



Bhaskar Agrochemicals Limited

Regd. & Corp. Off. : # 6-3-347/9, Flat No . 503, Riviera Apartment, Dwarakapuri colony
Panjagutta, Hyderabad - 500 082. T.S. | Tel: +91 - 40 - 6646 2082
E-Mail : bhaskaragro@gmail.com | bhaskaragro@yahoo.com CIN No.: L24219TG1988PLC008331



To,

Date: 19.10.2018

BSE Limited
P. J. Towers, Dalal Street
Mumbai - 400 001

Dear Sir/ Madam,

Sub: Annual report for the year 2017-18
Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015

With reference to the subject cited, please find enclosed Annual report of the Company for the year 2017-18 as approved by the shareholders in the AGM held on 28.09.2018 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is for the information and records of the exchange, please.

Thanking you.

Yours faithfully,
For Bhaskar Agrochemicals Limited




(P. Praveen Kumar)
Whole-Time Director & CEO
DIN: 00353720

Encl. as above

BHASKAR AGROCHEMICALS LIMITED

30th

Annual Report 2017-18

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. P. Pattabhi Rama Rao	- Managing Director	(DIN: 00353641)
Mr. P. Praveen Kumar	- Whole-time Director cum CFO	(DIN: 00353720)
Dr. Aluri Naga Uma Maheswara Prasad	- Non Executive Director	(DIN: 02970817)
Mrs. P. Rajya Lakshmi	- Non Executive Director	(DIN: 00353832)
Mr. S. V. Satyanarayana Chowdary	- Independent Director	(DIN: 07522128)
Mr. Ch. Sudhakar	- Independent Director	(DIN: 07522130)

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. P. Ramchandra Adav

REGISTERED OFFICE

6-3-347/9, Riviera Apartment,
Dwarakapuri Colony, Panjagutta,
Hyderabad, Telangana – 500082.
Ph No 040-66462082

FACTORY

94/1, Toophranpet,
Choutuppal Mandal,
Yadadri Bhuvangiri Dist – 508 252
Telangana

STATUTORY AUDITORS

M/s. S. Singhvi & Co
Chartered Accountants
Hyderabad.

SECRETARIAL AUDITORS

Vivek Surana & Associates
Practicing Company Secretaries
Hyderabad.

BANKERS

Axis Bank Limited.

LISTED AT

: BSE Limited.

ISIN

: INE972C01018

WEBSITE

: www.bhaskaragro.com

INVESTOR E-MAIL ID

: investors@bhaskaragro.com

CORPORATE IDENTITY NUMBER

: L24219TG1988PLC008331

AUDIT COMMITTEE

Mr. S. V. Satyanarayana Chowdary	-	Chairman
Mr. Ch. Sudhakar	-	Member
Dr. Aluri Naga Uma Maheswara Prasad	-	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Ch. Sudhakar	-	Chairman
Mr. S. V. Satyanarayana Chowdary	-	Member
Mrs. P. Rajya Lakshmi	-	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr. Aluri Naga Uma Maheswara Prasad	-	Chairman
Mrs. P. Rajya Lakshmi	-	Member

INDEPENDENT DIRECTORS:

Mr. S. V. Satyanarayana Chowdary
Mr. Ch. Sudhakar

REGISTRAR & SHARE TRANSFER AGENTS

M/s. XL Softech Systems Limited,
3, Sagar Society, Road No.3,
Banjara Hills, Hyderabad-500034, Telangana
Phone Number: 040-23545913,
Fax: 040-235532214
E-mail: xlfield@gmail.com

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Shareholders of Bhaskar Agrochemicals Limited will be held on Friday, 28th of September, 2018 at 10.00 A.M. at Aditya Park, Aditya Trade Centre, Ameerpet, Hyderabad – 500 038, Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2018, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Dr. Aluri Naga Uma Maheswara Prasad (DIN: 02970817) who retires by rotation and being eligible, offers himself for re-appointment.

For and on behalf of the Board
Bhaskar Agrochemicals Limited

Place: Hyderabad
Date: 14.08.2018

Sd/-
P. Pattabhi Rama Rao
Managing Director
DIN No. 00353641

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 22.09.2018, to 28.09.2018 (Both days inclusive).
3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.

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4. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
5. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. Members holding shares in electronic form may note that the address registered against their respective registered accounts will be used by the Company for the despatch at annual report. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of address. Such changes are to be advised only to the Depository Participant of the members or RTA of the company.
8. The Securities and Exchange Board of India issued a circular for submission of PAN/Aadhar number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN/ Aadhar card details to the Company/ Registrar and Share Transfer Agents (M/s. XL Softech Systems Limited.)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to [xlfield@gmail.com.](mailto:xlfield@gmail.com), Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.

15. Members may also note that the Notice of the 30th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.bhaskaragro.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investors@bhaskaragro.com

16. Voting through Electronic Means (E-Voting Facility)

Pursuant to the provisions of Section 108 of the Act read with the rules thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 30th Annual General Meeting scheduled to be held on Friday, 28th of September, 2018 at 10.00 A.M. at Aditya Park, Aditya Trade Centre , Ameerpet, Hyderabad – 500 038, Telangana.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorized Agency to provide e-voting facilities.

The e-voting facility will be available during the following voting period:

Commencement of e-voting: **From 25.09.2018 at 9. a.m.**

End of e-voting: **Upto 27.09.2018 at 5. p.m.**

The cut-off date (i.e. the record date) for the purpose of e-voting is 21.09.2018.

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 14.08.2018 for the AGM scheduled to be held on Friday, 28th of September, 2018 at 10.00 A.M. at Aditya Park, Aditya Trade Centre , Ameerpet, Hyderabad – 500 038, Telangana. which is enclosed herewith and is also made available on the website of the Company **www.bhaskaragro.com**. Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through CDSL for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 30th Annual General Meeting of the Company dated 14th August, 2018.

Procedure and instructions for e-voting

- (i) The E-voting period begins on 25th September, 2018 (9.00 A.M) and ends on 28th September, 2018 (5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, 21.09.2018 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members 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). Members who have not updated their PAN with the Company /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	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.
OR Date of Birth (DOB)	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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant < **Bhaskar Agrochemicals Limited** >
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- ⌘ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ⌘ 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.
- (xx) 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.

2. OTHER INSTRUCTIONS:

- (i). Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.
- (ii) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 21st September 2018.
- (iii) The Company has appointed Mr Vivek Surana, Practicing Company Secretary as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- (iv) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.

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- (v) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vi) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bhaskaragro.com and on the website of CDSL and will be communicated to the BSE Limited.
19. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
20. Relevant documents referred to in the accompanying Notice, as well as Annual Reports and Annual Accounts of the Subsidiaries Companies whose Annual Accounts have been consolidated with the Company are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. upto the date of Annual General Meeting.
21. SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
22. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/ uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

For and on behalf of the Board
Bhaskar Agrochemicals Limited

Sd/-

P. Pattabhi Rama Rao
Managing Director
DIN No. 00353641

Place: Hyderabad

Date: 14.08.2018

BOARD DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the 30th Board's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2018 has been as under:

(Rs. In Lakhs)

Particular	2017-18	2016-2017
Total Revenue	5220.09	3367.52
Total Expenditure	5181.16	3281.80
Profit Before Tax	38.93	85.72
Provision for Tax	-	-
Profit after Tax	38.93	85.72
Transfer to General Reserves	-	-
Profit available for appropriation	38.93	85.72
Provision for Proposed Dividend	-	-
Provision for Dividend Tax	-	-
Balance Carried to Balance Sheet	38.93	85.72

2. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report. (i.e. 14.08.2018)

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

4. DIVIDEND:

The Directors have not recommended dividend for the year.

5. RESERVES:

The Company has not carried any amount to the reserves.

6. BOARD MEETINGS:

The Board of Directors duly met 5 (Five) times on 15.05.2017, 01.09.2017, 14.09.2017, 14.12.2017 and 13.02.2018 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Mr. S. V. Satyanarayana Chowdary and Mr. Ch. Sudhakar, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

8. DIRECTORS OR KMP APPOINTED, RE-APPOINTED OR RESIGNED:

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment and Directors resigning are given as under:-:

No Directors or Key Managerial Personnels have appointed or resigned during the year.

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Name of the Director	:	Dr. Aluri Naga Uma Maheswara Prasad (Reappointment)
Date of Birth	:	13.08.1947
Qualification	:	MBBS
Expertise in specific functional areas	:	More than 3 decades of experience in Medical Field
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	:	NIL
No. of Shares held in the Company	:	NIL
Inter relationship with any Director	:	NIL

FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website www.bhaskaragro.com

9. COMPOSITION OF AUDIT COMMITTEE:

I. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

II. The terms of reference of the Audit Committee include a review of the following:

- ⌘ Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- ⌘ Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- ⌘ Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- ⌘ Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- ⌘ Reviewing with management the annual financial statements before submission to the Board, focusing on:
 1. Any changes in accounting policies and practices;
 2. Qualification in draft audit report;
 3. Significant adjustments arising out of audit;
 4. The going concern concept;
 5. Compliance with accounting standards;
 6. Compliance with stock exchange and legal requirements concerning financial statements and
 7. Any related party transactions
- ⌘ Reviewing the company's financial and risk management's policies.
- ⌘ Disclosure of contingent liabilities.
- ⌘ Reviewing with management, external and internal auditors, the adequacy of internal control systems.

- ⌘ Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- ⌘ Discussion with internal auditors of any significant findings and follow-up thereon.
- ⌘ Reviewing the findings of any internal investigations by the internal auditors into the 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.
- ⌘ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- ⌘ Reviewing compliances as regards the Company's Whistle Blower Policy.

III. The previous Annual General Meeting of the Company was held on 28.09.2017 and Chairman of the Audit Committee, attended previous AGM.

IV. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of Regulation 27 of SEBI (LODR) Regulations 2015 relating to the composition of the Audit Committee.

