | | | | | | | | | | | | | | | | |
| b) Past remuneration | He was drawing Rs 1.00 lacs PM as salary in the Company during his existing tenure as MD. | | | | | | | | | | | | | | | | |
| c) Recognition and award | Not Applicable | | | | | | | | | | | | | | | | |
| d) Job profile and his suitability | Sri G. Raghu Rama Raju, hasbeen in the Industry for more than two decades and has vast experience in human hair industry | | | | | | | | | | | | | | | | |
| e) Remuneration proposed | As detailed in the resolution | | | | | | | | | | | | | | | | |

| | |
|---|---|
| f) Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | Considering the turn around achieved under the guidance of Sri Raghu Rama Raju and the responsibility casted on him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses |
| g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any | Does not have any pecuniary relationship with the Company except remuneration drawn as Managing Director |
| III Other information | |
| a) Reason for loss or inadequate profits | The Company is in early stage of growth and achieving the higher profitability will take some time. |
| b) Steps taken or proposed to be taken for improvement | The Company is exploring new export markets and concentrating on sale of ready to use human wigs and hair extensions. |
| c) Expected increase in productivity and profits in measurable terms | The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is difficult in the present scenario to predict revenues and profits in measurable terms |

Item No. 6:

Mr. Kathari Siddhardha, was appointed as Independent Directors on the Board of the Company pursuant to the provisions of section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, by the Shareholders at the 20th Annual General Meeting ("AGM") of the Company held on 28th September, 2015. He holds office as Independent Director of the Company up to 27th September, 2020.

Mr. Kathari Siddhardha

The Nomination & Remuneration Committee at its Meeting held on 08th August, 2020 on the basis of performance evaluation of Independent Directors and taking into account the, the knowledge, experience and the contribution made by Mr. Kathari Siddhardha, during his tenure, has recommended to the Board that his continued association as Independent Directors of the Company would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommends the re-appointment of Mr. M. Kathari Siddhardha, as Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years on the Board of the Company commencing from 14th September, 2020 to 13th September, 2025.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval of the Members.

Brief details and additional information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) and Reg 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment / re-appointment are provided separately.

ADDITIONAL INFORMATION

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding
Director seeking appointment / re-appointment and
**(Pursuant to Regulation 36(3) SEBI (Listing Obligation and Disclosure requirements)
Regulation, 2015)**

| Name of the Director | G Ganapathi Rama Prabhakara Raju | G Raghu Rama Raju | M Kathari Siddhardha |
|--|--|---|---|
| Date of Birth | 09.08.1963 | 15.08.1966 | 01.08.1987 |
| Date of Appointment on the Board | 14.02.2011 | 29.12.2011 | 30.10.2014 |
| Qualification, Experience & Expertise | He holds a Diploma in Civil Engineering, with more than two decades of experience in different Industries including hair. His forte is Interpersonal and problem solving skills. | He holds a Post Graduate in Business Management from Shivaji University and Diploma In Labour Laws and Labour Welfare, with more than two decades of experience in different Industries including hairs. His forte is Interpersonal and problem solving skills. | He holds Masters in Business Administration in Marketing and Finance He has vast experience in the field of Marketing and Administration and as a Manager. |
| Shareholding | 7,500 | 92,47,500 | Nil |
| Disclosures of relationship with other directors | Mr. G. Ganapathi Rama Prabhakara Raju is the brother of Mr. Gokaraju Raghu Rama Raju and Brother in law of Mrs. Parvathi Gokaraju | Mr. G Raghu Rama Rahu is brother of Mr. Gokaraju Prabhakararaju and Husband of Smt. Parvathi Gokaraju | NA |
| Terms and Conditions of Appointment with details of Remuneration | Mr. G. Ganapathi Rama Prabhakara Raju was appointed as a non-executive director of the Company, liable to retirement by rotation with no remuneration. | Mr. G Raghu Rama Raju has been appointed as Managing Director of the Company and the remuneration proposed is Rs. 1.00 Lakh per month | Mr Kathari Siddhardha has been appointed as Independent Director of the Company |
| Last drawn Remuneration, if any | NA | Rupees 1.00 Lakh per month | NA |

| Name of the Director | G Ganapathi Rama Prabhakara Raju | G Raghu Rama Raju | M Kathari Siddhardha |
|--|---|-----------------------------------|--|
| No. of board meetings attended during the year | 8 | 8 | 8 |
| Directorship in other Companies (Excluding Foreign Companies and Section 25 Companies) | He is not a Director in any other company | Arqube Industries (India) Limited | He is not a Director in any other company. |
| Membership / Chairmanships of Committees in other Companies | Nil | Nil | Nil |

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

DIRECTORS' REPORT

Your Directors hereby present the **Twenty Sixth Annual Report** together with the Audited Accounts of the company for the financial year ended 31st March, 2020.

Financial Summary or Highlights/Performance of the Company:

The financial highlights for the current year in comparison to the previous year are as under:

(Rupees in Lakhs)

| PARTICULARS | Current Year (2019-20) | Previous Year (2018-19) |
|--|---------------------------|----------------------------|
| Revenue from Operations | 1058.03 | 1069.60 |
| Other Income | 0.08 | - |
| Total Revenue | 1058.11 | 1069.60 |
| Total Expenditure (Before Financial Charges, Depreciation) | 859.81 | 863.54 |
| Profit before Finance Charges, Tax Expenses, Exceptional items and Depreciation | 198.30 | 206.06 |
| Less : Depreciation | 3.50 | 3.96 |
| Profit before Finance Charges, Tax Expenses, Exceptional items | 194.80 | 202.10 |
| Less : Finance Charges | 25.11 | 28.73 |
| Profit before Tax Expenses and Exceptional items | 169.69 | 173.37 |
| Add : Exceptional Items | - | - |
| Profit before Tax | 169.69 | 173.37 |
| Provision for Tax | 50.63 | 48.77 |
| Profit after Tax | 119.06 | 124.60 |
| Total Comprehensive Income | 119.06 | 124.60 |
| Less: Transfer to Reserves | - | - |
| Balance | 119.06 | 124.60 |
| Balance of profit of earlier years | 576.98 | 572.99 |
| Less : Dividend Paid on Equity Shares | 100.05 | 100.04 |
| Dividend Distribution Tax | 20.57 | 20.57 |
| Bonus issue | 500.24 | - |
| Balance Carried Forward | 75.18 | 576.98 |

COMPANY PERFORMANCE:

In the Financial Year 2019-20, owing to market conditions and other factors, your Company has made a revenue of Rs.1058.03 Lacs in the current financial year as compared to Rs.1069.60 Lacs for the previous financial year. Your Company has posted net profit after tax of Rs.119.06 Lacs in the current year as compared to Rs. 124.60 Lacs in the previous financial year. Your Directors are confident of increasing the top line and bottom line with sustainable growth in the in the years to come.

EXIT FROM 100% EOU:

The Company has applied for exit from 100% EOU Scheme and received the final exit order from 100% EOU Scheme dated 26.04.2019, from the Office of the Development Commissioner, Visakhapatnam Special Economic Zone, Visakhapatnam.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business during the FY 2019-20

DIVIDEND:

The Board recommends Final dividend of Re.0.50/- per Equity Share i.e. 5% on face value of Rs.10/- per equity share to the shareholders for the financial year 2019-20.

TRANSFER TO RESERVES:

Your Company has not transferred any amount to reserves during the financial year.

CREDIT RATING

The Credit Rating of the company were reaffirmed during the year by ICRA Limited as follows.

| S.No | Instrument | Rating Action |
|------|-----------------------------|------------------------------|
| 1 | Long term - Fund based/CC | [ICRA]BB(Stable); Reaffirmed |
| 2 | Short-Term - Non fund based | [ICRA]A4; Reaffirmed |
| 3 | Long term/Short term | [ICRA]BB (Stable)/[ICRA]A4 |
| 4 | Unallocated Limits | Reaffirmed |

THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

Till date the Company does not have any Subsidiaries, Associates or Joint Ventures.

STATUTORY AUDITORS:

M/s. K.S.Rao & Co., Chartered Accountants (Firm Registration No.003109S), were appointed as Statutory Auditors of the Company for a period of 5 Years from the Conclusion of 25th Annual General Meeting of the Company till the conclusion of 30th Annual General Meeting of the Company subject to ratification by members in every Annual General Meeting.

However, with the introduction of provisions of companies (Amendment) Act, 2017, ratification of appointment of Statutory Auditor has been omitted with effect from 7th May, 2018. Hence, the agenda for ratification of appointment of M/s. K.S.Rao & Co., Chartered Accountants, as Statutory Auditors has not been proposed in the Notice convening the Annual General Meeting.

The Independent Auditors report given by M/s. K.S.Rao & Co., Chartered Accountants, the Statutory Auditors of the Company on standalone Financial Statements of the Company does not contain any qualification, reservation or adverse remark.

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Companies Act, 2013 and the rules made thereunder.

INTERNAL AUDITORS:

The Board of Directors based on the recommendation of the Audit Committee have re-appointed Sri. Papolu Anjaneyulu, Chartered Accountants, as internal Auditors of the Company, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. P.S.Rao & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial year 2019-20 and accordingly report issued by the Secretarial Auditors is annexed herewith as "Annexure I" to this report.

MAINTENANCE OF COST RECORDS:

Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

Smt. G Ganapthi Rama PrabhakaraRaju, retires by rotation and, being eligible, offers himself for re-appointment at the 26th Annual General Meeting (AGM) of the Company scheduled to be held on 14th September, 2020.

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors and the contribution made by Sri. Kathari Siddhardha during his tenure, has recommended to the Board that continued association of Sri. Kathari Siddhardha as Independent Director of the Company for the second term would be beneficial to the Company. Based on the above and the performance evaluation of Independent Director, the Board recommends re-appointment of Sri. Kathari Siddhardha

Further Nomination and Remuneration Committee, on the basis of performance evaluation by Independent Directors and the contribution made by Mr. G Raghu Rama Raju has recommended his reappointment as Managing Director of the Company. Accordingly Board placed the item of agenda for re-appointment of Mr. G Raghu Rama Raju in the ensuing AGM

Except for the above there has been no changes in the office of directors or key managerial personnel during the year.

MEETINGS:

During the year, eight meetings of Board of Directors were held as more particularly disclosed in the attached report of Corporate Governance. The intervening gap between any two meetings was within the prescribed period.

The Number and dates of meeting held by the Board and its Committees, attendance of Directors is given separately in Corporate Governance Report in terms of Section134(3)(b) of the Companies Act, 2013.

BONUS ISSUE:

The Company made a bonus allotment of 50,02,390 bonus shares of face value of ₹ 10/- each in ratio of 1:2 (i.e. one equity share for every two equity share already held) to the Members who hold shares on 1st October, 2019 with this allotment, the total issued and paid-up capital of the Company has increased to Rs. 15,00,71,700 /- comprising of 1,50,07,170 equity shares of face value of ₹ 10/- each.

BOARD EVALUATION:

As mandated under the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the annual performance evaluation of the Directors individually vis-à-vis the Board and its committees have been carried out. The manner of such evaluation has been disclosed in the Corporate Governance Report.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

FIXED DEPOSITS:

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Company has not given any loans or made any investments or provided any guarantee covered under the provisions of Section 186 of the Companies Act, 2013.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- (i) that in the preparation of Annual Accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (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
- (iv) that the directors have prepared the annual accounts on a going concern basis.
- (v) 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 efficiently.
- (vi) 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.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and Senior Management personnel and fix their remuneration. The Remuneration Policy is posted on the website of the Company at the link: www.radixindustries.in

VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company www.radixindustries.in

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:

The Company has risk management mechanism in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

There were no contracts or arrangements with related parties as specified in section 188 of the Act, during the financial year 2019-20.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as "**Annexure - II**" and forms part of this report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the Extract of the Annual Return in Form No. MGT-9 is annexed herewith as "**Annexure - III**" to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to the provisions of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 a report on Management Discussion & Analysis is herewith annexed as "**Annexure IV**" to this report.

LISTING:

Your Company's shares are presently listed on The BSE Limited, Mumbai and the listing fees for F.Y 2020-21 is paid.

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Shareholders Grievance Committees.

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

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources acquired are used economically.

HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is herewith annexed as "**Annexure V**" to this report.

CORPORATE GOVERNANCE:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance is annexed as "**Annexure-VI**" herewith, as a part of the Annual Report along with the certificate on its compliance.

DETAILS ABOUT THE CORPORATE SOCIAL RESPONSIBILITY POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY:

The Company does not meet the Criteria as specified in Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the Calendar year:

- No. of complaints received : Nil
- No. of complaints disposed off : Nil

ACKNOWLEDGEMENTS:

Your Directors express their sincere appreciation to the customers, members, dealers, employees, bankers, State and Central Government, Stock Exchanges and all stakeholders for their co-operation and confidence reposed in the Company.

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

Form No. MR-3
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st March, 2020

To,
The Members,
Radix Industries (India) Limited,
Door No. 4-243,
Chivatam, Near NH-5 Road,
Tanuku,
Andhra Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Radix Industries (India) Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2020 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
 - (a) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
3. Other industry specific major law that is applicable to the company
- As per the information provided by the management there is no industry specific law applicable to the company.
4. We have also examined compliance with the applicable clauses of the following:
- a) Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulation 2015
 - b) Secretarial Standards SS -1 and SS-2 issued by the Institute of Company Secretaries of India

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

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

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

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

We further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
CP No. 18644**

Place: Hyderabad
Date: 08.08.2020
UDIN: A020557B000578675

ANNEXURE A

To,
The Members,
Radix Industries (India) Limited
Tanuku

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. In view of the limitations imposed during the lockdown of the country due to the pandemic spread of the COVID-19 disease, the audit was conducted based on the information and documents provided by the management of the company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
CP No. 18644**

Place: Hyderabad
Date: 08.08.2020
UDIN: A020557B000578675

Annexure - II

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as below.

A. CONSERVATION OF ENERGY:**i. The steps taken or impact on conservation of energy:**

The operations of the Company are not power intensive. However it is very careful in using the power to reduce the cost of maintenance and conserve the resources.

ii. Steps taken by the Company for utilizing alternate sources of energy:

As the Company is not a huge manufacturing unit there are no requirements for utilizing of alternate sources of energy

iii. The capital investment on energy conservation equipments:

The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.

B. TECHNOLOGY ABSORPTION:

- | | | |
|---|---|--|
| i) The efforts made towards technology absorption | : | NIL |
| (ii) The benefits derived like product improvement, cost reduction, product development or import substitution | : | NIL |
| (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished | : | |
| (a) The details of technology imported | : | No technology imported during the last 3 years |
| (b) The year of import | : | NA |
| (c) Whether the technology been fully absorbed | : | NA |
| (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : | NA |
| (iv) The expenditure incurred on Research and Development | : | NIL |

2019-20

RADIX INDUSTRIES (INDIA) LIMITED

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earnings and outgo: (on receipts and payments basis)

(Rs. In Lacs)

| Particulars | 2019-20 | 2018-19 |
|---------------------------|----------------|----------------|
| Foreign Exchange Earnings | 966.96 | 993.69 |
| Foreign Exchange Outgo | NIL | 28.65 |

BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited

Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)

Place: Tanuku
Date : 08.08.2020

Annexure - III

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2020**

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L37200AP1993PLC016785
- ii) Registration Date : 23/12/1993
- iii) Name of the Company : RADIX INDUSTRIES (INDIA) LIMITED
- iv) Category / Sub-Category of the Company : Public Limited, Company Limited by Shares
- v) Address of the Registered Office and contact details : Door No. 4-243, Chivatam, Near NH-5 Road Tanuku, Andhra Pradesh -534211
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : **M/s Bigshare Services Pvt. Ltd,**
306, Right Wing Amrutha Ville
Opp. Yashoda Hospital, Rajbhavan Road
Somajiguda, Hyderabad - 500 082
Ph : 040-23374967

REGISTRATION AND OTHER DETAILS:**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sl. No | Name and Description of main products and services. | NIC Code of the product/service. | % to total turnover of the Company |
|--------|---|----------------------------------|------------------------------------|
| 1 | Human hair product | 32904 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company doesn't have any Subsidiary or Associate Companies.

| Sl. No | Name and Address of the Company | CIN | Holding Subsidiary / Associate | % of Share Holding as an 31.3.2020 | Applicable Section |
|--------|---------------------------------|-----|--------------------------------|------------------------------------|--------------------|
| - | - | - | - | - | - |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the Year [As on 1 st April, 2019] | | | | No. of Shares held at the end of the Year [As on 31 st March, 2020] | | | | % Change during the Year |
|--|--|----------|---------|-------------|---|----------|----------|-------------|--------------------------|
| | Demat | Physical | Total | % of shares | Demat | Physical | Total | % of shares | |
| A. Promoters | | | | | | | | | |
| 1. Indian | - | - | - | - | - | - | - | - | - |
| a. Individual/HUF | 7500000 | - | 7500000 | 74.96 | 11250000 | - | 11250000 | 74.96 | - |
| b. Central Govt | - | - | - | - | - | - | - | - | - |
| c. State Govt(s) | - | - | - | - | - | - | - | - | - |
| d. Bodies Corp. | - | - | - | - | - | - | - | - | - |
| e. Banks / FI | - | - | - | - | - | - | - | - | - |
| f. Any Other | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (1): | 7500000 | - | 7500000 | 74.96 | 11250000 | - | 11250000 | 74.96 | - |
| (2) Foreign | - | - | - | - | - | - | - | - | - |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) other Individuals | - | - | - | - | - | - | - | - | - |
| c) Body Corp | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other. | - | - | - | - | - | - | - | - | - |
| Sub-total(A) (2):- | - | - | - | - | - | - | - | - | - |
| Total Share holding of promoter (A) = (A) (1) + (A) (2) | 7500000 | - | 7500000 | 74.96 | 11250000 | - | 11250000 | 74.96 | - |
| B. Public Share Holding | | | | | | | | | |

RADIX INDUSTRIES (INDIA) LIMITED
2019-20

| | | | | | | | | | |
|--|----------------|---------------|-----------------|--------------|-----------------|----------------|-----------------|--------------|-------------|
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital funds | - | - | - | - | - | - | - | - | - |
| i) Others (Specify) | - | - | - | - | - | - | - | - | - |
| Sub Total (B)(1) | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | | | | | | | | | |
| A) Bodies Corp. | 1187 | 330 | 1517 | 0.02 | 0 | 495 | 495 | 0.01 | (0.01) |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| B) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh | 69248 | 42240 | 111488 | 1.11 | 96563 | 23150 | 119713 | 0.80 | (0.32) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh | 1634575 | 755000 | 2389575 | 23.88 | 2504348 | 1132500 | 3636848 | 24.23 | 0.35 |
| Clearing Members and HUF | 2200 | - | 2200 | 0.02 | 114 | - | 114 | 0.00 | (0.02) |
| Non Resident Indians (NRI) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2): | 1707210 | 797570 | 2504780 | 25.04 | 2601025 | 1156145 | 3757170 | 25.04 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 1707210 | 797570 | 2504780 | 25.04 | 2601025 | 1156145 | 3757170 | 25.04 | 0.00 |
| c) Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 9207210 | 797570 | 10004780 | 100 | 13851025 | 1156145 | 15007170 | 100 | 0 |

(ii) Shareholding of Promoters

| S.No | Promoter Name(s) | Shareholding at the beginning of the Year (01.04.2019) | | | Shareholding at the end of the Year (31.03.2020) | | | % Change in Share holding during the year. |
|------|----------------------------------|--|----------------------------------|--|--|----------------------------------|--|--|
| | | No. of Shares | % to Total Shares of the Company | % of Shares pledged / Encumbered to total shares | No. of Shares | % to Total Shares of the Company | % of Shares pledged / Encumbered to total shares | |
| 1 | Gokaraju Raghu Rama Raju | 6165000 | 61.62 | - | 9274500 | 61.62 | - | 0 |
| 2 | G Ganapathi Rama Prabhakara Raju | 5000 | 0.05 | - | 7500 | 0.05 | - | 0 |
| 3 | G Parvathi | 1330000 | 13.29 | - | 1995000 | 13.29 | - | 0 |
| | Total | 7500000 | 74.96 | - | 11250000 | 74.96 | - | 0 |

(iii) Change in Promoters' Shareholding :

| Sl. No | Name | Shareholding at the beginning of the Year | | Date | Increase Decrease in Shareholding | Reason | Cumulative Shareholding during the year / end of the year | |
|--------|----------------------------------|--|----------------------------------|------|-----------------------------------|--|---|----------------------------------|
| | | No. of Shares at the Beginning / end of the year | % of total Shares of the Company | | | | No. of Shares at the Beginning / end of the year | % of total Shares of the Company |
| 1 | Gokaraju Raghu Rama Raju | 6165000 | 61.62 | | | Increase in Shares is pursuant to Bonus shares issued by the Company on 03 rd October 2019. | 6165000 | 61.62 |
| | | 9274500 | 61.62 | | | | 9274500 | 61.62 |
| 2 | G Ganapathi Rama Prabhakara Raju | 5000 | 0.05 | | | Increase in Shares is pursuant to Bonus shares issued by the Company on 03 rd October 2019. | 5000 | 0.05 |
| | | 7500 | 0.05 | | | | 7500 | 0.05 |
| 3 | G Parvathi | 1330000 | 13.29 | | | Increase in Shares is pursuant to Bonus shares issued by the Company on 03 rd October 2019. | 1330000 | 13.29 |
| | | 1995000 | 13.29 | | | | 1995000 | 13.29 |

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

| S.No | Name | Share Holding at the Beginning of the year | | Date | Increase Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|------|------------------------------|--|----------------------------------|------------|-----------------------------------|--|--|----------------------------------|
| | | No. of Shares at the Beginning / end of the year | % of total Shares of the Company | | | | No. of Shares at the Beginning / end of the year | % of total Shares of the Company |
| 1 | BHUPATIRAJU VENKATAPATI RAJU | 300000 | 3.00 | 01.04.2019 | 150000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 300000 | 3.00 |
| | | 450000 | 3.00 | 31.03.2020 | 150000 | | 450000 | 3.00 |
| 2 | KOSURI SARASWATHI | 250000 | 2.50 | 01.04.2019 | 125000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 250000 | 2.50 |
| | | 375000 | 2.50 | 31.03.2020 | 125000 | | 250000 | 2.50 |
| 3 | INDUKURI LAKSHMI | 250000 | 2.50 | 01.04.2019 | 125000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 250000 | 2.50 |
| | | 375000 | 2.50 | 31.03.2020 | 125000 | | 250000 | 2.50 |
| 4 | KANAKADURGA GADIRAJU | 200000 | 2.00 | 01.04.2019 | 100000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 200000 | 2.00 |
| | | 300000 | 2.00 | 31.03.2020 | 100000 | | 300000 | 2.00 |
| 5 | APPALARAJU GADIRAJU | 200000 | 2.00 | 01.04.2019 | 100000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 200000 | 2.00 |
| | | 300000 | 2.00 | 01.04.2020 | 100000 | | 300000 | 2.00 |
| 6 | KOLLURI PRAVEEN KUMAR | 200000 | 2.00 | 01.04.2019 | 100000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 200000 | 2.00 |
| | | 300000 | 2.00 | 01.04.2020 | 100000 | | 300000 | 2.00 |
| 7 | I SAROJINI DEVI | 130000 | 1.30 | 01.04.2019 | 65000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 130000 | 1.30 |
| | | 195000 | 1.30 | 31.03.2020 | 65000 | | 195000 | 1.30 |
| 8 | VIJAY BABU KATARI | 120000 | 1.20 | 01.04.2019 | 60000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 120000 | 1.20 |
| | | 180000 | 1.20 | 31.03.2020 | 60000 | | 180000 | 1.20 |
| 9 | KIRAN SAYYAPA RAJU | 110000 | 1.10 | 01.04.2019 | 55000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 110000 | 1.10 |
| | | 165000 | 1.10 | 31.03.2020 | 55000 | | 165000 | 1.10 |
| 10 | RAHUL GONGI REDDY | 105000 | 1.05 | 01.04.2019 | 52500 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 105000 | 1.05 |
| | | 157500 | 1.05 | 31.03.2020 | 52500 | | 157500 | 1.05 |