During the financial year 2017-18, (4) four meetings of the Audit Committee were held on the 15.05.2017, 05.08.2017, 11.11.2017, 10.02.2018.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of Meetings held	No. of Meetings attended
S.V. Satyanarayana Chowdhary	Chairman	NED(I)	4	4
Ch. Sudhakar	Member	NED(I)	4	4
Dr. Aluri Naga Uma Maheswara Prasad	Member	NED	4	4

NED (I): Non-Executive Independent Director

NED: Non Independent, Non- Executive Director

V. NOMINATION & REMUNERATION COMMITTEE

Terms of reference:

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time

Director of the Company and while approving:

- ⌘ To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- ⌘ To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

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Mr. P. Pattabhi Rama Rao, Managing Director and Mr. P. Praveen Kumar, Wholetime Director and CFO are paid a monthly remuneration of Rs. 2 lakhs p.a.

During the year, the committee met on 14.02.2018.

The details of composition of the Committee are given below:

Name	Designation	Category	No. of Meetings held	No.of Meetings attended
Ch. Sudhakar	Chairman	NED(I)	1	1
S.V. Satyanarayana Chowdhary	Member	NED(I)	1	1
P. Rajya Lakshmi	Member	NED	1	1

NED (I): Non Executive Independent Director

NED: Non Independent, Non-Executive Director

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 **"Director"** means a director appointed Board of a Company.

2.2 **"Nomination and Remuneration Committee"** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and reg. 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015.

2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- ⌘ General understanding of the company's business dynamics, global business and social perspective;
- ⌘ Educational and professional background
- ⌘ Standing in the profession;
- ⌘ Personal and professional ethics, integrity and values;
- ⌘ Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- ⌘ shall possess a Director Identification Number;

- Æ shall not be disqualified under the Companies Act, 2013;
- Æ shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- Æ shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- Æ shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Æ Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in Companies Act, 2013 and reg. 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3.2.3 The Independent Director shall abide by the "Code for Independent Directors" as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

BHASKAR AGROCHEMICALS LIMITED.

2.1 “**Director**” means a Director appointed to the Board of the company.

2.2 “**key managerial personnel**” means

- (i) The Chief Executive Office or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The chief finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration Committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act,2013 and reg. 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and Key Managerial Personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Commission (Applicable in case of Executive Directors)
- (iv) Retrial benefits
- (v) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof..

3.3. Remuneration to other employees

3.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

A.) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Dr. Aluri Naga Uma Maheswara Prasad	Chairman	NED
P. Rajya Lakshmi	Member	NED

NED : Non Executive Director

B) Powers:

The Committee has been delegated with the following powers:

- Æ To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- Æ To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Æ Consolidate and sub-division of share certificates etc.
- Æ To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Company has designated an exclusive e-mail ID called investors@bhaskaragro.com for complaints/grievances.

10. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

11. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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12. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

The Company does not have any Subsidiary, Associate or Joint venture.

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

During the year neither any Company became its subsidiary nor ceased to be its subsidiary.

14. EXTRACT OF ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 annexed as a part of this Annual Report

15. STATUTORY AUDITORS:

The members of the company in accordance with section 139 of the Companies Act, 2013 had passed a resolution for appointment of M/s. S. Singhvi & Co, as Statutory Auditors of the company for a period of 5 years in the AGM held on 28.09.2017 to hold office up to the conclusion of 34th Annual General Meeting of the company subject to ratification as per the provisions of Companies Act, 2013.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been omitted.

16. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There have been no frauds reported by the auditors u/s 143(12).

17. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. Vivek Surana, Practicing Company Secretary is annexed to this Report as an annexure.

18. QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2018 and has noted that the Company has not provided depreciation on building and Plant & Machinery relating to Unit-II in the books of account of the company as the Unit-II is closed. Since the Unit II is not in operations, therefore depreciation is not provided on Building, Plant & Machinery

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2018 on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D):NIL
2. Technology absorption, adoption and innovation:NIL

C. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings:NIL

Foreign Exchange Outgo:NIL

20. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review. Further, there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

21. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

22. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

23. INSURANCE:

The properties and assets of your Company are adequately insured.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year under review.

25. CREDIT & GUARANTEE FACILITIES:

The Company has availed credit facilities from Axis Bank.

26. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

Since the Company does not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

27. RELATED PARTY TRANSACTIONS:

During the year under review, the Company had not entered in to any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arms length basis.

Transactions with the Related Parties as required under Accounting Standard-18 are disclosed in Note No.35 of the financial statements forming part of this Annual Report.

28. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

29. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE:

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as annexure.

30. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. P. Pattabhi Rama Rao, Managing Director of the Company to the median remuneration of the employees is 23.53:1 and of Mr. P. Praveen Kumar, Whole-Time director & CFO of the Company is 23.53:1

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31. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance as envisaged in SEBI (LODR) Regulations, 2015 is not applicable.

32. SECRETARIAL STANDARDS

The Company is in compliance with the applicable secretarial standards.

EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

33. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

34. CEO/ CFO Certification

The Managing Director cum CEO and CFO certification of the financial statements for the year 2017-18 is annexed in this Annual Report.

35. EMPLOYEE RELATIONS:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing a remuneration of Rs. 1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

36. BOARD EVALUATION:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Evaluation of the Committees performance was based on the criteria like composition, its terms of the reference and effectiveness of committee meetings, etc., Individual Director's performance evaluation is based on their preparedness on the issues to be discussed, meaningful and constructive discussions and their contribution to the Board and Committee meetings. The Chairperson was evaluated mainly on key aspects of his role. These performance exercises were conducted seeking inputs from all the Directors / Committee Members wherever applicable.

The evaluation procedure followed by the company is as mentioned below:

- i) Feedback is sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every Director on his assessment of the performance of each of the other Directors.

- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from all the Directors.
- iii) Based on the inputs received, the Chairman of the NRC also makes a presentation to the Independent Directors at their meeting, summarising the inputs received from the Directors as regards Board performance as a whole and of the Chairman. The performance of the Non-Independent Non-Executive Directors and Board Chairman is also reviewed by them.
- iv) Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) is discussed by the Chairman of the NRC with the Chairman of the Board. It is also presented to the Board and a plan for improvement is agreed upon and is pursued.
- v) Every statutorily mandated Committee of the Board conducts a self-assessment of its performance and these assessments are presented to the Board for consideration. Areas on which the Committees of the Board are assessed include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- vi) Feedback is provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation are presented to the Board and action plans are drawn up. During the year under report, the recommendations made in the previous year were satisfactorily implemented.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member are also provided to them in a confidential manner. The feedback obtained from the interventions is discussed in detail and, where required, independent and collective action points for improvement are put in place.

37. 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 workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

Æ No. of complaints received : Nil

Æ No. of complaints disposed off : Nil

38. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, ROC, SEBI, BSE, RTA, NSDL, CDSL, etc. for their continued support for the growth of the Company.

For and on behalf of the Board
Bhaskar Agrochemicals Limited

Sd/-

P. Praveen Kumar
Wholetime Director & CFO
DIN No. 00353720

Sd/-

P. Pattabhi Rama Rao
Managing Director
DIN No. 00353641

Place: Hyderabad
Date: 14.08.2018

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Certificate of Code of Conduct for the year 2017-18

The shareholders

Bhaskar Agrochemicals Limited

I, P. Pattabhi Rama Rao, Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

For and on behalf of the Board of Directors
Bhaskar Agrochemicals Limited

Place: Hyderabad

Date: 14.08.2018

P. Pattabhi Rama Rao

Managing Director

CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY

To

The Board of Directors,

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2018 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board
Bhaskar Agrochemicals Limited

Place: Hyderabad

Date: 14.08.2018

P. Pattabhi Rama Rao

Managing Director

DIN No. 00353641

P. Praveen Kumar

Wholetime Director & CFO

DIN No. 00353720

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows: **

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

**** Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

(1)

(a) Industry structure and developments:

India is the fourth largest global producer of agrochemicals after the US, Japan and China. Generating a value of US\$4.4 billion in FY15, Indian agrochemical industry is expected to grow at 7.5% per annum to reach US\$ 6.3 billion by FY20. Nearly half of the demand comes from domestic market while the other half goes towards exports. While the domestic demand is expected to grow at 6.5% per annum, exports are estimated to grow at 9% per annum during the same period. The Indian agrochemical usage pattern has not changed much in the past decades with insecticides contributing a majority 60%, followed by herbicides at 16%, fungicides at 18% and other products contributing the remaining 6%. The increasing farm labour cost is boosting the usage of herbicides while growing demand for fruits and vegetables is driving a strong growth in fungicides consumption in the recent years. Moreover, herbicides and fungicides are expected to grow faster in the coming years than insecticides

The global population is expected to grow by over a third, adding another 2.3 billion people between 2016 and 2050. In addition to this, is the rising per capita consumption of farm products—food as well as fibre. The global agriculture industry would need to enhance its productivity in order to meet the global demand, reducing arable land and rural work force and nature's vagaries notwithstanding. The decline in agriculture's share in national GDP and employment is taking place at different pace for major agrarian countries. This has resulted in various challenges in different agrarian countries, which, in turn, would affect their food availability and food security. The need for improved crop and farm productivity stands further intensified, thereby fuelling sustained demand growth for agrochemicals.

Indian agrochemicals market will be driven by growth in herbicides and fungicides, increasing awareness towards judicious use of agrochemicals, contract manufacturing and export opportunities. Challenges such as non-genuine products, appropriate focus on R&D, inefficiencies in the supply chain etc. need to be addressed on priority. In addition to the use of crop protection chemicals, Indian agriculture needs to focus on specific solutions to enhance crop productivity. It is imperative for us to adopt efficient agronomy practices, fertigation, seed treatment, biotechnology and integrated pest management to reduce wastage and attain self-sufficiency in agricultural output.

(b) Opportunities and Threats:

Despite robust growth drivers, the Indian agrochemicals industry faces challenges in terms of low farmer awareness (only 25-30% are aware of agrochemical products and usage). With a large number of end users spread across the vast Indian landmass, managing inventory and distribution costs remains challenging for industry players. The rising sale of spurious pesticides and spiked bio-pesticides pose a threat to the industry's growth. The effectiveness of supply chain management practices is another area of industry concern. Companies face challenges due to the seasonal nature of demand, unpredictability of pest attacks and high monsoon dependence. Month-end skews and high inventory across the channel remain perennial industry problems.