(v) Shareholding of Directors and Key Managerial Personnel

| S.No | Name | Share Holding | | Date | Increase Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|------|--|---|---|------------|---|---|---|---|
| | | No. of Shares at the Beginning / end of the year | % of total Shares of the Company | | | | No. of Shares at the Beginning / end of the year | % of total Shares of the Company |
| 1 | GOKARAJU RAGHU RAMA RAJU | 6165000 | 61.62 | 01.04.2019 | 3082500 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 6165000 | 61.62 |
| | | 9247500 | 61.62 | 31.03.2020 | 3082500 | | 9247500 | 61.62 |
| 2 | G. PARVATHI | 1330000 | 13.29 | 01.04.2019 | 665000 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 1330000 | 13.29 |
| | | 1995000 | 13.29 | 31.03.2020 | 665000 | | 1995000 | 13.29 |
| 3 | GANAPATHI RAMAPRABHA KARA RAJU GOKARAJU * | 5000 | 0.05 | 01.04.2019 | 2500 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 5000 | 0.05 |
| | | 7500 | 0.05 | 31.03.2020 | 2500 | | 7500 | 0.05 |
| 4 | KIRAN PHANI VARMA MANTENA | 195570 | 1.95 | 01.04.2019 | 97785 | Increase in Shares is pursuant to Bonus shares issued by the Company on 03rd October, 2019 | 195570 | 1.95 |
| | | 293355 | 1.95 | 31.03.2020 | 97785 | | 293355 | 1.95 |
| 5 | SIDDHARDHA KATHARI | 0 | 0 | 01.04.2019 | 0 | NA | 0 | 0 |
| | | 0 | 0 | 31.03.2020 | 0 | | 0 | 0 |
| 6 | SIVARAMA PRASAD SURAPANENI | 0 | 0 | 01.04.2019 | 0 | NA | 0 | 0 |
| | | 0 | 0 | 31.03.2020 | 0 | | 0 | 0 |
| 7 | P. LENIN BABU (Company Secretary) | 0 | 0 | 01.04.2019 | 0 | NA | 0 | 0 |
| | | 0 | 0 | 31.03.2020 | 0 | | 0 | 0 |

* Mr. Ganapathi Rama Prabhakara Raju is Director and CFO of the Company

V. INDEBTEDNESS

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

Amount in lakhs

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 680.83 | NIL | NIL | 680.83 |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | 5.04 | NIL | NIL | 5.04 |
| Total (i + ii + iii) | 685.87 | NIL | NIL | 685.87 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | NIL | | | NIL |
| • Reduction | 69.10 | NIL | NIL | 69.10 |
| Net Change | 69.10 | NIL | NIL | 69.10 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 616.77 | NIL | NIL | 616.77 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i + ii + iii) | 616.77 | NIL | NIL | 616.77 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i). Remuneration to Managing Director, Whole-time Directors and/or Manager:

| SNo | Particulars of Remuneration | Name of Managing Director | Total Amount |
|-----|--|---------------------------|--|
| | | G. RAGHU RAMA RAJU | |
| 1. | Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | 12,00,000 | 12,00,000 |
| 2. | Stock Option | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL |
| 4. | Commission • As a % of profit • Others, specify | NIL | NIL |
| 5. | Others please specify (Performance Pay) | NIL | NIL |
| | Total A | 12,00,000 | 12,00,000 |
| | Ceiling as per the Act | 12,00,000 | as approved by members under Schedule V of the Act |

(ii). Remuneration to other directors: Nil

| SNo | Particulars of Remuneration | Name of Directors | | | | Total Amount |
|-----|--|-----------------------------------|-----|-----|-----|--------------|
| | | | | | | |
| 1. | 3. Independent Directors • Fee for attending Board Committee Meetings • Commission • Others please specify | NIL | NIL | NIL | NIL | NIL |
| | Total (1) | NIL | NIL | NIL | NIL | NIL |
| 2. | 4. others Non Executive Directors • Fee for attending Board Committee Meetings • Commission • Others please specify | NIL | NIL | NIL | NIL | NIL |
| | Total (2) | NIL | NIL | NIL | NIL | NIL |
| | Total B= (1) + (2) | NIL | NIL | NIL | NIL | NIL |
| | Total Managerial Remuneration | NIL | NIL | NIL | NIL | NIL |
| | Overall Ceiling as per the Act | One Lakh per meeting per director | | | | |

(iii). REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| SNo | Particulars of Remuneration | Key Managerial Personnel | | | Total Amount |
|-----|---|--------------------------|-------------------|-----|--------------|
| | | CEO | Company Secretary | CFO | |
| | | | | | Rs. |
| 1. | Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | NIL | 3,72,000 | NIL | 3,72,000 |
| | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 | | | | |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | | | | |
| 2. | Stock Option | NIL | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL | NIL |
| 4. | Commission • As a % of profit • Others, specify | NIL | NIL | NIL | NIL |
| 5. | Others please specify | NIL | NIL | NIL | NIL |
| | Total A | NIL | 3,72,000 | NIL | 3,72,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act. | Brief Description | Details of Penalty /Punishment/ Compounding fees imposed | Authority (RD/ NCLT/ Court) | Appeal made if any (give details) |
|--------------------------------------|-------------------------------|-------------------|--|-----------------------------|-----------------------------------|
| A. Company | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. others officers in default | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

B. MANAGEMENT DISCUSSION & ANALYSIS**OVERVIEW:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and other statutory requirements. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY STRUCTURE AND DEVELOPMENT:**ECONOMIC OVERVIEW**

India's economic growth is forecast to slow to 1.2 per cent in 2020, a further deterioration from the already slowed growth of 4.1 per cent in 2019. India, which grew at 6.8 per cent in fiscal year 2018, is forecast to recover slightly and clock a 5.5 per cent growth rate in 2021. "The national lockdown in India, is expected to depress economic growth to just 1.2 per cent, much lower than the already disappointing growth in 2019

After a contraction in the current financial year, India's economy is forecast to bounce back with a sharp growth rate of 9.5 per cent next year provided it avoids further deterioration in financial sector health as per Fitch Ratings. The coronavirus pandemic will lead to shrinking of the already slowing economy in 2020-21 that started in April. Fitch Ratings forecast a 5 per cent contraction in the GDP in the ongoing financial year.

GLOBAL INDUSTRY OVERVIEW

Across the globe, steady developments in grooming sector is seen and the fast-paced lifestyle of the global population has compelled people to take easy and convenient options as far as routine personal grooming is concerned. Africa is the second-largest destination for Chinese wigs, making up 37% of the overall market, just behind the US's market share of 39%. As per the US International trade commission, China, Indonesia and India are significant exporters of hair wigs while the hair wig and extension market is forecasted to grow at a faster pace than other hair care products in industry owing to early hair loss and the recent rise in trend of hair experiments in the fashion industry.

The hair wigs and extension market size has the potential to grow by \$ 2.42 billion during 2020-2024, and the market's growth momentum will accelerate during the forecast period because of the steady increase in year-over-year growth. With the slowdown in world economic growth, the Human Hair Wigs and Extensions industry has also suffered a certain impact, but still maintained a relatively optimistic growth, the past four years, Human Hair Wigs and Extensions market size to maintain the average annual growth rate.

OPERATIONS:

During the year under review, Company has made a revenue of Rs.1058.03 Lacs in the current financial year as compared to 1069.6 Lacs for the previous financial year. Your Company has posted net profit after tax of Rs.119.06 Lacs in the current year as compared to Rs. 124.6 Lacs in the previous financial year.

FUTURE OUTLOOK:

The Company has started its operations in the new line of business in the FY 2012-13, after going through the process of restructuring and was able to make some good revenue year after year and in the FY 2019-20, due to slow down in the economy, there was slight decrease in the revenue from operations of the Company maintaining the profit intact.

Management is actively considering to explore new markets and to bag big orders in the overseas market.

OPPORTUNITIES & THREATS

Strength: Huge demand for Hair produced in India in foreign countries, providing high export potential.

Weakness: To get the Hairs for the manufacturing of wigs whenever required is not possible. So it needs to be purchased in bulk quantity whenever it is available, requiring heavy capital investments in stocks.

Opportunities: Asian hair grows the fastest and has the greatest elasticity, making it the most preferred wigs around the world. There is huge demand for human hair and Articles of human hair in China, Brazil, Spain, Korea, U.K, Hong Kong, Indonesia, Italy, Austria, Germany etc.

Threats: Earlier the industry experienced serious threat from synthetic hair. However, the synthetic hair had not found favor with the consumers, as it is said to have caused allergic problems and cancer. Other perceived threats are Un Organized Sector, largely dependent on overseas market and normal market competition.

SEGMENT WISE / PRODUCT WISE PERFORMANCE :

HAIR PRODUCT: During the year under review, Company has made a revenue of Rs.1058.03 Lacs in the current financial year as compared to 1069.6 Lacs for the previous financial year. Your Company has posted net profit after tax of Rs.119.06 Lacs in the current year as compared to Rs. 124.6 Lacs in the previous financial year.

RISK & CONCERNS : Earlier the industry experienced serious threat from synthetic hair. However, the synthetic hair had not found favor with the consumers, as it is said to have caused allergic problems and cancer. Other perceived threats are Un Organized Sector, largely dependent on overseas market and normal market competition.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data. The Company has a well defined organization structure with clear functional authority, limits for approval of all transactions. The Company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. Company updates its internal control system from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guidelines.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

The highlights of overall performance are as follows

(Rs in Lacs)

| Particulars | 2019-20 | 2018-19 |
|---|---------|---------|
| Total Income | 1058.11 | 1069.60 |
| Total Expenses | 888.42 | 896.23 |
| Profit Before Taxation | 169.69 | 173.37 |
| Profit after Tax | 119.06 | 124.60 |
| Earnings per Equity share - Basic & Diluted | 0.79 | 1.25 |

KEY FINANCIAL RATIOS :

| S.No | Particulars | 2019-20 | 2018-19 | % change |
|------|---------------------------------|---------|---------|----------|
| 1 | Debtors Turnover (days) | 69 | 77 | (10.23) |
| 2 | Inventory Turnover (days) | 759 | 689 | 10.23 |
| 3 | Interest Coverage Ratio (times) | 7.76 | 7.03 | 10.29 |
| 4 | Current Ratio | 3.63 | 3.39 | 6.90 |
| 5 | PBT to Net Sales (%) | 16.04 | 16.21 | (0.17) |
| 6 | PAT to Net Sales (%) | 11.25 | 11.65 | (0.40) |
| 7 | Return on Net Worth (%) | 7.09 | 7.41 | (0.32) |

PERSONNEL:

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company at any point of time.

Industrial relations in the organization continued to be cordial and progressive.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED:

There were no material developments in the human resources of the Company and in the number of people employed in the Company

HEALTH AND SAFETY:

The Company places considerable emphasis on health and safety throughout its operation and displays commitment to ensure the high standards being maintained in compliance with applicable laws and regulations.

FORWARD LOOKING / CAUTIONARY STATEMENT:

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

Annexure-V

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

- i) **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2019-20**

| Sr. No. | Name of Director/ KMP and Designation | *Remuneration of Director KMP for the Financial year 2019-20 (in Lacs) | % increase in Remuneration in the Financial year 2019-20 | ratio of the remuneration of each Director to the median remuneration of the employee |
|---------|---|--|--|---|
| 1 | G. Raghu Rama Raju (Managing Director) | 12.00 | NIL | 5.63 |
| 2 | P. Lenin Babu (Company Secretary) | 3.72 | 6.90% | 1.75 |
| 3 | G. Rama Prabhakara Raju (Chief Financial Officer) | Nil | NA | NA |

- ii) **The median remuneration of employees' of the Company during the financial year:**
The median remuneration of employees' of the Company during the financial year was Rs- 2,13,000/- p.a
- iii) **The percentage increase in the median remuneration of employees in the financial year:**
The percentage increase in the median remuneration of employees in the financial year ending March 31, 2020 was 77.5%
- iv) **The number of permanent employees on the rolls of Company as at March 31, 2020:**
There were 16 permanent employees on the rolls of Company as on 31st March, 2020
- viii) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 9.95%**
There are no other employees drawing Rs 8.50 Lacs per month or Rs. 102.00 Lacs per annum, whether employed throughout the year or part of the Financial year.
There are no employees in the service of the Company covered under Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
Company affirm that the remuneration is as per the remuneration policy of the Company

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

Statement of Particulars of Employees Pursuant to Provisions of Rule 5(2) of Section 197(12) of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

| Sl. No | Name of the Employee | Designation | Remuneration (Per Annum) | Nature of Employment (whether Contractor or otherwise) | Qualification & Experience | Date of Commencement of Employment | Age | Last Employment of such Employee | % of Equity Shares held of the Employee | Whether the employee is relative of any director / Manager, if yes name such Director and Manager |
|--------|-----------------------|----------------------------|--------------------------|--|----------------------------|------------------------------------|-----|---|---|---|
| 1. | G. Raghu Rama Raju | Managing Director | 1200000 | Regular | MBA | 29.12.2011 | 54 | Arqube Industries (India) Ltd | 61.62 | Relative of Smt. G. Parvathi, Director |
| 2. | P. Lenin Babu | CS | 372000 | Regular | ACS | 11.02.2016 | 49 | Meenakshi Energy & Infrastructure Holdings Pvt. Ltd., | 0 | NA |
| 3. | V.Singa Raju | Production Executive | 321600 | Regular | Technical | 01.07.2015 | 44 | Arqube Industries Ltd. | 0 | NA |
| 4. | K. Phani Babu | Tech Executive | 264000 | Regular | Technical | 01.04.2015 | 26 | -- | 0 | NA |
| 5. | T. Badri Narayana | Accounts Officer | 252000 | Regular | PGDAFMT | 01.01.2018 | 39 | Sri Venkataraya Threads Pvt Ltd | 0 | NA |
| 6. | Balaji Valluri | Accounts Officer | 270000 | Regular | M.Com | 01.07.2015 | 39 | Andhra Sugar Ltd., | 0 | NA |
| 7. | V. Rama Chandra Raju | Asst. Production Executive | 231600 | Regular | Technical | 01.07.2015 | 39 | Arqube Industries Ltd. | 0 | NA |
| 8. | V. Pradeep Raju | Technical Asst. | 180000 | Regular | Technical | 01.04.2015 | 37 | Arqube Industries Ltd. | 0 | NA |
| 9. | I. Naga Krishnam Raju | Office Asst. | 171600 | Regular | B.Com | 01.04.2015 | 26 | NIL | 0 | NA |

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

C. REPORT ON CORPORATE GOVERNANCE**1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

The Company believes in transparency, empowerment, accountability and integrity in its operations duly delegated authority to various functional heads that are responsible for attaining the corporate plans with the ultimate purpose of enhancement of "Stake holder value".

Moreover, the Company believes that sound Corporate Governance practices that provide an important platform to assist the management and the Board in delivering its responsibilities. The Company has always been taking the spirit of various legislations as guiding principles and has done well beyond simple statutory compliance. The Board of directors of the company has the responsibility of protecting the long term interests of all the stakeholders, while adhering to sound principles of corporate governance.

The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

The Company upholds the policy of having an optimum combination of Executive, Non- Executive and Independent Directors and not less than fifty percent of the Board of Directors being independent including a women director on the Board of the Company.

Where the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the company does not have a regular non-executive Chairman, at least 50% of the Board should comprise independent director

The Board of Directors of the Company consists of Six (6) Directors. To ensure, transparent and professional conduct of board meeting procedures in all aspects related thereto, fifty percent (50%) i.e. 3 out of 6 directors are Independent directors. The composition of the directors is in accordance with the Regulations of the Securities Exchange board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

There are no pecuniary relationships or transactions with Independent Non Executive Directors except for sitting fees paid for attending Board and other Committee Meetings.

During the Financial year, 2019-20, Board of Directors met (8) Eight times and gap between two Board meetings did not exceed 120days.

| | | | |
|-------------------|-------------------|-------------------|-------------------|
| 03.04.2019 | 15.05.2019 | 23.07.2019 | 13.08.2019 |
| 19.09.2019 | 03.10.2019 | 07.11.2019 | 13.02.2020 |

The Company provides for familiarisation programmes to any new member on the Board.

Familiarization Programme

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted and inform new Board member and conduct familiarization programmes to make them familiar with all the provisions and rules as applicable to the company from time to time. Details of Familiarisation programme are provided on the website of the Company at www.radixindustries.in

The attendance at the Board Meetings conducted during the 12 months period ended 31st March, 2020 and at the Annual General Meeting and also the number of Directorships and committee memberships (other than Radix Industries (India) Limited) are given below:

| Name of Director | Category | Designation | No. of Board Meetings Attended | Attendance at previous AGM held on 20.09.2019 | No. of Chairmanship / Memberships in other companies (excluding private limited Companies) | | | No. of Shares Held |
|----------------------------------|---------------------------|-------------------|--------------------------------|---|--|--------------|------------|--------------------|
| | | | | | Boards | Chairmanship | Committees | |
| G. Raghu Rama Raju | Promoter Executive | Managing Director | 8 | Yes | 1 | Nil | Nil | 9247500 |
| G. Parvathi | Promoter Non Executive | Director | 8 | Yes | 2 | Nil | Nil | 1995000 |
| G Ganapathi Rama Prabhakara Raju | Promoter Non Executive | Director | 8 | Yes | Nil | Nil | Nil | 7500 |
| M. Kiran Phani Varma | Independent Non-Executive | Director | 8 | Yes | Nil | Nil | Nil | 293355 |
| Siddhardha Kathari | Independent Non-Executive | Director | 8 | Yes | Nil | Nil | Nil | Nil |
| Sivarama Prasad Surapaneni | Independent Non-Executive | Director | 8 | Yes | Nil | Nil | Nil | Nil |

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies

In accordance with SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, memberships/ chairmanships of Audit Committees and Stakeholders Relationship Committees in all public Limited companies (excluding RADIX Industries (India) Limited) has been considered.

Shareholding of Non-Executive Directors:

| Name of Director | No of Shares | % |
|-----------------------------------|--------------|-------|
| G Parvathi | 1995000 | 13.29 |
| G. Ganapathi Rama Prabhakara Raju | 7500 | 0.05 |
| M. Kiran Phani Varma | 293355 | 1.95 |
| Kathari Siddhartha | Nil | Nil |
| Sivarama Prasad Surapaneni | Nil | Nil |

The details of familiarization programme imparted to independent Directors is available at www.radixindustries.in

SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The following is the list of core skills / expertise /competencies identified by the Board of Directors that are required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making
- Financial and Management skills
- Technical / Professional skills and specialized knowledge in relation to Company's business

In the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management

A chart or a matrix setting out the skills/expertise/ competence of the Board of Directors

| Core Skills / Expertise / Competencies | Raghu Rama Raju Gokaraju | Parvathi Gokaraju | Ganapati Rama Prabhakara Raju Gokaraju | Phani Varma Kiran Mantena | Siddhardha Kathari | Sivarama Prasad Surapaneni |
|---|--------------------------|-------------------|--|---------------------------|--------------------|----------------------------|
| Governance and Board service | Yes | Yes | Yes | Yes | Yes | Yes |
| Business Understanding | Yes | Yes | Yes | Yes | Yes | Yes |
| Industry/Sector Knowledge | Yes | Yes | Yes | Yes | Yes | Yes |
| Strategy development and implementation | Yes | Yes | Yes | Yes | Yes | Yes |
| Legal/Regulatory Compliance | Yes | Yes | Yes | Yes | Yes | Yes |

COMMITTEES OF THE BOARD:

Currently, there are Three Board Committees - Audit Committee, Nomination and Remuneration Committee, Shareholders/ Investors Grievance Redressal Committee.

The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

3. AUDIT COMMITTEE

The Audit Committee consists of 3 Independent Directors. It provides assistance to the Board of Directors in fulfilling its oversight responsibilities. The Audit committee has been entrusted with the responsibilities as laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable and required.

Details on composition of the Audit Committee and the attendance by each Member of the Audit Committee are as under:

| Name of the Director | Category | No. of meetings entitled to attend during the year | No. of meetings Attended |
|---------------------------------|----------|--|--------------------------|
| Sri. Siddhardha Kathari | Chairman | 5 | 5 |
| Sri. M. Kiran Phani Varma | Member | 5 | 5 |
| Sri. Sivarama Prasad Surapaneni | Member | 5 | 5 |

Meetings during the year:

During the Financial year 2019-20, the Audit Committee met Five (5) times as follows, and all the members were present in each of such meetings.

| | | | | |
|------------|------------|------------|------------|------------|
| 15.05.2019 | 23.07.2019 | 13.08.2019 | 07.11.2019 | 13.02.2020 |
|------------|------------|------------|------------|------------|

Terms of Reference:

The terms of reference of the Audit Committee are as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

The terms of reference of the Audit Committee are as under:

1. Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - b. changes, if any, in accounting policies and practices and reasons for the same
 - c. major accounting entries involving estimates based on the exercise of judgment by management
 - d. significant adjustments made in the financial statements arising out of audit findings
 - e. compliance with listing and other legal requirements relating to financial statements
 - f. disclosure of any related party transactions
 - g. review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements
 - h. Management Discussion and Analysis of financial conditions and results of operations
5. Review of Statement of significant related party transactions submitted by the management.
6. Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
7. Review of internal audit reports relating to internal control weaknesses.

8. Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
10. Review of the financial statements of subsidiary Companies.
11. Review and monitor the auditor's independence and performance and effectiveness of audit process.
12. Approval or any subsequent modification of transactions of the Company with related parties.
13. Scrutiny of inter-corporate loans and investments.
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. Evaluation of internal financial controls and risk management systems.
16. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
17. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
18. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
19. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
20. Discussion with internal auditors of any significant findings and follow up there on
21. Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
22. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
23. To review the functioning of the Whistle Blower Mechanism.
24. Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
25. The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.
26. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Directors.

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Nomination and Remuneration Committee are as under:

The committee comprises of the following members:

| Name of the Director | Category | No. of Meeting entitled to attended during the Year | No. of Meetings attended during the year |
|---------------------------------|----------|---|--|
| Sri. M. Kiran Phani Varma | Chairman | 3 | 3 |
| Sri. Siddhardha Kathari | Member | 3 | 3 |
| Sri. Sivarama Prasad Surapaneni | Member | 3 | 3 |

Meetings during the year:

During the Financial year 2019-20, the Nomination and Remuneration Committee met three (3) times

| | | |
|------------|------------|------------|
| 15.05.2019 | 13.08.2019 | 13.02.2020 |
|------------|------------|------------|

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board. Devising a policy on Board diversity.
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board the reappointment and removal.
4. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
5. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
6. Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
7. Payment / revision of remuneration payable to Managerial Personnel.
8. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
9. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
10. Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company at the link: www.radixindustries.in

The key objectives of this Policy includes:

- (i) guiding the Board of Directors in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- (ii) specifying the manner for effective evaluation of the performance of members of the Board, the Board as a whole and Committees thereof, and review its implementation and compliance.
- (iii) recommending to the Board the remuneration, in whatever form, payable to the Directors, Key Managerial Personnel & Senior Management.

The committee under the guidance of Board has formulated the criteria and frame work for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

The committee under the guidance of Board has formulated the criteria and frame work for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

(5) Remunerations of Directors

- I. Non executive directors of the Company do not have any pecuniary relationship or transactions with the in the company.
- II. Company does not make any payments to non Executive Diectors
- III. **Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013:**
 - i) all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.

| Name of the Director | Salary, Allowances & Perquisites (Rs.) | Benefits (Rs.) | Commission (Rs.) | Sitting Fees (Rs.) | Loans from the Company (Rs.) | Total (Rs.) |
|----------------------|--|----------------|------------------|--------------------|------------------------------|------------------------|
| G Raghu Rama Raju | 12,00,000 Per Annum | - | - | - | - | 12,00,000 Per Annum |

- ii) details of fixed component and performance linked incentives, along with the performance criteria- **Not Applicable**
- iii) service contracts, notice period, severance fees- **Not Applicable**
- iv) stock option details, if any and whether issued at a discount aswell as the period over which accrued and over whichexercisable - **Not Applicable**

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship committee has been formed in compliance of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Section 178(5) of the Companies Act 2013. The Stakeholders Relationship Committee consists of 3 Independent Directors. Sri M KiranPhaniVarma, Independent Director of the Company heads the Stakeholders relationship Committee.

Composition

The committee comprises of the following members:

- Sri M Kiran Phani Varma – Chairman
- Sri Siddhardha Kathari – Member
- Sri Sivarama Prasad Surapaneni – Member

The terms of reference of the Stakeholder's grievance Committee are as under:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Mr Lenin Babu P, Company Secretary of the Company act as Compliance officer of the Company

The company has registered itself under SEBI Compliant Redressal System (**SCORES**) for faster and transparent processing of Investor Grievance. The details of Complaints receive and resolved during the year is as follows:

| | | |
|---|---|---|
| 1 | PENDING AT THE BEGINNING OF THE YEAR | 0 |
| 2 | RECEIVED DURING THE YEAR | 0 |
| 3 | DISPOSED OF DURING THE YEAR | 0 |
| 4 | REMAINING UNRESOLVED AT THE END OF THE YEAR | 0 |

There are no outstanding complaints as on 31st March, 2020

7. GENERAL BODY MEETINGS:

Last three AGMs were held at registered office of the Company at D.No. 4-243, Chivatam, Near NH-5 Road Tanuku - 534211 West Godavari District, Andhra Pradesh

| Year | AGM | Day & Date | Time | Special Resolutions passed at the AGMs by the Shareholders |
|------|------------------|--|-----------|--|
| 2019 | 25 th | Thursday, 19 th September 2019 | 11.00 A.M | <ol style="list-style-type: none"> 1. Re appointment of Shri M. KiranPhaniVarma as an Independent Director of the Company 2. Approval of remuneration of Mr. G Raghu Rama Raju, Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment 3. Increase in Authorized Share Capital and consequent amendment to Memorandum and Articles of Association of the Company |
| 2018 | 24 th | Thursday, 20 th September 2018 | 11.00 A.M | NIL |
| 2017 | 23 rd | Monday, 25 th September 2017 | 11.00 A.M | NIL |

Postal ballot:

There were no items of business transacted by way of Postal Ballot during the financial year 2019-2020.