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(c) Segment-wise or product-wise performance:

Indian Economy has undergone a tremendous change over the past three decades. From being primarily agrarian it has continuously progressed towards secondary and tertiary sectors. Still agriculture continues to contribute extensively to the Indian GDP due to its significant implications on food security, employment and poverty. The growth of agrochemical industry is directly proportional to the growth of the agriculture sector. Any improved situation like increased purchasing power with the farmers to buy more of agro-chemicals is a further to the industry. The scope of the agro-chemical industry in India is quite wide given the fact that there is still a considerable part of the country not touched by the modern technology and irrigation facilities. The use of high-yielding variety seeds also has not been able to offset the decline in usage of irrigation and fertilizers. There is an urgent requirement of educating the farmers to understand the need of proper irrigation and use of agro-chemicals to enhance productivity. Since, the cultivable land cannot be further increased due to an aggressive industrial and residential demand due to urbanization, the only viable solution to bridge the demand-supply gap is through reduced crop losses through judicious and adequate use of agro-chemicals. Agrochemicals are manufactured as technical grades and converted into formulations for agricultural use. Technical grade Manufacturers, formulators producing the end products, distributors and end use customers constitute the Indian Agrochemical market. Technical grade manufacturers sell high purity chemicals in bulk to formulators. Formulators prepare the formulations by adding inert carriers, solvents, surface active agents etc. These formulations are then packed for retail sale, supplied to the distributors and finally sold to the end use customers (farmers). India due to its inherent strength of low-cost manufacturing and qualified low-cost manpower is a net exporter of pesticides to countries such as USA & some European & African countries. During the year under review, the Company has recorded revenue of Rs.522,009,261 and made a Profit/loss of Rs.38,93,734 against revenue of Rs. 336,752,127 and a profit of Rs. 85,71,340 in the previous financial year 2016-17.

(d) Outlook:

The management is doing its best to forge relations with other companies and take the company forward in the new business lines. However, the outlook of the management is cautious in view of the competitive nature of the market.

(e) Risks and concerns:

Although yield per hectare has doubled in the past years, Indian agriculture is still grappling with challenges such as high dependence on monsoon, unpredictable weather patterns, reduction in arable land, decreasing farm sizes, low per hectare yield and increase in pest attacks. To add to the complexity, the agricultural workforce in India is expected to reduce by 50% in the coming decade due to better remuneration and growth opportunities in other sectors. These factors pose a challenge for the Agrochemicals Industry as well.

Agrochemical industry works under stringent regulatory environment, wherein chances of frequent changes in regulatory guidelines are very high. This could lead to delays in obtaining necessary approvals.

Dependency on global economy, business environment, fluctuation in currency, global logistics and socio-political environment have direct or indirect impact on the Agrochemicals Industry and can lead to disruption of business in specified products.

(f) Internal control systems and their adequacy:

The system of internal control has been established to provide reasonable assurance of safeguarding assets and maintenance of proper Accounting Records and its accuracy. The business risks and its control procedures are reviewed frequently. Systems audit is also conducted regularly to review the systems with respect to Security and its Adequacy. Reports are prepared and circulated to Senior Management and action taken to strengthen controls where necessary.

(g) Discussion on financial performance with respect to operational performance:

During the year under review, the Company has recorded revenue of Rs.522,009,261 and made a Profit/loss of Rs.38,93,734 against revenue of Rs. 336,752,127 and a profit of Rs. 85,71,340 in the previous financial year 2016-17.

(h) Material developments in Human Resources/Industrial Relations front, including number of people employed:

The Company would like to sincerely appreciate the valuable contributions and support of the employees towards the performance and growth of the company. There have been no material developments in Human resources during the Financial year.

(2) Disclosure of Accounting Treatment:

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

MGT 9
Extract of Annual Return
As on the Financial Year 31.03.2018
[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	L24219TG1988PLC008331			
ii.	Registration Date	19.02.1988			
iii.	Name of the Company	Bhaskar Agrochemicals Limited			
iv.	Category / Sub-Category of the Company	Company limited by shares/ Non-Government Company			
v.	Address of the Registered office and contact details	6-3-347/9, 503, Riviera Apartment, Dwarka Puri Colony, Panjagutta, Hyderabad 500082 Telangana.			
vi.	Whether listed company Yes / No	Yes			
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. XL Softech Systems Limited,3, Sagar Society, Road No.3, Banjara Hills, Hyderabad – 500034 Phone Number: 040-23545913, Fax: 040-235532214.			
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:					
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-					
Sl. No.	Name and Description of main products /services	NIC Code of the Product / Service	% to total turnover of the company		
1	Manufacture of Agrochemical Products	20211	100%		
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-					
S.NO.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of sharesHeld	Applicable Section
1	-	-	-	-	-

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:-									
Category of Share holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total	
A. Promoters									
(1) Indian									
(2)									
Individual/ HUF	2951854	80066	3031920	58.20	3031920	0	3031920	58.20	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	208594	-	208594	4.00	208594	-	208594	4.00	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A) (1) :-	3160448	80066	3240514	62.20	3240514	0	3240514	62.20	0
(2) Foreign									
a) NRIs -Individuals	0	0	0	0	0	0	0	0	0
b) Other –Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3160448	80066	3240514	62.20	3240514	0	3240514	62.20	0
B. PublicShareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	-	200	200	0.00	-	200	200	0.0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
2. Non									

Institutions									
a) Bodies Corp.									
i) Indian	23140	11600	34740	0.67	23140	11600	34740	0.67	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual share holders holding nominal share capital up to Rs. 2 lakhs	286965	1479648	1766613	34.81	274565	1441848	1716413	32.95	1.86
ii) Individual shareholders holding nominal share capital in excess of Rs 2lakhs	0	80600	1.55	0.65	130800	0	130800	2.51	1.86
c) Others (specify) 1.NRI	2000	84966	86966	1.67	2000	84966	86966	1.67	0
Sub-total (B)(2):-Total Public Shareholding (B)=(B)(1)+(B)(2)	312105	1657014	1969119	37.80	430505	1538614	1969119	37.80	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3472553	1737080	5209633	100	3671019	1538614	5209633	100	0

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change During the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1.	Posani Bhaskar Rao & Co (P PATTABHI RAMA RAO)	878833	16.87	-	878833	16.87	-	Nil
2.	P RAJYA LAKSHMI	456749	8.77	-	456749	8.77	-	Nil
3.	C SAI SUDHA	366254	7.03	-	366254	7.03	-	Nil
4.	P DURGAMBA	623619	11.97	-	623619	11.97	-	Nil
5.	P PRAVEEN KUMAR	277954	5.34	-	277954	5.34	-	Nil
6.	P SANTHI	220454	4.23	-	220454	4.23	-	Nil
7.	P PATTABHI RAMA RAO	208057	3.99	-	208057	3.99	-	Nil
8.	POSANI FERTILISERS LIMITED	208594	4.00	-	208594	4.00	-	Nil

BHASKAR AGROCHEMICALS LIMITED.

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

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. Of Shares	% of total shares of the company	No. Of Shares	% of total shares of the company
1	Nil	Nil	Nil	Nil	Nil

Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g.allotment /transfer /bonus/sweat equity etc): NIL

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

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		shareholding at the end of the year	
		No. Of Shares	% of total shares of the company	No. Of Shares	% of total shares of the company
	At the beginning of the year				
1	Jayalakshmi Aluri	4600	0.09	68100	1.31
2	Dr Raghava Rao Polavarapu	66666	1.28	66666	1.28
3	Somisetty Giridhar Gupta	2600	0.05	62700	1.20
4	Murali Krishna Prasad Divi	34000	0.65	34000	0.65
5	R.Vinod Khanna	16900	0.32	16900	0.32
6	Rita K Jethani	15400	0.30	15400	0.30
7	Murlidhar B Jethani	13500	0.26	13500	0.26
8	Peacock Chennai Finvest Private Limited	0	0.00	13340	0.26
9	Summan R Jethani	13200	0.25	13200	0.25
10	Jaiwanti M Jethani	13100	0.25	13100	0.25

Date wise Increase /Decrease in Promoters Share Holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/ sweat equity etc): NIL:

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	P. Pattabhi Rama Rao Managing Director				
	At the beginning of the year	208057	3.99	208057	3.99
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	208057	3.99	208057	3.99
2	P. Praveen Kumar – Whole-Time Director & CFO				
	At the beginning of the year	277954	5.34	277954	5.34
	Date wise Increase /Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	277954	5.34	277954	5.34

3	Rajya Lakshmi Posani - Director				
	At the beginning of the year	456749	8.77	456749	8.77
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	456749	8.77	456749	8.77
4	Naga Uma Maheswara Prasad Aluri- Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): Nil				
	At the End of the year	-	-	-	-
5	Venkata Satyanarayana Sanurathri Chowdary- Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	-	-	-	-
6	Sudhakar Chigurupati -Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	-	-	-	-
7	P. Ramchandra Adav - Company Secretary				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share Holding during the year Specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc): NIL				
	At the End of the year	-	-	-	-

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		P. PATTABHI RAMA RAO	PRAVEEN KUMAR	
		P. PATTABHI RAMA RAO	PRAVEEN KUMAR	
1.	Gross salary(a) Salary as per provisions contained in section 17(1)of the Income-tax Act, 1961(b) Value of perquisites u/s17(2) Income-tax Act, 1961	24,00,000	24,00,000	48,00,000
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission- as % of profit- Others, specify..	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	24,00,000	24,00,000	48,00,000
	Ceiling as per the Act	Within the ceiling limits	Within the ceiling limits	Within the ceiling limits

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		P. PATTABHI RAMA RAO	PRAVEEN KUMAR	
		-	-	-
3.	Independent Directors o Fee for attending board / committee meetings o commission o Others, please specify	-	-	-
	Total(1)	-	-	-
4.	Other Non-Executive Directors Fee for attending board / committee meetings Commission Others,please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration			
	Ceiling as per the Act	NA	NA	NA

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
			P. Ramchandra Adav	P.PRAVEEN KUMAR	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	180000	* As stated in table number VI (A)	180000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission- as % of profit- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	180000	-	180000