8. MEANS OF COMMUNICATION:

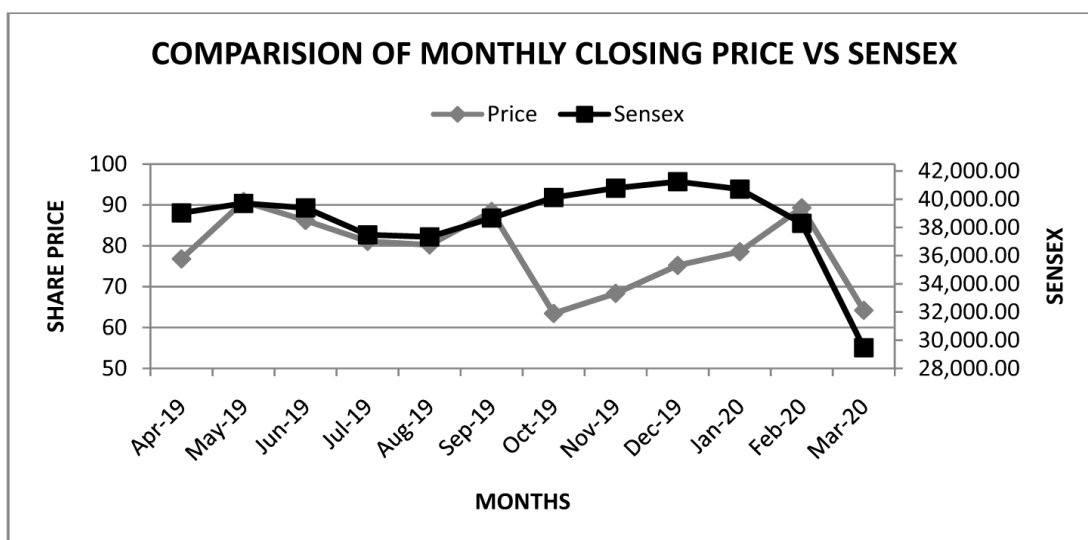
- The Annual Report of the Company, the quarterly/half-yearly and the annual financial results are displayed on the Company's website at www.radixindustries.in
- The Company publishes its quarterly, half-yearly and annual results in Financial Express in English in Prajashakthi (in regional language) dailies.
- The Company discloses to the Stock Exchanges, all information required to be disclosed under the Listing Regulations including all material information of the Company and other price sensitive information. The Company also files various compliances and other disclosures required to be filed electronically on the BSE Listing Centre of BSE Limited.
- The Company's website www.radixindustries.in contains separate dedicated section 'Investor Relations' where in full Annual Report is also available in a user friendly and downloadable format.
- Company has not made any presentation to the institutional investors or/and analysts

9. GENERAL SHAREHOLDER INFORMATION:

| | |
|-----------------------------------|---|
| Annual General Meeting | : 26 th Annual General Meeting |
| Day, Date and time | : Monday 14 th September, 2020, 11.00 A.M. |
| Venue | : NA |
| Financial year | : 01.04.2019 to 31.03.2020 (12 Months) |
| Book Closure Date | : 7 th September, 2020 to 14 th September 2020 (Both days inclusive). |
| Dividend | : The proposed dividend if approved at ensuing AGM on 14.09.2020 will be distributed within 30 days of AGM |
| Listing on Stock Exchanges | : The BSE Limited, Mumbai |
| Scrip Code Number | : 531412 - BSE |
| Market Price Data | : Monthly Closing, High, Low and number of equity shares traded during each month in the year 2019-20 on BSE: |

| Month | Closing price | High | Low | Total no of equity shares traded |
|--------|---------------|-------|-------|----------------------------------|
| Apr-19 | 76.80 | 76.80 | 76 | 130 |
| May-19 | 90.85 | 99.90 | 77 | 2010 |
| Jun-19 | 86.20 | 93.50 | 79.60 | 1777 |
| Jul-19 | 81.10 | 87.05 | 80.55 | 2583 |
| Aug-19 | 80.20 | 84.10 | 75.60 | 945 |
| Sep-19 | 88.4 | 88.65 | 78.10 | 361 |
| Oct-19 | 63.45 | 69.60 | 58.05 | 1237 |
| Nov-19 | 68.35 | 73.20 | 59.10 | 2142 |
| Dec-19 | 75.20 | 79.00 | 69.00 | 1265 |
| Jan-20 | 78.55 | 88.25 | 74.30 | 1097 |
| Feb-20 | 89.30 | 97.10 | 76.85 | 2040 |
| Mar-20 | 64.20 | 97.00 | 64.10 | 1994 |

The performance of the equity Share price of the Company vis-vis Sensex at BSE:



Registrars and Transfer Agents : Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to

M/s. Bigshare Services Private Limited
Local office at 306, Right Wing, Amrutha Ville,
Opp. Yashoda Hospital, Somajiguda,
Rajbhavan Road, Hyderabad – 500 082

Share Transfer System :

The R&T agents process the share transfers received in physical form and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to the Share Transfer Committee.

The Company obtains half yearly Certificate of Compliance with the Share Transfer formalities as required under Regulation 40 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with Stock exchanges from a Company Secretary in practice and the same is submitted to the Stock Exchanges within the period prescribed.

Distribution of Shareholdings as on 31.03.2020:

| Equity shares holding of Nominal Value (Rs) | No. of shareholders | % | Amount (in Rs) | % |
|---|---------------------|------------|------------------|------------|
| Upto 5000 | 253 | 78.816 | 215500 | 0.1433 |
| 5001 to 10000 | 22 | 6.8536 | 150260 | 0.1001 |
| 10001 to 20000 | 7 | 2.1807 | 103430 | 0.0689 |
| 20001 to 30000 | 4 | 1.2461 | 95280 | 0.0635 |
| 30001 to 40000 | 1 | 0.3115 | 30650 | 0.0204 |
| 40001 to 50000 | 2 | 0.6231 | 89250 | 0.0595 |
| 50001 to 100000 | 9 | 2.8037 | 594350 | 0.3960 |
| 100001 & above | 23 | 7.1651 | 148793480 | 99.1483 |
| Total | 321 | 100 | 150071700 | 100 |

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has obtained electronic connectivity with NSDL & CDSL. The ISIN allotted to the Company is **INE576N01014**. As on 31.03.2020, 92.03% paid up share Capital of the Company is in dematerialized form.

Outstanding GDR's / ADR's / Warrant or any convertible instruments, conversion date and likely impact on Equity:

The Company has not issued any of these instruments till date.

COMDITY PRICE LIST OR FOREIGN EXCHANGE WITH AND HEDGING ACTIVITY :

Company regularly enters into forward contracts to mitigate the foreign exchange risk

Address for correspondence : D.No. 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211
West Godavari District, Andhra Pradesh

Plant Location : D.No. 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211
West Godavari District, Andhra Pradesh

Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013, and the rules made thereunder shareholders are requested to send their request in SH-13 in duplicate to the company.

Credit Rating:

The Credit Rating of the company were reaffirmed during the year by ICRA Limited as follows.

| S.No. | Instrument | Rating Action |
|-------|-----------------------------|------------------------------|
| 1 | Long term - Fund based/CC | [ICRA]BB(Stable); Reaffirmed |
| 2 | Short-Term - Non fund based | [ICRA]A4; Reaffirmed |
| 3 | Long term/Short term | [ICRA]BB (Stable)/[ICRA]A4 |
| 4 | Unallocated Limits | Reaffirmed |

10. Other Disclosures:

- There are no materially significant related party transactions i.e., transactions material in nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc., having potential Conflict with the interests of the Company at large.
- Details on non-compliance by the Company, penalties and strictures imposed on the Company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: **None**
- The company has formulated and adopted formal whistle blower / vigil mechanism policy and the same is hosted on the company's website and no concerned person has been denied access to Audit Committee.
- Details of compliance with mandatory requirements and adoption of non-mandatory requirements: The Company has complied with the mandatory requirements and has adopted a few non-mandatory requirements as specified under Regulations of Listing Regulations, which are reviewed by the management from time to time.
- Material subsidiary policy is hosted in our website www.radixindustries.in The following is the weblink: <http://radixindustries.in/wp-content/uploads/2016/04/Policy-for-determining-material-subsiidiaries-1.pdf>
- Related party transaction policy is hosted in our website www.radixindustries.in. The following is the weblink: <http://radixindustries.in/wp-content/uploads/2016/04/Policy-on-Related-Party-Transactions-1-1.pdf>
- disclosure of commodity price risks and commodity hedging activities. NA
- total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

| Type of Service | FY 2020 |
|-----------------|----------|
| Statutory Audit | 25,000/- |

- disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

| | | |
|---|--|-----|
| 1 | number of complaints filed during the financial | Nil |
| 2 | number of complaints disposed of during the financial year | Nil |
| 3 | number of complaints pending as on end of the financial year | Nil |

11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof: **NA**

12. Compliance with Non Mandatory Requirements

The Board - The Chairman of the Company is Executive Director

Shareholders Rights -As per requirements, the financial results were made available on the Company's website www.radixindustries.in.

Audit Qualifications - There were no qualifications by the Auditors on the financial statements of the Company.

Reporting of Internal Auditor - Internal Auditor reports to Audit Committee

13. **The Company has complied with all the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.**

14. INSIDER TRADING REGULATIONS

The Company has adopted an 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders ' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with the SEBI (PIT) Amendment Regulations, 2018. This Code is displayed on the Company's website viz. www.radixindustries.in .

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

Radix Industries (India) Limited has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

I hereby certify that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2019-20.

**BY THE ORDER OF THE BOARD
For Radix Industries (India) Limited**

**Sd/-
G. Raghu Rama Raju
Chairman & Managing Director
(DIN: 00453895)**

Place: Tanuku
Date : 08.08.2020

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 Members of
Radix Industries (India) Limited
Tanuku

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Radix Industries (India) Limited having CIN: L37200AP1993PLC016785 and having registered office at D.No. 4-243, Chivatam, Near NH-5 Road, Tanuku West Godavari District, Andhra Pradesh 534211 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any other Statutory Authority

| Sr. No. | Name of Director | DIN | Date of appointment in the Company |
|---------|--|----------|------------------------------------|
| 1 | RAGHU RAMA RAJU GOKARAJU | 00453895 | 29.12.2011 |
| 2 | PARVATHI GOKARAJU | 00453965 | 18.02.2011 |
| 3 | GANAPATI RAMA PRABHAKARA RAJU GOKARAJU | 00454614 | 14.02.2011 |
| 4 | PHANI VARMA KIRAN MANTENA | 03177698 | 29.12.2011 |
| 5 | SIDDHARDHA KATHARI | 07005720 | 30.10.2014 |
| 6 | SIVARAMA PRASAD SURAPANENI | 07736609 | 14.02.2017 |

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

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
C.P. No.: 18644**

Place: Hyderabad
Date: 08.08.2020
UDIN: A020557B000563693

Secretarial compliance report
of
Radix Industries (India) Limited
for the Financial Year ended 31.03.2020

To
Board of Directors
Radix Industries (India) Limited
Tanuku.

We P S. Rao & Associates Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by M/s Radix Industries (India) Limited having its registered office at Door No. 4-243 Chivatam, Near NH-5 Road Tanuku - 534211, West Godavari District Andhra Pradesh, India, hereinafter referred to as **“the listed entity”**
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2020 (“01.04.2019 to 31.03.2020”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable during the reporting period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;- **Not Applicable during the reporting period**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable during the reporting period**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - **Not Applicable during the reporting period**

- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Depositories Act, 1996
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (k) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client and circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:
 - (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,
 - (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
 - (c) There were no instances of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder during the Reporting period:
 - (d) There were no observations made in previous reports issued to the Company:
 - (e) Since the auditor has already been appointed, the terms of appointment of the auditor have been suitably modified to give effect to 6(A) and 6(B) of the SEBI Circular No. CIR/CFD/ CMD/114/2019 dated October 18, 2019.

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
C.P. No.: 18644**

Place: Hyderabad
Date: 24.06.2020
UDIN: A020557B000372590

CERTIFICATE FROM COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Radix Industries (India) Ltd

We have examined the compliance of conditions of corporate governance by **Radix Industries (India) Ltd.** for the year ended 31st March, 2020, as stipulated in SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

The compliance of the conditions of the corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor expression of the opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

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

**For P.S. Rao & Associates
Company Secretaries**

**Sd/-
Mohit Gurjar
Partner
C.P. No.: 18644**

Place: Hyderabad
Date: 08.08.2020
UDIN: A020557B000563693

**CEO /CFO CERTIFICATION TO THE BOARD
(Pursuant to Regulation 17(8) under Chapter IV of
Securities Exchange Board of India (Listing Obligations and Disclosure
Regulations) 2015**

We, **Raghu Rama Raju Gokaraju**, Chairman and Managing Director and **Ganapathi Rama Prabhakara Raju Gokaraju**, Director and Chief Financial Officer of the Company responsible for the finance function hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2019-2020 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulation, including adoption of accounts in the IND AS format for the Current and Previous Year.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2019-2020, which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee :
- (i) significant changes in internal control over financial reporting during the year 2019-2020
- (ii) significant changes in accounting policies during the year 2019-2020 and that the same have been disclosed in the notes to the financial statements;
- (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Raghu Rama Raju Gokaraju
Chairman & Managing Director
(DIN: 00453895)

Sd/-
Ganapathi Rama Prabhakara Raju Gokaraju
Director & Chief Financial Officer
(DIN : 00454614)

Place :Tanuku
Date : 08.08.2020

POLICIES OF THE COMPANY**1. Vigil Mechanism / Whistle Blower Policy**

The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

The Whistle Blower Policy of the Company is also posted on the website of the company at www.radixindustries.in

2. Related Party Transaction Policy.

Radix Industries (India) Limited (the Company) recognizes that Related Party Transactions can present potential or actual conflicts of interest and may raise questions about whether such transactions are consistent with the Company's and its stockholders' best interests.

Hence, keeping in view the frequency of transactions entered by the Company with the related parties, the Board has in accordance with the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, adopted a policy on related party transactions to ensure high level of transparency in all its business dealings, thereby promoting good corporate governance.

The Company has been entering into the transactions in the ordinary course of business and on arms length basis.

The Company also have a Code of Conduct for all employees, officers and directors of the Company, which emphasizes that all possible conflicts of interest should be avoided.

Therefore, it is found appropriate to adopt a policy regarding the review and approval of Related Party Transactions in order to set forth the procedures under which certain transactions must be reviewed, approved or ratified. The Related party transaction Policy of the Company is also posted on the website of the Company www.radixindustries.in.

3. Nomination and Remuneration Policy

Company has framed and adopted the Nomination & Remuneration Policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and fixing their remuneration and other entitlements. The Nomination & Remuneration Policy is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosure) Requirements, 2015 and the same is provided in the Corporate Governance Report. The Nomination & Remuneration Policy is also posted in the Investors section of the Company's website of the Company : www.radixindustries.in

INDEPENDENT AUDITOR'S REPORT

To

THE MEMBERS OF
RADIX INDUSTRIES (INDIA) LIMITED,
CHIVATAM, TANUKU.

Report on the Audit of the Standalone Ind AS Financial Statements:**Opinion**

We have audited the accompanying standalone Ind AS financial statements of **M/s. RADIX INDUSTRIES (INDIA) LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows ended on that date, and a summary of the 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 (financial position) of the Company as at 31 March 2020, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity 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 Companies Act, 2013. 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report."

Information other than the Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the 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 safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position as on reporting date.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Tanuku (Camp)
Date: 25th June, 2020
UDIN: 20238809AAAAAH3932

For **M/s.K.S.RAO & Co.**,
Chartered Accountants
Firm Reg. No. 003109S

Sd/-
(K.VAMSI KRISHNA)
Partner
M.No. 238809

“Annexure A” to the Auditor’s Report:

- (i) (a) According to the information and explanations furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the company has physically verified its fixed assets during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The company doesn't have any immovable properties as on reporting date and hence the reporting requirement under this clause doesn't arise.
- (ii) (a) According to the information and explanations furnished to us, the company has physically verified its inventories at reasonable intervals during the period under report. In our opinion and according to information and explanation given to us, the discrepancies if any noticed on verification of inventories between the physical stocks and the book records were not material, and have been properly dealt with in the books of account.
- (iii) According to the information and explanations furnished to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in register maintained under Section 189 of the Companies Act 2013. Consequently, the provisions of clauses iii (a), iii (b) and iii (c) of the order are not applicable to the Company.
- (iv) According to the information and explanations furnished to us, the company has not given any loan, made any investment, given any guarantee, or provided any security covered under section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the company has not accepted any deposits covered under the provisions of section 73 to 76 or any other relevant provisions of the Act. Further, according to the information furnished to us, no order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act, 2013.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, a detailed examination of cost records has not been made by us with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations furnished to us and according to the books and records produced for our examination, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, GST, Custom Duty, Excise duty, Value added tax and other material statutory dues wherever applicable to it and further there are no undisputed statutory dues that were outstanding, as at the date of the Balance Sheet, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations furnished to us and according to the records of the company, the company has no disputed dues on account of Provident Fund, Employees' State Insurance, Income Tax, GST, Custom Duty, Cess pending remittance as at March 31, 2020.
- (viii) According to the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks, government or debenture holders at the date of balance sheet.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the term loans from

Banks and Financial Institutions during the year. Hence reporting requirement in terms of Clauses (ix) does not arise during the period under report.

- (x) According to the information and explanations furnished to us, and based on the audit procedures generally adopted by us, we report that, during the period, no fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) To the best of our knowledge and according to the information and explanations furnished to us, the company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations furnished to us, the company has not entered into any transactions with related parties in accordance with the provisions of sections 177 and 188 of the Companies Act, 2013. Hence reporting requirement in terms of Clauses (xiii) does not arise during the period under report.
- (xiv) According to the information and explanations furnished to us, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations furnished 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 section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations furnished to us, the company is not required to be registered under the section 45-IA of the Reserve Bank of India Act, 1934.

For **M/s.K.S.RAO & Co.,**
Chartered Accountants
Firm Reg. No. 003109S

Place: Tanuku (Camp)
Date: 25th June, 2020
UDIN: 20238809AAAAAH3932

Sd/-
(K.VAMSI KRISHNA)
Partner
M.No. 238809

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

We have audited the internal financial controls over financial reporting of **RADIX INDUSTRIES (INDIA) LIMITED** ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the 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 31st March, 2020, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Tanuku (Camp)
Date: 25th June, 2020
UDIN: 20238809AAAAAH3932

For **M/s.K.S.RAO & Co.,**
Chartered Accountants
Firm Reg. No. 003109S

Sd/-
(K.VAMSI KRISHNA)
Partner
M.No. 238809

BALANCE SHEET AS AT 31st MARCH, 2020

(All amounts in ₹)

| PARTICULARS | Note No. | As on 31.03.2020 | As on 31.03.2019 |
|---|----------|------------------|------------------|
| A. ASSETS: | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and Equipment | 2 | 1286289 | 1514119 |
| (c) Deferred tax assets (net) | 3 | 235840 | 236888 |
| (c) Other non-current assets | 4 | 24895 | 484895 |
| (2) Current assets | | | |
| (a) Inventories | 5 | 214528425 | 202298647 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 6 | 13215802 | 24797591 |
| (ii) Cash and cash equivalents | 7 | 1193691 | 7729632 |
| (iii) Bank balances other than (ii) above | 8 | 153208 | 131838 |
| (c) Other current assets | 9 | 657137 | 234198 |
| TOTAL ASSETS: | | 231295287 | 237427808 |
| B. EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| (a) Equity Share capital | 10 | 150071700 | 100047800 |
| (b) Other Equity | | | |
| (i) Reserves and surplus | 11 | 17900373 | 68080563 |
| LIABILITIES | | | |
| (1) Non - current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) borrowings | | - | - |
| (ii) Trade payables | | - | - |
| (iii) Other financial liabilities | - | - | - |
| (other than those specified in item (b)) | | | |
| (2) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) borrowings | 12 | 61676644 | 68586945 |
| (ii) Trade payables | | - | - |
| Total outstanding dues of MSME | | | |
| Total outstanding dues of creditors other than MSME | | | |
| (iii) Other financial liabilities | | | |
| (other than those specified in item (c)) | | | - |
| (b) Other current liabilities | 13 | 153208 | 131838 |
| (c) Provision | 14 | 1030362 | 422662 |
| (d) Current Tax Liabilities (Net) | 15 | 463000 | 158000 |
| TOTAL EQUITY AND LIABILITIES: | | 231295287 | 237427808 |
| Significant Accounting Policies and other disclosures | 1 | | |

Note: The accompanying notes are an integral part of the financial statements.
as per our report on even date

For **M/s.K.S.RAO & Co.,**
Chartered Accountants
F.R.No. 003109S

Sd/-
K.VAMSI KRISHNA
Partner
M.No.: 238809

Place: Tanuku
Date: 25.06.2020

For **RADIX INDUSTRIES (INDIA) LIMITED**

Sd/-
GOKARAJU RAGHU RAMA RAJU
Chairman & Managing Director

Sd/-
GOKARAJU PARVATHI
Director

Sd/-
P. Lenin Babu
Company Secretary

Sd/-
G. Ganapathi Rama Prabhakara Raju
Director & CFO

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

(All amounts in ₹)

| Sr. No. | PARTICULARS | Note No. | For the year ending 2019-20 | For the year ending 2018-19 |
|---------|---|----------|-----------------------------|-----------------------------|
| I | Revenue from operations | 16 | 105803638 | 106960375 |
| II | Other Income | 17 | 7666 | - |
| III | Total Revenue (I+II) | | 105811304 | 106960375 |
| IV | Expenses | | | |
| | a. Cost of Material Consumed | 18 | 70761349 | 76461847 |
| | b. Changes in inventories of finished goods, work-in-progress | | - | - |
| | c. Employee benefits expense | 19 | 2782362 | 2593035 |
| | d. Finance Costs | 20 | 2511409 | 2873612 |
| | e. Depreciation and Amortisation expense | 2 | 350050 | 395898 |
| | f. Other Expenses | 21 | 12437043 | 7298640 |
| | Total Expenses (IV) | | 88842213 | 89623032 |
| V | Profit / (loss) before exceptional items and tax (III-IV) | | 16969091 | 17337343 |
| VI | Exceptional Items | | - | - |
| VII | Profit / (loss) before tax (V-VI) | | 16969091 | 17337343 |
| VIII | Tax expense: | | | |
| | (1) Current Tax | | 5063000 | 4858000 |
| | (2) Adjustment of Tax expense for earlier years | | (430) | (465) |
| | (3) Deferred tax (credit)/charge | | 1048 | 19456 |
| | | | 5063618 | 4876991 |
| IX | Profit / (Loss) for the period from continuing operations (VII-VIII) | | 11905473 | 12460352 |
| X | Profit / (Loss) from discontinuing operations | | - | - |
| XI | Tax expense of discontinuing operations | | - | - |
| XII | Profit / (Loss) from discontinuing operations (after tax) (X-XI) | | - | - |
| XIII | Profit / (Loss) for the period (IX+XII) | | 11905473 | 12460352 |
| XIV | Other Comprehensive income | | | |
| | A (i) items that will not be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| | B (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| XV | Total Comprehensive Income for the period (XIII + XIV) (Comprising profit/loss and other Comprehensive Income for the period) | | 11905473 | 12460352 |
| XVI | Earning per equity share (for continuing operation): | | | |
| | (1) Basic | | 0.79 | 0.83 |
| | (2) Diluted | | 0.79 | 0.83 |
| XVII | Earning per equity share (for discontinued operation): | | | |
| | (1) Basic | | - | - |
| | (2) Diluted | | - | - |
| XVIII | Earning per equity share (for discontinued & continuing operations) | | | |
| | (1) Basic | | 0.79 | 0.83 |
| | (2) Diluted | | 0.79 | 0.83 |

2019-20

RADIX INDUSTRIES (INDIA) LIMITED

Note: The accompanying notes are an integral part of the financial statements.
as per our report on even date