VII Penalties/punishment/compounding of offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ compounding fee imposed	Authority[RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty-	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FORM MR-3
SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To,
The Members
Bhaskar Agrochemicals Limited

We have conducted the audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhaskar Agrochemicals Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 financial year commencing from 1st April, 2017 and ended 31st March, 2018, 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 of March, 2018 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2017-18:-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures.**
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. www.bhaskaragro.com**
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable as the company has not issued any shares during the year under review.**
 - iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**

- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not Applicable as the Company has not issued any debt securities during the year under review.
- vi. 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; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However the company has XL Softech Systems Limited as its Share Transfer Agent.**
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. Other applicable laws include the following:
- Æ The Payment of Gratuity Act, 1972
 - Æ Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - Æ Employees State Insurance Act, 1948
 - Æ Income Tax Act, 1961
 - Æ Minimum Wages Act, 1948
 - Æ Payment of Bonus Act, 1965
 - Æ Payment of Wages Act, 1936
 - Æ Shops and Establishments Act, 1948
 - Æ Water (Prevention and control of Pollution) Act, 1974 and the rules made there under;
 - Æ Air (Prevention and control of Pollution) Act, 1981 and the rules made there under;
 - Æ Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
 - Æ The Environment Protection Act, 1986;
 - Æ The Factories Act, 1948
 - Æ The Insecticides Act, 1968 and rules made thereunder
 - Æ Fertilizer Control (Order).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

- a) During the year the Company has conducted 5 meetings of the Board of Directors, 4 meetings of the Audit committee, 2 Meeting of Stakeholder Relationship Committee and 1 meeting of Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.
- b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

BHASKAR AGROCHEMICALS LIMITED.

(i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- Æ External Commercial Borrowings were not attracted to the Company under the financial year under report;
- Æ Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- Æ Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

(ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- Æ The Company is in the process of revocation of suspension in trading of the equity shares. The Company has paid reinstatement fees, listing fees and has complied with the requirements for revocation of suspension in the trading of the equity shares of the Company.
- Æ The website of the Company contains policies as specified by SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013
- Æ The Board of Directors of the Company is duly constituted with the required Key Managerial Personnel 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.
- Æ Adequate notice of board meeting is given to all the directors along with agenda 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 meaningful participation at the meeting.
- Æ As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- Æ 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.
- Æ We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Vivek Surana & Associates

Place: Hyderabad
Date: 14.08.2018

Sd/-
Vivek Surana
Proprietor
CP.No : 12901

Annexure A

To
The Members of
Bhaskar Agrochemicals Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the 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 relied on the reports given by the concerned professionals in verifying 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 provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

Place: Hyderabad
Date: 14.08.2018

Sd/-
Vivek Surana
Proprietor
CP.No : 12901

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Bhaskar Agrochemicals Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Bhaskar Agrochemicals Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

BHASKAR AGROCHEMICALS LIMITED.

Basis for Qualified Opinion

The company has not provided depreciation on building and Plant & Machinery relating to Unit-II in the books of account of the company as the Unit-II is closed and hence our opinion is qualified in respect of this matter.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the basis for qualified opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 and transition date opening Balance Sheet as at 1st April, 2016 is included in these Ind AS financial statements, are based on previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by predecessor auditor, whose report dated 15-05-2017 and 30-05-2016, respectively, expressed an unmodified opinion on those financial statements, as adjusted for the difference in accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 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) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements;

ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amount as at 31st March, 2018 which are required to be transferred to the Investor Education and Protection Fund by the Company.

For S Singhvi & Co.
Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI

Place: Hyderabad

Date: 30-05-2018

ANNEXURE “A” TO THE AUDITOR’S REPORT

Referred to in paragraph 1 under the head “Report on other legal & regulatory requirements” of our report of even date.

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All the Fixed assets have been physically verified by the management during the year according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. As per the documents verified by us and explanation given to us, the Title Deeds of immovable properties are held in the name of the company.
- ii). The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). The company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iiia), (iii b) and (iii c) of Paragraph 3 of the Order are not applicable.
- iv) According to the information and explanations given to us, the Company has not granted any loans, guarantees and security and made investments, as per section 185 & 186 of the Companies Act, 2013
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the Company.

BHASKAR AGROCHEMICALS LIMITED.

- vii) a. According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Goods & Service Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.
- b. According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Goods and Services Tax as on 31st March, 2018.
- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to the financial institutions, bank, government or dues to debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, the company has raised money by way of term loans and has applied for the purpose for which it was raised, company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.
- xiv) According to the information and explanations given to us, the company has not made preferential allotment of shares or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us, the company has not entered into Non Cash Transactions with directors or persons connected with him during the year.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India.

For S Singhvi & Co.
Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi
Proprietor
Membership No. 023125/ICAI

Place: Hyderabad
Date: 30.05.2018

Report on Internal Financial Controls Over Financial Reporting

Annexure “B” to the Independent Auditor’s Report of even date on the Financial Statements of Bhaskar Agrochemicals Limited

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

We have audited the internal financial controls over financial reporting of Bhaskar Agrochemicals Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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

BHASKAR AGROCHEMICALS LIMITED.

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S Singhvi & Co.
Chartered Accountants
Firm Regi. No. 003872S

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI

Place: Hyderabad
Date: 30.05.2018

BALANCE SHEET AS AT MARCH 31, 2018

(Amount in Rs.)

	Notes	March 31, 2018	March 31, 2017	April 01, 2016
ASSETS				
Non Current Assets				
Property, plant and equipment	3	141,434,141	136,675,242	89,582,459
Capital work in progress	3A	35,181,085	11,028,208	37,783,413
Financial assets				
Loans	4A	479,349	479,349	507,349
Other non-current assets	5A	2,932,328	409,786	5,681,031
		180,026,903	148,592,585	133,554,252
Current Assets				
Inventories	6	76,590,973	55,392,444	40,649,834
Financial assets				
Trade receivables	7	11,677,947	5,495,595	7,836,503
Cash & cash equivalents	8	70,703	289,780	68,967
Deposits and others	4B	5,857	13,545	10,727
Current tax assets (Net)	9	41,051	162,855	411,298
Other current assets	5B	964,127	615,273	1,506,589
		89,350,658	61,969,492	50,483,918
Total Assets		269,377,561	210,562,077	184,038,170
EQUITY and LIABILITIES				
Equity				
Equity share capital	10	51,980,330	51,980,330	51,980,330
Other equity	11	27,923,877	24,246,973	15,675,633
Total Equity		79,904,207	76,227,303	67,655,963
Non Current Liabilities				
Financial liabilities				
Borrowings	12A	53,223,575	38,033,162	42,349,197
Other financial liabilities	12C	591,000	591,000	591,000
Provisions	13	1,807,206	1,300,322	1,754,238
		55,621,781	39,924,484	44,694,435
Current Liabilities				
Financial liabilities				
Borrowings	12B	55,167,675	35,814,330	15,980,733
Trade payables	12D	33,256,016	22,411,129	21,179,526
Current maturities and other liabilities	12E	15,293,085	10,347,613	9,998,628
Other current liabilities	14	30,134,797	25,837,218	24,528,885
		133,851,573	94,410,290	71,687,772
Total Equity and Liabilities		269,377,561	210,562,077	184,038,170

Summary of significant accounting policies

1-2

The accompanying notes are an integral part of the financial statements.

3-41

As per our report of even date

For and on behalf of the Board of Directors

For S Singhvi & Co.

Bhaskar Agrochemicals Limited

Chartered Accountants

ICAI Firm Registration Number : 003872S

Shailendra Singhvi

P. Pattabhi Rama Rao

P. Praveen Kumar

Proprietor

Managing Director

Wholetime Director & CFO

Membership No. 023125/ICAI

DIN No. 00353641

DIN No. 00353720

Place: Hyderabad

Parasharam Ramchandra Adav

Date: 30 May 2018

Company Secretary

BHASKAR AGROCHEMICALS LIMITED.**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018**

(Amount in Rs.)

	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
I. INCOME			
Revenue from Operations (Gross)	15	521,972,041	336,590,760
Other Income	16	37,220	161,367
Total Revenue (I)		522,009,261	336,752,127
II. EXPENSES			
Cost of Materials Consumed	17	465,802,029	226,280,145
Increase in Inventories of Finished Goods and Work-in-Progress	18	(637,260)	4,361,318
Excise duty on sale of goods		4,026,468	58,640,740
Employee Benefits Expenses	19	15,622,837	10,746,313
Finance Cost	20	9,552,543	8,011,870
Depreciation and Amortisation	3 & 4	5,640,835	4,477,626
Other Expenses	21	18,108,075	15,662,775
Total Expenses (II)		518,115,527	328,180,787
III. Profit Before Exceptional Items and Tax		3,893,734	8,571,340
Exceptional Items		-	-
IV Profit Before Tax		3,893,734	8,571,340
V. Tax Expense	24		
Current tax		-	-
Deferred tax charge/ (credit)		-	-
Total tax expense		-	-
VI. Profit for the year		3,893,734	8,571,340
VII. OTHER COMPREHENSIVE INCOME (OCI)	22		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on employee defined benefit plans		(216,830)	-
Deferred tax credit		-	-
Total other comprehensive income for the year, net of tax		(216,830)	-
VIII. Total comprehensive income for the year, net of tax		3,676,904	8,571,340
Earnings Per Equity Share Rs. 10/- each fully paid (March 31, 2017: Rs. 10/- each fully paid)	23		
Computed on the basis of total profit for the year			
Basic (Rs.)		0.75	1.65
Diluted (Rs.)		0.75	1.65

Summary of Significant Accounting Policies

1-2

The accompanying notes are an integral part of the financial statements. 3-41

As per our report of even date

For S Singhvi & Co.
Chartered Accountants
ICAI Firm Registration Number : 003872S