For **M/s.K.S.RAO & Co.,**
Chartered Accountants
F.R.NO.003109S

Sd/-
K.VAMSI KRISHNA
Partner
M.No.: 238809

Place: Tanuku
Date: 25.06.2020
UDIN: 20238809AAAAAH3932

For **RADIX INDUSTRIES (INDIA) LIMITED**

Sd/-
GOKARAJU RAGHU RAMA RAJU
Chairman & Managing Director

Sd/-
GOKARAJU PARVATHI
Director

Sd/-
G. Ganapathi Rama Prabhakara Raju
Director & CFO

Sd/-
P. Lenin Babu
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(All amounts in ₹)

| PARTICULARS | 2019-20 | 2018-19 |
|--|------------------|-------------------|
| I CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) for the year before exceptional items: | | |
| Profit/(Loss) from continuing operations | 16969091 | 17337343 |
| Profit/(Loss) from discontinued operations | - | - |
| Profit before tax | 16969091 | 17337343 |
| <u>Adjustments to reconcile profit before tax to net cash flows:</u> | | |
| Depreciation of property, plant and equipment and amortisation | 350050 | 395898 |
| Finance costs | 2511409 | 2873612 |
| Operating profit before working capital changes | 19830550 | 20606853 |
| <u>Add/Less: Adjustments for working capital</u> | | |
| Increase / Decrease in inventories | (12229778) | (23167111) |
| Increase/Decrease in Trade receivables | 11581789 | (6884642) |
| Increase/Decrease in Other current assets | (422939) | 510613 |
| Increase / Decrease in other current liabilities | 607700 | (55090) |
| Cash generated from operations | 19367322 | (8989376) |
| Less: Direct taxes paid | 4757570 | 5130535 |
| Net cash flows from operating activities | 14609752 | (14119911) |
| II CASH FLOW FROM INVESTMENT ACTIVITIES | | |
| Purchase of property, plant and equipments | (122220) | (210163) |
| Increase in Other Non-Current Assets | 460000 | - |
| Net cash flows used in investing activities | 337780 | (210163) |
| III CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from borrowings | (6910301) | 32548990 |
| Interest paid | (2511409) | (2873612) |
| Dividends paid to equity holders including tax on dividend | (9983410) | (9972920) |
| Dividend distribution tax | (2056983) | (2056512) |
| Net Cash flows/(used in) Financing Activities | (21462103) | 17645946 |
| Net increase/(decrease) in Cash & Cash equivalents (I + II + III) | (6514571) | 3315872 |
| Cash and cash equivalents at the beginning of the period | 7861470 | 4545598 |
| Cash and cash equivalents at the end of the period | 1346899 | 7861470 |
| | 6514571 | (3315872) |

Note: The accompanying notes are an integral part of the financial statements.
as per our report on even date

For **M/s.K.S.RAO & Co.,**
Chartered Accountants
F.R.NO.003109S

Sd/-
K.VAMSI KRISHNA
Partner
M.No.: 238809

Place: Tanuku
Date: 25.06.2020

For **RADIX INDUSTRIES (INDIA) LIMITED**

Sd/-
GOKARAJU RAGHU RAMA RAJU
Chairman & Managing Director

Sd/-
GOKARAJU PARVATHI
Director

Sd/-
G. Ganapathi Rama Prabhakara Raju
Director & CFO

Sd/-
P. Lenin Babu
Company Secretary

Statement of changes in equity for the year ended March 31, 2020

A. Equity share capital

Amount in Rs.

| Particulars | Amount |
|---|-----------|
| Balance at March 31, 2018 | 100047800 |
| Changes in equity share capital during the year | 0 |
| Balance at March 31, 2019 | 100047800 |
| Changes in equity share capital during the year | 50023900 |
| Balance at March 31, 2020 | 150071700 |

B. Other Equity

Amount in Rs.

| Particulars | Reserves and surplus | |
|---|----------------------|-------------------|
| | General reserve | Retained earnings |
| Balance at April 1, 2018 | 10382500 | 57299002 |
| Add: Profit for the year | - | 12460352 |
| Less: Dividend for the year paid | - | (12061292) |
| Add: Other comprehensive income for the year, net of income tax | - | - |
| Balance as on 31.03.2019 | 10382500 | 57698063 |
| Add: Profit for the year | - | 11905473 |
| Less: Dividend for the year paid | - | (12061763) |
| Less: Bonus issue | - | (50023900) |
| Add: Other comprehensive income for the year, net of income tax | - | - |
| Balance as on 31.03.2020 | 10382500 | 7517873 |

As per our report of even date

For **M/s.K.S.RAO & Co.**,
Chartered Accountants
F.R.NO.003109S

Sd/-
K.VAMSI KRISHNA
Partner
M.No.: 238809

Place: Tanuku
Date: 25.06.2020

For RADIX INDUSTRIES (INDIA) LIMITED

Sd/-
GOKARAJU RAGHU RAMA RAJU
Chairman & Managing Director

Sd/-
GOKARAJU PARVATHI
Director

Sd/-

G. Ganapathi Rama Prabhakara Raju
Director & CFO

Sd/-

P. Lenin Babu
Company Secretary

NOTE. 1: STATEMENT ON ACCOUNTING POLICIES AND OTHER DISCLOSURES**I. Company Overview**

Radix Industries (India) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 vide CIN No: L37200AP1993PLC016785. Its shares are listed on Bombay Stock exchange. The company is engaged in the manufacturing and selling of human hair products.

II. Significant Accounting Policies followed by the Company**(a) Basis of preparation of financial statements****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

1) Certain financial assets and liabilities that are measured at fair value;

(iii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

(b) Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(c) Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting

period in which they are incurred.

Intangible Assets

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

Depreciation and Amortization

Depreciable amount for Plant and Equipments are the cost of the asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the written-down method as per the useful life prescribed in Schedule II to the Companies Act, 2013

In respect of assets sold or disposed off during the year, depreciation / amortization is provided till the month of sale or disposal of the assets.

(d) Inventories

Valuation of inventories is made as under:

- i) Finished goods are valued at lower of cost or net realizable value.
- ii) Raw materials, work-in-progress and stores and spares are valued at cost, following the FIFO Basis.
- iii) Work-in-Progress, raw materials, stores, spares are valued at cost except where the net realizable value of the finished goods they are used in is less than the cost of finished goods and in such an event, if the replacement cost of such materials etc., is less than their books value, they are valued at replacement cost.

By-products and scrap are valued at net realizable value

(e) Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services

Effective from 1st April 2018, the Company adopted Ind AS 115- "Revenue from contracts with customers" and applied prospectively contracts with customers, existing as on 1st April 2018. The applicability of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the company.

Sales are accounted for net of discounts and rebates. Export Sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.

(f) Borrowing Costs

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalized as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

(g) Income Taxes

Income tax expense comprises current and deferred taxes.

- i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

- ii) Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by the balance sheet date.

(h) Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) 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. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

(i) Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per 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.

(j) Foreign Exchange Transactions

- i) Transactions in foreign currency are initially accounted at exchange rate prevailing on the date of transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the period under report.
- ii) At each Balance Sheet date foreign currency monetary items being receivables/payables are reported using the rate of exchange on that date and difference is recognized as income or expense. Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.
- iii) In respect of forward exchange contracts in the nature of hedges. Premium or discount on the contract is amortized over the term of the contract. Exchange differences on the contract are recognized as profit or loss in the period in which they arise.

1. Government Grants:

Grants from government are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants relating to assets the company has opted "capital approach" method. Accordingly, the grant is deducted from the gross value of the assets concerned in arriving at their books value.

Government grants in the nature of export incentives are recognised in the statement of Profit and Loss in the year in which the licenses was approved by respective authorities and the same is considered as reasonable assurance that the enterprise has complied the conditions attached to them and the benefits have been earned by the enterprise is reasonably certain and the ultimate collection will be made.

Fixed Assets**Note No - 2 Property, Plant & Equipment**

Amount in ₹

| S. No. | Name of the Asset | GROSS BLOCK | | | | DEPRECIATION BLOCK | | | | NET BLOCK | |
|--------|-------------------|----------------------------|----------------------------------|-----------------------------------|---------------------------------|-----------------------------------|----------------------------------|---------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| | | Cost As on 01.04.2019 ₹ | Additions during the Period ₹ | Deductions during the Period ₹ | Total Cost upto 31.03.2020 ₹ | Depreciation Upto 31.03.2019 ₹ | Depreciation for the period ₹ | Depreciation on Deductions ₹ | Depreciation Upto 31.03.2020 ₹ | W.D.V As on 31.03.2020 ₹ | W.D.V As on 31.03.2019 ₹ |
| 1 | Office equipment | 1041231 | 0 | 0 | 1041231 | 837817 | 54555 | - | 892372 | 148859 | 203414 |
| 2 | Plant & Machinery | 3313343 | 88500 | - | 3401843 | 2267533 | 199478 | - | 2467011 | 934832 | 1045810 |
| 3 | Computers | 307845 | 33720 | - | 341565 | 298538 | 21537 | - | 320075 | 21490 | 9307 |
| 4 | Vehicles | 1765836 | - | - | 1765836 | 1510248 | 74480 | - | 1584728 | 181108 | 255588 |
| | TOTAL: | 6428255 | 122220 | - | 6550475 | 4914136 | 350050 | - | 5264186 | 1286289 | 1514119 |
| | Previous year: | 6218092 | 210163 | - | 6428255 | 4518238 | 395898 | - | 4914136 | 1514119 | 1699854 |

(All amounts in ₹)

| Note No. | Schedules Annexed to and Forming Part of Balance Sheet | As on 31.03.2020 ₹ | As on 31.03.2019 ₹ |
|----------|---|------------------------------------|--------------------------|
| 3 | <u>DEFERRED TAX ASSET (Net):</u> Timing difference between book and tax depreciation | 235840 | 236888 |
| | | 235840 | 236888 |
| 4 | <u>OTHER NON-CURRENT ASSETS:</u> Security Deposits (Unsecured, Considered good) | 24895 | 484895 |
| | | 24895 | 484895 |
| 5 | <u>INVENTORIES:</u> Raw Materials Stores & Spares | 212201623 2326802 | 198879822 3418825 |
| | | 214528425 | 202298647 |
| 6 | <u>TRADE RECEIVABLES:</u> Trade receivables (Unsecured, Considered good) | 13215802 | 24797591 |
| | | 13215802 | 24797591 |
| 7 | <u>CASH & CASH EQUIVALENTS:</u> Cash on hand Balance with scheduled banks in current a/c. | 167507 1026184 | 23065 7706567 |
| | | 1193691 | 7729632 |
| 8 | <u>BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</u> Earmarked balances with banks (Unpaid Dividend accounts - less than seven years) | 153208 | 131838 |
| 9 | <u>OTHER CURRENT ASSETS:</u> Unsecured, considered good Interest Receivable Prepaid Expenses Advances to Suppliers Duty drawback receivable | 168805 452349 10000 25983 | - 234198 - - |
| | | 657137 | 234198 |

(All amounts in ₹)

| Note No. | Schedules Annexed to and Forming Part of Balance Sheet | As on 31.03.2020 ₹ | As on 31.03.2019 ₹ |
|-----------|--|----------------------------------|----------------------------------|
| 10 | <u>EQUITY SHARE CAPITAL:</u> | | |
| | a. Authorised Share capital 2,70,00,000 (1,50,00,000) Equity Shares of ₹ 10/- each | 270000000 | 150000000 |
| | b. Issued and subscribed capital 1,50,07,170 (1,00,04,780) Equity shares of ₹ 10/- each | 150071700 | 100047800 |
| | c. Paid up capital 1,50,07,170 (1,00,04,780) Equity Shares of ₹ 10/- each | 150071700 | 100047800 |
| | d. The Reconciliation of number of shares: | No. of Shares | No. of Shares |
| | Number of Shares at the beginning | 10004780 | 10004780 |
| | Add: Shares issued during the year | - | - |
| | Add: Bonus shares issued during the year | 5002390 | - |
| | Shares Bought back during the year | - | - |
| | Number of Shares at the end | 15007170 | 10004780 |
| | e. Terms/Rights attached to equity shares: The company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The company declares and pays dividend in Indian rupees. | | |
| | f. The Company has issued and allotted 50,02,390 equity shares to the eligible holders of equity shares, on the record date i.e. 1st October 2019 as bonus equity shares by capitalising reserves, on 3rd October, 2019. The earnings per shares figures for the year ended 31st March 2019 have been reinstated to give effects to the allotment of bonus shares, as required by Ind AS 33. (refer note 26) | | |
| | g. During the year, the company has paid final dividend of ₹ 1.00 per share for FY 18-19 which resulted in a cash outflow of ₹ 120.62 lacs inclusive of corporate dividend tax | | |
| | h. 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 | | |
| | i. The details of share holders holding more than 5% shares. | No. of Shares/ (% of holding) | No. of Shares/ (% of holding) |
| | Name of the Share holder | | |
| | i) Sri Gokaraju Raghu Rama Raju | 9247500 | 6165000 |
| | | 61.62 | 61.62 |
| | ii) Smt Gokaraju Parvathi | 1995000 | 1330000 |
| | | 13.29 | 13.29 |