Shailendra Singhvi
Proprietor
Membership No. 023125/ICAI

Place: Hyderabad
Date: 30 May 2018

For and on behalf of the Board of Directors
Bhaskar Agrochemicals Limited

P. Pattabhi Rama Rao P. Praveen Kumar
Managing Director Wholetime Director & CFO
DIN No. 00353641 DIN No. 00353720

Parasharam Ramchandra Adav
Company Secretary

STATEMENT OF CASH FLOWS FOR YEAR ENDED MARCH 31, 2018

(Amount in Rs.)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax	3,893,734	8,571,340
Cash flows from operating activities		
Adjustments for :		
Depreciation of property, plant and equipment	5,640,835	4,477,626
Interest expenses	9,552,543	8,011,870
Loss/ (Profit) on sale of Fixed asset	-	775,490
Gratuity	290,054	-
Operating profit before working capital changes	19,377,166	21,836,326
Movement in working capital:		
Decrease/ (Increase) in inventories	(21,198,529)	(14,742,610)
Decrease/ (Increase) in trade receivables	(6,182,352)	2,340,908
Decrease/ (Increase) in other financial and non-financial assets	(341,166)	888,498
Increase in trade payables	10,844,887	1,231,603
Increase in financial, non-financial liabilities and provisions	4,098,965	1,496,874
Cash generated from operations	6,598,971	13,051,599
Income tax paid	121,800	248,443
Net cash flows from operating activities (A)	6,720,771	13,300,042
Cash flows used in investing activities		
Purchase of property, plant and equipment, capital work in progress and capital advances	(37,075,153)	(22,419,449)
Proceeds from sale of property, plant and equipment	-	2,100,000
Proceeds from sale of investments in deposits	-	28,000
Net cash flows used in investing activities (B)	(37,075,153)	(20,291,449)
Net cash flows (used in)/ from financing activities		
Proceeds/ (Repayment) of long - term borrowings (net)	17,907,727	(6,815,666)
Proceeds/(Repayment) of short - term borrowings (net)	19,353,345	19,833,597
Interest paid	(7,125,767)	(5,805,711)
Net cash flows (used in)/from financing activities (C)	30,135,305	7,212,220
Net decrease in cash and cash equivalents (A+B+C)	(219,077)	220,813
Cash and cash equivalents at the beginning of the year	289,780	68,967
Cash and cash equivalents at the year end	70,703	289,780
Components of cash and cash equivalents:		
Cash on hand	5,663	47,441
Balances with banks		
On current accounts	65,040	242,339
Total cash and cash equivalents	70,703	289,780

The cash flow statement has been prepared under indirect method as set out in IND AS 7, 'Cash Flow Statement' as notified by the Central Government under the Companies Act, 2013.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S Singhvi & Co.

Chartered Accountants

ICAI Firm Registration Number : 003872S

Shailendra Singhvi

Proprietor

Membership No. 023125/ICAI

Place: Hyderabad

Date: 30 May 2018

For and on behalf of the Board of Directors
Bhaskar Agrochemicals Limited

P. Pattabhi Rama Rao

Managing Director

DIN No. 00353641

P. Praveen Kumar

Wholetime Director & CFO

DIN No. 00353720

Parasharam Ramchandra Adav

Company Secretary

BHASKAR AGROCHEMICALS LIMITED.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

a. Equity Share Capital Equity Shares of Rs.10 Each, Fully paid up	No.of Shares	Amount in Rs.
As at April 01, 2016	5,209,633	52,096,330
Less: Allotment money due by others	-	(116,000)
Issued during the year	-	-
As at March 31, 2017	5,209,633	51,980,330
Issued during the year	-	-
As at March 31, 2018	5,209,633	51,980,330

b. Other Equity

	Reserves and surplus			Total
	Capital reserve	Securities Premium	Retained Earnings	
As at April 01, 2016	47,381,660	15,219,539	(81,364,724)	(18,763,525)
Adjustments :				
Less : Share premium Due by others	-	58,000	-	58,000
Add : Equity component on preference shares	-	-	19,969,843	19,969,843
Add : Equity component on debt	-	-	14,527,315	14,527,315
As at April 01, 2016	47,381,660	15,161,539	(46,867,566)	15,675,633
Profit for the year	-	-	8,571,340	8,571,340
Other Comprehensive Income (Refer note 25)	-	-	-	-
Total Comprehensive Income	47,381,660	15,161,539	(38,296,226)	24,246,973
At March 31, 2017	47,381,660	15,161,539	(38,296,226)	24,246,973
Profit for the year	-	-	3,893,734	3,893,734
On preferential issue	-	-	-	-
Issued during the year	-	-	-	-
Other Comprehensive Income (Refer note 25)	-	-	(216,830)	(216,830)
Total Comprehensive Income	47,381,660	15,161,539	(34,619,322)	27,923,877
As at March 31, 2018	47,381,660	15,161,539	(34,619,322)	27,923,877

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For S Singhvi & Co.
Chartered Accountants
ICAI Firm Registration Number : 003872S

Shailendra Singhvi
Proprietor
Membership No. 023125/ICAI

For and on behalf of the Board of Directors
Bhaskar Agrochemicals Limited

P. Pattabhi Rama Rao P. Praveen Kumar
Managing Director Wholetime Director & CFO
DIN No. 00353641 DIN No. 00353720

Place: Hyderabad
Date: 30 May 2018

Parasharam Ramchandra Adav
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1 Overview of the Company

Bhaskar Agrochemicals Limited was incorporated on 19th February, 1988 in Hyderabad (Telangana). It has got the manufacturing facility in Yadadri Bhuvanagiri District of Telangana, and is engaged in manufacturing mainly formulation of Agro Chemicals.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the financial statements.

2.1 Basis of preparation & compliance with IND AS

a. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2018, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Indian GAAP'). With effect from April 01, 2017, the Company is required to prepare its financial statements under the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 - 'First time adoption of Indian Accounting Standards'. Refer note 38 for information on how the Company has adopted Ind AS. Reconciliations and descriptions of the effect of the transition has been summarized in note 39.

b. Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the Company's functional currency.

c. Basis of measurement

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

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations.

d. Current versus non-current classification

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

Expected to be realised or intended to be sold or consumed in normal operating cycle

Held primarily for the purpose of trading

Expected to be realised within twelve months after the reporting period, or

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

All other assets are classified as non-current.

A liability is current when:

It is expected to be settled in normal operating cycle

It is due to be settled within twelve months after the reporting period, or

BHASKAR AGROCHEMICALS LIMITED.

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

e. Use of estimates

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires management to make estimates and assumption that affect the reported amounts of assets and liabilities, revenue and expenses and disclosure of contingent liabilities. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements are reviewed on an ongoing basis. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2018 are as follows:

i. Property, plant and equipment

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

ii. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

iii. Recognition of deferred tax assets

Deferred tax assets are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised provided there is a virtual certainty

f. Measurement of fair values

The accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

g. Revenue recognition

- i. Sale of goods is recognized as revenue when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenues are recognized when collectability of the resulting receivable is reasonably assured. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- ii. Income from services rendered is recognized based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service.
- iii. Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of the exports made.
- iv. Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

h. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and Minimum Alternate Tax (MAT) credit entitlement.

i. Current tax

Current tax is computed and provided for in accordance with the applicable provisions of the Income Tax Act, 1961.

ii. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. However Deferred tax Assets on account of unabsorbed Business loss and Depreciation will be created when there is a virtual certainty that company will have a sufficient future taxable income

iii. Minimum Alternate Tax (MAT)

MAT is recognised as an assets only when & to the extent there is convencing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit & loss & is considered as (MAT credit entitlement). The company review the same at each Balance Sheet date & writes down the carrying amount of MAT credit entitlement to the extent there is no longer convencing evidence to the effect that the comapny will pay normal income tax during the specified period. MAT credits are in the form

BHASKAR AGROCHEMICALS LIMITED.

of unused tax credits that are carried forward by the company for a specified period of time, hence, it is presented as Deferred Tax Assets.

i. Borrowing costs

Borrowing costs incurred on constructing or acquiring a qualifying asset are capitalized as cost of that asset until it is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue and recognized as an expense in the Statement of Profit and Loss.

j. Research and development costs

Research and development costs incurred (other than cost of fixed assets acquired) are charged as an expense in the year in which they are incurred and are reflected under the appropriate head of account.

k. Property, plant and equipment and depreciation

i. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii. Subsequent expenditure related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

iii. Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.

iv. The estimated useful life of assets are as follows:

Building	30 years
Plant and equipment	20-25 years
Plant and equipment - R & D	20-25 years
Electrical installations	10 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer and data processing equipment	3 years

v. Depreciation on fixed assets has been provided on straight line method on the basis of useful lives as prescribed in Schedule II of the Companies Act, 2013 on prorata basis, i.e. from the date on which asset is ready for use.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

vi. Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

vii. An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

viii. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

I. Impairment of Property, plant and equipments

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

m. Intangible assets

- i. Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- ii. Subsequent expenditure related to an item of intangible assets are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- iii. An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of fixed assets carried at cost are recognised in the Statement of Profit and Loss.
- iv. The company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

n. Foreign currency transactions

- i. Initial recognition-Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- ii. Subsequent measurement- Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

o. Inventories

- i. Inventories are valued at lower of cost or net realizable value.
- ii. Cost of finished goods, traded goods and work in progress is determined by considering materials, labour and other related costs incurred in bringing the inventories to their present condition and location. Cost of raw materials, packing materials and consumables is determined on weighted average basis.

p. Non-current assets held for sale

Non-current assets classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held-for-sale they are no longer amortised or depreciated.

q. Employee benefits

- i. Employee benefits payable wholly within twelve months of receiving employees services are classified as short-term employee benefits. The short term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees.

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ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services.

Superannuation benefits, a defined contribution plan, has been funded with Life Insurance Corporation of India and the contribution is charged to Statement of profit and loss, when the contribution to the Fund is due.

iii. Defined benefit plans

The company provides for gratuity benefit, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations are carried out at the balance sheet date. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.. The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, and as reduced by the fair value of scheme assets. The gratuity benefit scheme is funded with the Life Insurance Corporation of India (LIC).

The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the company's policy.

r. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

s. Provisions and contingencies

A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

t. Cash and cash equivalents

Cash comprises of cash at bank and on hand and cash equivalents comprise of short-term bank deposits with an original maturity of three months or less.

u. Earnings per share

Basic EPS is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity share outstanding during the year.

for the purpose of calculating diluted EPS the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

v. Cash Flow Statement

Cash flows are reported using indirect method as set out in IND AS 7, "Statement of Cash Flows", whereby profit/(loss) before tax is adjusted for the effects of transactions of non cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from operating, Investing and financing activities of the company are segregated based on the available information.

w. Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products/ activities of the company, the management has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

x. Financial Instruments

a. Financial assets

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets are initially recognised when the company becomes a party to the contractual provisions of the instrument.

A financial asset is initially measured at fair value, in case of financial asset which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

ii. Classification

Financial assets

On initial recognition, a financial asset is classified as measured at :

- amortised cost;
- fair value through profit or loss (FVTPL);
- fair value through other comprehensive income (FVOCI) - debt investment or equity investment

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

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All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

iii Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to the statement of profit and loss.

iv. Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

v. Impairment of financial assets

In accordance with Ind AS 109, the company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
- ii. Trade receivables.

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

b. Financial liabilities

i. Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial liability is initially measured at fair value, in case of financial liability which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the issue of a financial liability.

ii. Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

iii. Derecognition

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iv. Off setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c. Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

y. Standards issued but not yet effective

These financial statements, for the year ended 31 March 2018, are the first financial statements of the company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2016, the company's date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

3. Property, plant and equipment

Particulars	Freehold land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
Gross carrying value									
As at April 01, 2016 (Cost or deemed cost)	1,439,685	77,796,974	48,733,170	186,040	3,378,597	-	679,706	7,351,295	139,565,467
Additions	-	22,737,773 *	31,469,980	-*	21,755	-	216,391	-	54,445,899
Disposals	-	-	-	-	-	-	-	4,465,326	4,465,326
As at March 31, 2017	1,439,685	100,534,747	80,203,150	186,040	3,400,352	-	896,097	2,885,969	189,546,040
Additions	-	-*	5,592,881	1,893,188*	-	426,830	62,680	2,424,155	10,399,734
Disposals/Deductions	-	-	-	-	-	-	-	-	-
As at March 31, 2018	1,439,685	100,534,747	85,796,031	2,079,228	3,400,352	426,830	958,777	5,310,124	199,945,774
Depreciation and Impairment									
As at April 1, 2016	-	22,371,264	23,001,382	59,960	2,030,967	-	594,002	1,925,433	49,983,008
Charge for the year	-	1,139,778	2,728,912	19,982	149,694	-	89,160	350,100	4,477,626
Disposals	-	-	-	-	-	-	-	1,589,836	1,589,836
As at March 31, 2017	-	23,511,042	25,730,294	79,942	2,180,661	-	683,162	685,697	52,870,798
Charge for the year	-	1,419,626	3,403,514	22,938	152,617	-	123,528	518,612	5,640,835
Disposals/Deductions	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	24,930,668	29,133,808	102,880	2,333,278	-	806,690	1,204,309	58,511,633
Net carrying value									
As at April 01, 2016	1,439,685	77,796,974	48,733,170	186,040	3,378,597	-	679,706	7,351,295	89,582,459
As at March 31, 2017	1,439,685	77,023,705	54,472,856	106,098	1,219,691	-	212,935	2,200,272	136,675,242
As at March 31, 2018	1,439,685	75,604,079	56,662,223	1,976,348	1,067,074	426,830	152,087	4,105,815	141,434,141

3A Capital Work in Progress

Particulars	Buildings	Plant and equipment	Electrical Installations	Preoperative Expenses	Total Capital Work in progress
As at April 01, 2016	11,787,457	21,171,426	1,539,651	3,284,879	37,783,413
Additions	22,313,721	8,077,760	610,985	1,914,129	32,916,595
Deductions	25,589,537	26,732,619	2,150,636	5,199,008	59,671,800
As at March 31, 2017	8,511,641	2,516,567	-	-	11,028,208
Additions	17,373,472	15,395,227	2,598,718	2,649,963	38,017,380
Deductions/ capitalised	6,841,934	5,129,381	1,893,188	-	13,864,503
As at March 31, 2018	19,043,179	12,782,413	705,530	2,649,963	35,181,085

Notes to Financial Statements for the year ended March 31, 2018

4. Financial assets

A. Loans

	March 31, 2018	March 31, 2017	April 01, 2016
Non-Current (unsecured, considered good unless otherwise stated)			
Security Deposits	479,349	479,349	507,349
Total	479,349	479,349	507,349
B. Current (unsecured, considered good unless stated otherwise)			
Advances recoverable in cash	5,857	13,545	10,727
Total	5,857	13,545	10,727

Breakup of financial assets

	March 31, 2018	March 31, 2017	April 01, 2016
Valued at amortised cost			
Loans	479,349	479,349	507,349
Deposits and others	5,857	13,545	10,727
Trade Receivables	11,677,947	5,495,595	7,836,503
Cash & cash equivalents	70,703	289,780	68,967
Total financial assets carried at amortised cost	12,233,856	6,278,269	8,423,546

5B. Other assets

	March 31, 2018	March 31, 2017	April 01, 2016
A. Non-Current (unsecured, considered good unless otherwise stated)			
Capital Advances	2,932,328	409,786	5,681,031
Total	2,932,328	409,786	5,681,031
B. Current (unsecured, considered good unless otherwise stated)			
Advances recoverable in kind	393,691	13,829	94,878
Prepayments	132,106	107,175	-
Balances with Statutory/Government Authorities	417,134	471,241	1,392,346
Others - Accrued Interest	21,196	23,028	19,365
Total	964,127	615,273	1,506,589

6. Inventories

	March 31, 2018	March 31, 2017	April 01, 2016
(At lower of cost and net realisable value)			
Raw Materials	50,394,332	35,480,022	22,067,568
Work-in-progress	-	-	1,968,226
Finished Goods	974,692	337,432	2,730,524
Packing materials	25,221,949	19,574,990	13,883,516
Total	76,590,973	55,392,444	40,649,834

7. Trade Receivables

	March 31, 2018	March 31, 2017	April 01, 2016
Unsecured			
Considered good	11,677,947	5,495,595	7,836,503
Considered bad and doubtful	-	-	-
	11,677,947	5,495,595	7,836,503
Less: Allowance for bad and doubtful receivables	-	-	-
	11,677,947	5,495,595	7,836,503

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

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Notes to Financial Statements for the year ended March 31, 2018

8.	Cash & cash equivalents and Other bank balances					
	March 31, 2018	March 31, 2017	April 01, 2016			
A) Cash & Cash Equivalents						
Balances with Banks						
- On Current Accounts	65,040	242,339	32,047			
Cash on hand	5,663	47,441	36,920			
	70,703	289,780	68,967			
9 Current tax assets (Net)						
	March 31, 2018	March 31, 2017	April 01, 2016			
Income Tax Paid (Net of provision)	41,051	162,855	411,298			
Total	41,051	162,855	411,298			
10. Equity share capital						
	March 31, 2018	March 31, 2017	April 01, 2016			
Authorised						
6,000,000 (March 31, 2017: 6,000,000, April 01, 2016 : 6,000,000)						
Equity shares of Rs.10/- each	60,000,000	60,000,000	60,000,000			
325,000 (March 31, 2017: 325,000, April 01, 2016: 325,000)						
Redemmmable Non Convertible Preference shares of Rs.100/- each	32,500,000	32,500,000	32,500,000			
Total	92,500,000	92,500,000	92,500,000			
Issued & Subscribed						
5,209,633 (March 31, 2017: 5,209,633, April 01, 2016 : 5,209,633)						
Equity share of Rs.10/- each fully paid up	52,096,330	52,096,330	52,096,330			
325000 (March 31, 2017: 325,000, April 01, 2016 : 325,000)						
Redeemable Non Convertible Preference shares 100/- each fully paid up	3,250,000	3,250,000	3,250,000			
Less : Redeemable Non Convertible Preference shares - Reclassified to Long term borrowings	(3,250,000)	(3,250,000)	(3,250,000)			
	52,096,330	52,096,330	52,096,330			
Paid Up						
5,209,633 (March 31, 2017: 5,209,633, April 01, 2016 : 5,209,633)						
Equity share of Rs.10/- each fully paid up	52,096,330	52,096,330	52,096,330			
Less: Allotment money due by others	(116,000)	(116,000)	(116,000)			
Total	51,980,330	51,980,330	51,980,330			
10.1.Reconciliation of the shares outstanding at the beginning and at the end of the reporting period						
	March 31, 2018		March 31, 2017		April 01, 2016	
Equity Shares of Rs.10 Each, Fully paid up	No.	Rs.	No.	Rs.	No.	Rs.
Balance as per last financial statements	5,209,633	52,096,330	5,209,633	52,096,330	5,209,633	52,096,330
Issued during the year	-	-	-	-	-	-
Less: Allotment money due by others	-	(116,000)	-	(116,000)	-	(116,000)
Outstanding at the end of the year	5,209,633	51,980,330	5,209,633	51,980,330	5,209,633	51,980,330
10.2. Rights attached to Equity Shares						

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

Notes to Financial Statements for the year ended March 31, 2018

10.3. Details of Shareholders holding more than 5 % shares of the Company:

Equity Shares of Rs. 10/- each Held By	March 31, 2018			March 31, 2017			April 01, 2016		
	% Holding	No.	% Holding	No.	% Holding	No.	% Holding	No.	
Posani Bhaskar Rao & Co (P Pattabhi Rama Rao)	16.87%	878,833	16.87%	878,833	16.87%	878,833	16.87%	878,833	
P Rajya Laxmi	8.77%	456,749	8.77%	456,749	7.77%	404,783	7.77%	404,783	
C Sai Sudha	7.03%	366,254	7.03%	366,254	6.90%	359,454	6.90%	359,454	
P Durgamba	11.97%	623,619	11.97%	623,619	5.98%	311,680	5.98%	311,680	
P Praveen Kumar	5.34%	277,954	5.34%	277,954	5.13%	267,354	5.13%	267,354	