(All amounts in ₹)

| Note No. | Schedules Annexed to and Forming Part of Balance Sheet | As on 31.03.2020 ₹ | As on 31.03.2019 ₹ |
|-----------|--|--------------------------|--------------------------|
| 11 | <u>OTHER EQUITY - RESERVES AND SURPLUS:</u> | | |
| | a. Capital Reserve: | | |
| | Opening Balance | 10382500 | 10382500 |
| | b. Surplus: | | |
| | Opening Balance | 57698063 | 57299002 |
| | Add: Net Profit transferred from statement of Profit and loss | 11905473 | 12460352 |
| | Closing Balance | 69603536 | 69759355 |
| | Less: Appropriations: | | |
| | Final Dividend on Equity Shares | 10004780 | 10004780 |
| | (amount per share ₹ 1.00 (Pr. Year ₹ 1.00) | | |
| | Tax on Final Dividend | 2056983 | 2056512 |
| | Issue of Bonus Shares | 50023900 | - |
| | | 62085663 | 12061292 |
| | Closing Balance | 7517873 | 57698063 |
| | Total (a+b) | 17900373 | 68080563 |
| 12 | <u>BORROWINGS:</u> | | |
| | Secured: | | |
| | Towards working capital - Repayable on demand | | |
| | State Bank of India - Tanuku - EPC Limit | 61676644 | 68586945 |
| | (The above loan is primarily secured by hypothecation of stock and receivables and further collaterally secured by way of specific properties belonging to two directors and further guaranteed by three directors in their individual capacities) | | |
| | Terms | | |
| | a) The above loan is repayable on demand | | |
| | b) The sanction limit is ₹ 950 lacs | | |
| | c) The interest rate is MCLR+0.55% i.e 4.80% p.a (after netoff of subvention) | | |
| | d) The Company is regular in payment of interest on above loan as on reporting date | | |
| 13 | <u>OTHER CURRENT LIABILITIES:</u> | | |
| | Unpaid dividends | 153208 | 131838 |
| | | 153208 | 131838 |
| 14 | <u>PROVISIONS:</u> | | |
| | For Expenses | 722389 | 261024 |
| | For Employee benefits | 253073 | 92662 |
| | For Statutory payables | 54900 | 68976 |
| | | 1030362 | 422662 |
| 15 | <u>CURRENT TAX LIABILITIES:</u> | | |
| | Provision for Current tax (Net of taxes paid) | 463000 | 158000 |
| | | 463000 | 158000 |

(All amounts in ₹)

| Note No. | Schedules Annexed to and Forming Part of Profit & Loss Statement | For the Year Ending 2019-20 ₹ | For the Year Ending 2018-19 ₹ |
|-----------|--|----------------------------------|----------------------------------|
| 16 | <u>REVENUE FROM OPERATIONS:</u> | | |
| | Sale of Human Hair Products (Export) | 100229338 | 101098355 |
| | Other Operating revenues | | |
| | a. Export Incentives | 5574300 | 5644365 |
| | b. Profit on Forward Contracts | - | 106987 |
| | c. Exchange Gain on translation of dues in foreign currency | - | 110668 |
| | | 105803638 | 106960375 |
| 17 | <u>OTHER INCOME</u> | | |
| | Interest received | 7666 | - |
| | | 7666 | - |
| 18 | <u>COST OF MATERIALS CONSUMED:</u> | | |
| | Opening stock of Human hair | 198879822 | 178205742 |
| | Add: Purchases | 84083150 | 97135926 |
| | | 282962972 | 275341668 |
| | Less: Closing stock of Human hair | 212201623 | 198879822 |
| | | 70761349 | 76461847 |
| 19 | <u>EMPLOYEE BENEFITS EXPENSE:</u> | | |
| | Salaries and Wages | 2782362 | 2593035 |
| | | 2782362 | 2593035 |
| 20 | <u>FINANCE COSTS:</u> | | |
| | Interest to bank | 2294892 | 2306890 |
| | Other Borrowing cost | 216517 | 566722 |
| | | 2511409 | 2873612 |
| 21 | <u>OTHER EXPENSES:</u> | | |
| | Stores Consumed | 1302129 | 613540 |
| | Advertisements | 31710 | 28140 |
| | Electricity Charges | 161995 | 154448 |
| | Manufacturing Exp | 278882 | 229477 |
| | Repairs & Maintenance | 143066 | 34342 |
| | Remuneration to Directors | 1200000 | 1200000 |
| | Office and Administrative Expenses | 338529 | 1036418 |
| | Freight Charges | 1394322 | 1337555 |
| | Rent | 787800 | 929400 |
| | Bank Charges | 271964 | 343501 |
| | Loss on Forward Contracts | 3737609 | - |
| | Insurance | 729352 | 574263 |
| | Payment to Auditors | | |
| | --Towards Statutory Audit | 17700 | 17700 |
| | --Towards Tax Audit | 11800 | 11800 |
| | Taxes & Licenses | 41846 | 28618 |
| | Miscellaneous Expenses | 1988339 | 759438 |
| | | 12437043 | 7298640 |

21. Expenses / Earnings in Foreign Exchange

(All amounts in ₹)

| Particulars | Current period | Previous period |
|--|----------------|-----------------|
| a) Expenses : | ₹ | ₹ |
| i) Imported Capital Goods | NIL | NIL |
| ii) Imported Stores and Spares | NIL | 28,64,780 |
| b) Earnings : | | |
| i) FOB value of exports made during the period | 9,66,96,200 | 9,93,69,369 |

22. Disclosure on payments and dues to "suppliers" as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ('The Act').

| Sl.No. | Particulars | 31-03-20 |
|--------|--|-------------------------------------|
| 1 | Amount remaining unpaid, beyond the appointed/ agreed day, at the end of the period (a) Principal amount of bills to be paid (b) Interest due thereon | ₹ -- Nil -- -- Nil -- |
| 2 | (a) Payments made to suppliers, during the period, but beyond appointed/agreed day interest thereon in terms of Sec.16 of the Act. (b) Interest paid along with such payments during the period. (c) Interest due and payable at the end of the period, on such payments made during the period. | -- Nil -- -- Nil -- -- Nil -- |
| 3 | Amount of interest, for the period, u/s.16 of the Act. Accrued and remaining unpaid, at the end of the period. | -- Nil -- |
| 4 | Total amount of interest, u/s.16 of the Act, including that arising in earlier periods, accrued and remaining unpaid at the end of the period. | -- Nil -- |

For the purpose of the above details the Status of the 'Suppliers' under the Act has been determined to the extent of and based on the information furnished by the respective parties, and has accordingly been relied upon by the company and its auditors.

23. Details of consumption of imported and indigenous items

| Particulars | Current Period | Previous Period |
|-----------------------------|-----------------------|-----------------------|
| A. Raw material | ₹ | ₹ |
| Imported | NIL (0%) | NIL (0%) |
| Indigenous | 7,07,61,349 (100%) | 7,64,61,847 (100%) |
| B. Stores and spares | | |
| Imported | 10,78,857 82.85% | 3,15,733 51.46% |
| Indigenous | 2,23,272 17.15% | 2,97,807 48.54% |

24. Assets pledged as security

| Particulars | Notes | 31 st March 2020 | 31 st March 2019 |
|------------------------|-------|--------------------------------|--------------------------------|
| Current Assets | | ₹ | ₹ |
| Financial Assets | | | |
| -Trade Receivables | 6 | 1,32,15,802 | 2,47,97,591 |
| Non - financial Assets | | | |
| - Inventories | 5 | 21,45,28,425 | 20,22,98,647 |

25. As per Indian Accounting Standard 24 "Related Parties Disclosure" the disclosure of related parties as defined in the standard are given hereunder:**A. List of Related parties:****Key Management Personnel**

- a) Sri. G. Raghu Rama Raju, Managing Director
- b) Sri. G.G.R. Prabhakara Raju, Director & CFO
- c) Smt. G Parvathi, Director
- d) Sri. P. Lenin Babu Company Secretary

Companies controlled by Key Management Personnel:

- a) M/s. Diamond Drop Property Holdings (India) Private Limited
(Smt. G. Parvathi, Director interested as Director in the Company)
- b) M/s. Arqube Industries (India) Limited
(Sri.G. Raghu Rama Raju, Managing Director &
Smt. G. Parvathi, Director interested as Directors in the Company)

B. List of Related party transactions:

| Nature of Transaction | Key Management personnel | Companies/ Firms/Controlled by KMP/Relatives of KMP |
|--|--------------------------|--|
| 1. Rent paid during the period to Diamond Drop Property Holdings (India) Private Ltd., | ₹ - | ₹ 3,63,000 |
| 2. Remuneration paid Sri G. Raghu Rama Raju (Managing Director) | 12,00,000 | |
| 3. Remuneration paid Sri P Lenin Babu (Company Secretary) | 3,72,000 | |
| B. Balances as at 31-03-2020 | | |
| Share capital in Company held by | | |
| - Sri G. Raghu Rama Raju | 9,24,75,000 | - |
| - Smt. G. Parvathi | 1,99,50,000 | - |
| - Sri G.G.R. Prabhakara Raju | 75,000 | - |

26. Particulars of earnings per share

(₹ in Lakhs)

| | PARTICULARS | 31.03.2020 | 31.03.2019 |
|-------|---|-------------|-------------|
| i) | Profit attributable to equity holders: | ₹ | ₹ |
| | -- Continuing operations | 1,19,05,473 | 1,24,60,352 |
| | -- Discontinued operations | - | - |
| ii) | Profit attributable to equity holders for basic earnings | 1,19,05,473 | 1,24,60,352 |
| iii) | Interest on convertible preference shares | - | - |
| iv) | Profit attributable to equity holders adjusted for the effect of dilution | 1,19,05,473 | 1,24,60,352 |
| v) | Weighted average No. of equity shares for basic EPS | 1,50,07,170 | 1,50,07,170 |
| | -- Effect of dilution | - | - |
| | -- Share options | - | - |
| | -- Convertible preference shares | - | - |
| vi) | Weighted average No. of equity shares adjusted for the effect of dilution | 15007170 | 15007170 |
| vii) | Basic Earnings per Share (₹) | 0.79 | 0.83 |
| viii) | Diluted Earnings per Share (₹) | 0.79 | 0.83 |

The Company has allotted 5,002,390 equity shares of ₹ 10/- each fully paid up as bonus shares on October 03, 2019 in the ratio of 1:2 one equity shares of ₹ 10/- each for every two equity shares of ₹ 10/- each held in the Company as on the record date i.e., October 01, 2019) by capitalisation of general reserve. In accordance with Ind AS 33, Earnings per share, the earnings per share data has been adjusted to give effect to the bonus issue for all periods presented.

27. Since the company deals only in Manufacturing of Human hair products and there are no geographical segments to be reported.

28. The total sale revenue of ₹ 10,58,03,638/- includes an amount of ₹ 25,30,465/- towards net exchange gain on account of realization of export receivables.
29. According to an internal technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of Indian Accounting Standard 36 'Impairment of Assets'.
30. The earmarked balances under head Cash & Cash equivalents represent the bank balance relating to the following unpaid dividends

| Financial Year | Amount | Dividend |
|----------------|--------|------------------|
| 2014-15 | 31509 | Final Dividend |
| 2015-16 | 31142 | Interim Dividend |
| 2016-17 | 37327 | Final Dividend |
| 2017-18 | 31860 | Final Dividend |
| 2018-19 | 21370 | Final Dividend |

31. The exchange value for restatement of export receivables are taken at ₹ 71.30 per dollar.
32. Cash-flow statement enclosed.
33. Figures in brackets indicate those for the previous period.
34. The previous period's figures have been regrouped / reclassified wherever necessary to conform to the current period presentation.

As per our report of even date

For **M/s. K.S. RAO & Co.,**
Chartered Accountants
FRN. 003109S

Sd/-
K.VAMSI KRISHNA
Partner
M.No.: 238809

Place: Tanuku
Date: 25.06.2020

For **RADIX INDUSTRIES (INDIA) LIMITED**

Sd/-
GOKARAJU RAGHU RAMA RAJU
Chairman & Managing Director

Sd/-
GOKARAJU PARVATHI
Director

Sd/-
G. Ganapathi Rama Prabhakara Raju
Director & CFO

Sd/-
P. Lenin Babu
Company Secretary

If undelivered please return to :

RADIX INDUSTRIES (INDIA) LIMITED

Door No. 4-243, Chivatam, Near NH-5 Road,
Tanuku - 534211, West Godavari Dist, Andhra Pradesh, India