11. Other Equity

	March 31, 2018	March 31, 2017	April 01, 2016
Securities Premium			
Balance as per last financial statements	15,219,539	15,219,539	15,219,539
Less : Share premium due by others	58,000	58,000	58,000
Add : Received on shares issued during the year	-	-	-
Less : Utilised during the year	-	-	-
Closing balance	15,161,539	15,161,539	15,161,539
Capital Reserve			
Balance as per last financial statements	47,381,660	47,381,660	47,381,660
Add: Additions during the year	-	-	-
Less : Utilised during the year	-	-	-
Closing balance	47,381,660	47,381,660	47,381,660
Surplus in the Statement of profit and loss			
Balance as per last financial statements	(38,296,226)	(46,867,566)	(81,364,724)
Add : Profit for the year	3,893,734	8,571,340	-
Add : Equity component on preference shares	-	-	19,969,843
Add : Equity component on debt	-	-	14,527,315
Add : Other comprehensive income for the period	(216,830)	-	-
Net surplus in the Statement of profit and loss	(34,619,322)	(38,296,226)	(46,867,566)
Total Reserves and Surplus	27,923,877	24,246,973	15,675,633

12 Financial liabilities

	March 31, 2018	March 31, 2017	April 01, 2016
A) Non Current borrowings			
Preference Shares (Unsecured)			
325,000 Redemmmable non convertible preference shares of Rs. 100/- each	15,161,490	13,783,173	12,530,157
Term Loans			
Indian Rupee loans from Axis Bank Limited (Secured)	25,227,756	13,481,494	19,259,266
Other Loans			
Intercorporate Deposit (Unsecured)	10,952,987	10,484,568	9,531,425
Vehicle loans from others (Secured)	1,881,342	283,927	1,028,349
Total	53,223,575	38,033,162	42,349,197
Current Maturities of Non Current borrowings			
Term Loans			
Indian Rupee loans from Axis Bank Limited (Secured)	10,935,672	5,777,772	5,777,772
Other Loans			
Vehicle loans from others (Secured)	730,605	744,419	1,037,891
	11,666,277	6,522,191	6,815,663
Less: Amount disclosed under the head "other current financial liabilities" (Note 12 E)	(11,666,277)	(6,522,191)	(6,815,663)
Total	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

B) Current borrowings Cash Credits and Working Capital Demand Loans

Indian Rupee loans from Banks - Secured

Working facilities from Axis Bank Limited

Others - Unsecured

Loans from Directors

Total

	March 31, 2018	March 31, 2017	April 01, 2016
	39,165,837	28,864,124	12,975,733
	16,001,838	6,950,206	3,005,000
Total	55,167,675	35,814,330	15,980,733

(a) The details of Indian rupee term loans from banks are as under:

Name of the Bank	Outstanding as on March 31, 2018	Outstanding As on March 31, 2017	Outstanding As on April 01, 2016	Sanction Amount	No. of Instalments	Commencement of instalments	Effective interest rate
Axis Bank - TERM LOAN 1	13,604,622	19,259,266	25,037,038	173,300,000	54 monthly installments commencing from February 2016	Feb. 2016	MCLR Plus 2.50% p.a. (March 31, 2017: MCLR rate plus 4.15% p.a., April 01, 2016 : Base rate plus 4.15 % p.a.)
Axis Bank - TERM LOAN 2	22,558,806	-	-	24,500,000	57 monthly installments commencing from 30/11/2017	Nov. 2017	MCLR Plus 2.50% p.a.
Bank		Rate of Interest %	Balance as on 31.03.2018	Rate of Interest %	Balance as on 31.03.2017	Rate of Interest %	Balance as on 31.03.2016
Term Loans							
- From Banks							
Axis Bank - TERM LOAN 1		10.75%	13,604,622	13.00%	19,259,266	14.00%	25,037,038
Axis Bank - TERM LOAN 2		10.75%	22,558,806	0.00%	-	0.00%	-
Other Loans							
Inter Corporate Loans							
Cosmic Agro Chemicals (Prop Posani Fertilizers Ltd.)		-	10,691,000	-	10,691,000	-	10,691,000
B And P Industries Ltd.		-	1,584,279	-	2,164,315	-	2,164,315
Navayuga Engineering Co Ltd		-	11,203,425	-	11,203,425	-	11,203,425
Vehicle Loans							
Alphaera Financial Services		9.98%	283,926	10.52%	294,207	10.52%	652,186
Alphaera Financial Services (New)		8.26%	2,328,021	9.98%	734,139	9.98%	1,141,758
Toyota Financial Services India Pvt Ltd.					-		-
Loan Repayable on Demand - Secured							
Working facilities from Axis Bank Ltd.		10.50%	39,165,837	13.00%	28,864,124	14.00%	12,975,733
Un Secured Loans From Related Parties From Directors							
Loans from Directors		12.00%	16,001,838	12.00%	6,950,206	12.00%	3,005,000

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

	March 31, 2018	March 31, 2017	April 01, 2016
Loans Guaranteed by Directors			
Term Loans - Non Current			
Indian Rupee loans from Axis Bank (Secured)	25,227,756	13,481,494	19,259,266
	25,227,756	13,481,494	19,259,266
Loan Repayable on Demand - Secured			
- From Banks			
Working facilities from Axis Bank Limited	39,165,837	28,864,124	12,975,733
	39,165,837	28,864,124	12,975,733
	64,393,593	42,345,618	32,234,999

- (b) Term Loan - 1 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan
- (c) Term Loan - 2 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan
- (d) Working capital facilities from Axis Bank Limited are secured by Exclusive charge on entire current assets and movable fixed assets (other than vehicles) of the company, both present and future.
- (e) All the term loans and working capital facilities from axis bank limited are secured by fresh equitable mortgage of industrial land and building admeasuring 4.68 acres situated at M/s. H.No. 2-04, Survey No. 94/1 & 95, Toopranpet village, Chotuppal Mandal, Yadadri Bhuvanagiri District standing in the name of M/s Bhaskar Agrochemicals Limited.

C) Other Financial Liabilities

	March 31, 2018	March 31, 2017	April 01, 2016
Other Non Current Liabilities			
Dealership Deposit	591,000	591,000	591,000
Total	591,000	591,000	591,000

D) Trade Payables

- Outstanding dues to creditors other than micro enterprises and small enterprises	33,256,016	22,411,129	21,179,526
- Outstanding dues to micro enterprises and small enterprises	-	-	-
- Outstanding dues to related parties (Note 36)	-	-	-
	33,256,016	22,411,129	21,179,526

i) Trade Payables (Details of dues to Micro, Small and Medium Enterprises as per MSMED Act,2006):

The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.	-	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year and	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-	-

BHASKAR AGROCHEMICALS LIMITED.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

ii) The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2018 has been made in the standalone financials statements based on information received and available with the Company.

E) Current maturities and other liabilities

	March 31, 2018	March 31, 2017	April 01, 2016
Valued at amortised cost			
Current maturities of non current borrowings from Bank - Secured (Note 14 A)	10,935,672	5,777,772	5,777,772
Current maturities of non current borrowings Others - Vehicle loans -secured (Note 14 A)	730,605	744,419	1,037,891
Accrued Interest	258,613	290,258	
Capital Creditors	1,869,892	2,449,701	477,573
Financial guarantee obligation			
Unpaid Dividends	-	312,259	
Other Payables - Expenses	1,756,916	1,117,108	2,102,875
Total	15,293,085	10,347,613	29,998,628

Breakup of financial liabilities carried at amortised cost

Valued at amortised cost			
Non current borrowings	53,223,575	38,033,162	42,349,197
Other Financial Liabilities	591,000	591,000	591,000
Current maturities of non current borrowings	11,666,277	6,780,804	7,105,921
Current borrowings	55,167,675	35,814,330	15,980,733
Trade Payables	33,256,016	22,411,129	21,179,526
Capital Creditors and others	3,626,808	3,566,809	2,892,707
Total financial liabilities carried at amortised cost	157,531,351	107,197,234	90,099,084

13. Provisions**Non-Current Provisions**

Provision for Gratuity (note 25)	1,807,206	1,300,322	1,754,238
Provision for Compensated absences	-	-	-
Total	1,807,206	1,300,322	1,754,238

14. Other Current liabilities

Advances from customers	29,486,314	24,955,437	23,979,978
Statutory dues	648,483	881,781	548,907
Total	30,134,797	25,837,218	24,528,885

	March 31, 2018	March 31, 2017
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15. Revenue from Operations (Gross)**Sale of Products (including excise duty)**

Income from Sale of Goods

Domestic Sales	521,246,351	328,448,125
Export Sales	-	-

(A)

521,246,351	328,448,125
--------------------	--------------------

Sale of Services

Jobwork services	725,690	8,142,635
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(B)

725,690	8,142,635
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Revenue from Operations (Gross)**(A+B)**

521,972,041	336,590,760
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Revenue from Operations (Net)

521,972,041	336,590,760
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Notes to Financial Statements for the year ended March 31, 2018

16. Other Income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on		
Deposits and Others	37,220	22,582
Miscellaneous Income	-	138,785
Total	37,220	161,367

17. Cost of Materials Consumed

Raw Materials and Packing Material Consumed

Opening stock at the beginning of the year	35,480,022	22,067,568
Add : Purchases	444,867,005	217,564,100

	480,347,027	239,631,668
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Less : Closing stock at the end of the year	50,394,332	35,480,022
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(A)	429,952,695	204,151,646
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Packing Materials Consumed	(B) 35,849,334	22,128,499
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Total	(A+B) 465,802,029	226,280,145
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17.1 Details of Materials Consumed

Agro chemicals and other related raw materials	429,952,695	204,151,646
Packing Materials Consumed	35,849,334	22,128,499

Total	465,802,029	226,280,145
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17.2 Details of Closing Inventory of Raw Material

Agro chemicals and other related raw materials	50,394,332	35,480,022
Packing Materials	25,221,949	19,574,990

Total	75,616,281	55,055,012
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18. Increase in Inventories of Finished Goods and Work-in-Progress

Opening stock of inventories

Finished goods	337,432	2,730,524
Work-in-Progress	-	1,968,226

	337,432	4,698,750
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Closing stock of inventories

Finished goods	974,692	337,432
Work-in-Progress	-	-

	974,692	337,432
--	----------------	----------------

Increase in inventories of finished goods and work-in-progress

	(637,260)	4,361,318
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Increase in Finished goods	(637,260)	2,393,092
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Decrease/(Increase) in Work-in-Progress	-	1,968,226
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Increase in inventories of finished goods and work-in-progress	(637,260)	4,361,318
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BHASKAR AGROCHEMICALS LIMITED.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018****19. Employee Benefits Expenses**

	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, Wages and Bonuses	8,792,704	7,254,276
Contribution to provident fund and other funds	784,645	607,281
Gratuity expense (Note 25)	465,054	46,084
Compensated absences	100,629	101,072
Managerial remuneration	4,800,000	2,400,000
Staff welfare expenses	679,805	337,600
Total	15,622,837	10,746,313

20. Finance Cost

Interest		
- on Term loans	1,856,246	2,046,056
- on working capital loans	3,647,506	2,886,358
- on others	1,246,180	561,908
	6,749,932	5,494,322
Interest on financial liabilities recognised on amortised cost	2,426,776	2,206,159
Bank & processing charges	375,835	311,389
Total	9,552,543	8,011,870

21. Other Expenses**Other Manufacturing expenses**

Power and Fuel	2,926,836	2,482,942
Insurance	262,198	289,208
Freight Inwards	3,189,509	2,401,205
Water Charges	631,734	653,093
Repairs & maintenance		
Plant and machinery	1,003,701	1,395,841
Buildings	123,009	952,285
Others	53,390	59,363
Testing and Lab charges	71,986	217,738
Factory maintenance	1,042,110	792,328

Administration, selling & other expenses

Rent	819,000	884,036
Rates and taxes	416,767	309,665
Printing and stationery	140,466	174,453
Consultancy and other professional charges	1,288,176	724,581
Remuneration to auditors		
-Audit Fee	175,000	175,000
Travelling and conveyance	1,004,127	612,357
Communication expenses	171,066	238,381
Vehicle Maintenance	487,207	424,946
Business Promotion & Advertisement	254,405	440,775
Loss on sale of fixed assets	-	775,490
Listing Fees & Other Share Maintenance Exp.	2,592,380	1,124,000
Miscellaneous expenses	1,455,008	535,088
Total	18,108,075	15,662,775

Notes to Financial Statements for the year ended March 31, 2018

22. Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Retained Earnings:		
Remeasurement costs on net defined benefit liability	(216,830)	-
Deferred tax effect on remeasurement costs on net defined benefit liability	-	-
Total	(216,830)	-

23. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Profit for the year attributable to shareholders	3,893,734	8,571,340
Less: Preference dividend and tax thereon	-	-
Profit available for equity shareholders	3,893,734	8,571,340
Weighted average number of equity shares in computing basic EPS	5,209,633	5,209,633
Weighted Average number of Equity Shares in computing diluted earnings per share	5,209,633	5,209,633
Face value of each equity share (Rs.)	10	10
Earnings per share		
- Basic (Rs.)	0.75	1.65
- Diluted (Rs.)	0.75	1.65

24. Taxes

(a) Income tax expense:

The major components of income tax expenses for the year ended March 31, 2018 and for the year ended March 31, 2017 are:

(i) Profit or loss section

Current tax	-	-
Adjustment of tax relating to earlier years	-	-
Deferred tax charge/ (credit)	-	-
Adjustment of deferred tax relating to earlier years	-	-
Total income tax expense recognised in statement of Profit & Loss	-	-

(ii) OCI Section

Net loss on remeasurement of defined benefit plans	(216,830)	-
Income tax charged to OCI	-	-

(b) Reconciliation of effective tax rate:

Profit Before Tax (A)	3,893,734	8,571,340
Enacted tax rate in India (B)	27.55%	31.96%
Expected tax expenses (C = A*B)	1,072,821	2,739,477

Permanent Difference

Expenses disallowed under Income Tax Act, 1961	2,852,330	3,088,649
Current Years profit on which we have not created deferred tax liability	(511,276)	(4,998,410)
Others	(6,234,788)	(6,661,579)
Total (D)	(3,893,734)	(8,571,340)

Profit after adjusting permanent difference	-	-
Expected tax expense	-	-
Total Tax expense	-	-

BHASKAR AGROCHEMICALS LIMITED.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

25. Employee benefits

Gratuity

Defined Benefit Plans

The Company has a defined benefit gratuity plan and governed by Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days salary for each completed year of service. The scheme is funded through a policy with Life Insurance Corporation of India. The following tables summarise net benefit expenses recognised in the statement of profit and loss, the status of funding and the amount recognised in the Balance sheet for the gratuity plan:

	For the year ended March 31, 2018	For the year ended March 31, 2017
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	361,029	57,749
Interest cost	145,613	-
Net actuarial(gain) / loss recognised in the period/ year	216,830	1,762,419
Net employee benefit expenses	423,472	1,820,168
Actual return on plan asset	-	(19,846)
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	2,229,444	1,820,168
Fair value of plan assets	421,959	519,846
	1,807,485	1,300,322
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	1,820,168	-
Current service cost	361,029	57,749
Interest cost	145,613	-
Benefits paid	(297,571)	-
Re-measurement gain or loss	200,205	-
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	-	1,762,419
Closing defined benefit obligation	2,229,444	1,820,168
D) Change in the fair value of plan assets		
Opening fair value of plan assets	519,846	-
Expected return on plan assets	24,963	19,846
Contributions	174,721	500,000
Benefits paid	(297,571)	-
Closing fair value of plan assets	421,959	519,846
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
E) Remeasurement adjustments:		
Experience loss/ (gain) on plan liabilities	-	-
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	-	-
(i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	8.00%	8.00%
Expected rate of return on assets	0.00%	0.00%
Salary rise	8.00%	8.00%
Attrition Rate	3.50%	3.50%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the current year.

Notes to Financial Statements for the year ended March 31, 2018

Amounts for the current and previous four periods are as follows:

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined benefit obligation	2,229,444	1,820,168		
Plan assets	421,959	519,846	-	-
Surplus / (deficit)	1,807,485	1,300,322	-	-

(iii) Defined Contribution Plan	March 31, 2018	March 31, 2017
Contribution to Provident Fund	529,559	443,326
Contribution to Superannuation Fund	-	-

26. Commitments and Contingencies	March 31, 2018	March 31, 2017	April 01, 2016
a. Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	2,932,328	345,177	6,332,854
Other commitments	-	-	-

b. Contingent Liabilities : Nil

27. Depreciation is not provided on Factory Building and Plant & Machinery of Unit - II, as Unit is closed.

28. DEFERRED TAX

The company will create Deferred Tax Assets on account of unabsorbed depreciation, current depreciation and temporary differences, when there is a reasonable certainty that there will be sufficient future taxable income available to realise such assets.

29. There are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108 on Operating segments, as the entire operations of the company relates to one segment viz. agro-chemicals.

30. Imported and Indigenous Raw Materials, Packing Materials and stores and spares consumed

	March 31, 2018		March 31, 2017	
	% of Total consumption	Rs.	% of Total consumption	Rs.
Raw Materials				
Imported	0.00%	-	0.00%	-
Indigenous	100.00%	429,952,695	100.00%	204,151,646
	100.00%	429,952,695	100.00%	204,151,646
Packing Material				
Imported	-	-	-	-
Indigenous	100.00%	35,849,334	100.00%	22,128,499
	100.00%	35,849,334	100.00%	22,128,499

31. Payments to auditors (excluding GST & Service Tax)	March 31, 2018	March 31, 2017
Statutory auditors		
Statutory audit	150,000	150,000
Tax audit fees	25,000	25,000
	175,000	175,000

32. CIF Value of Imports		
Raw Materials	-	-
Capital Goods	-	-
	-	-

33. Expenditure in Foreign Currency (Accrual Basis)		
Travelling Expenses	150,420	178,963
	150,420	178,963

34. Earnings In Foreign Exchange		
FOB value of Exports	-	-
	-	-

BHASKAR AGROCHEMICALS LIMITED.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018****35. Related party disclosures****Names of related parties and description of relationship**

Name of the related party	Relationship
Enterprises under the significant influence of persons having significant influence over this company	
B and P Industries Limited	
Cosmic Agro Chemicals (Prop. Posani Fertilizers Limited)	

Key Management Personnel

Pattabhi Rama Rao Posani	Managing Director
Praveen Kumar Posani	WTD & CFO
Rajya Lakshmi Posani	Director
Naga Uma Maheswara Prasad Aluri	Director
Venkata Satyanarayana Sankurathri Chowdary	Director
Sudhakar Chigurupati	Director
Parasharam Ramchandra Adav	Company Secretary

Note : Related party relationships have been identified by the management and relied upon by the auditors.

Transactions during the year:

	March 31, 2018	March 31, 2017
a) Enterprises under the significant influence of persons having significant influence over this company		
i) B and P Industries Limited		
Loans repaid during the year	580,036	-
	March 31, 2018	March 31, 2017
b) Key Management Personnel		
i) Pattabhi Rama Rao Posani		
Remuneration	2,400,000	1,200,000
Unsecured loans taken	9,703,900	2,945,000
Unsecured loans Repaid	881,150	1,372,249
Interest on Unsecured loans	684,342	222,488
ii) Praveen Kumar Posani		
Remuneration	2,400,000	1,200,000
Unsecured loans taken	350,000	2,956,000
Unsecured loans Repaid	1,058,827	952,663
Interest on Unsecured loans	357,557	146,630

Closing Balances

	March 31, 2018	March 31, 2017
a) Enterprises under the significant influence of persons having significant influence over this company		
i) B and P Industries Limited		
Unsecured loans payable	1,584,279	2,164,315
ii) Cosmic Agro Chemicals Limited		
Unsecured loans payable	10,691,000	10,691,000
b) Key Management Personnel		
i) Pattabhi Rama Rao Posani		
Unsecured loans payable	13,143,897	3,705,239
ii) Praveen Kumar Posani		
Unsecured loans payable	2,857,941	3,244,967

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

36. Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying value			Fair value		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
Financial assets at fair value through profit & loss:						
Investments	-	-	-	-	-	-
Financial assets at amortised cost:						
Loans	479,349	479,349	507,349	-	-	-
Deposits and others	5,857	13,545	10,727	-	-	-
Trade receivables	11,677,947	5,495,595	7,836,503	-	-	-
Cash & cash equivalents	70,703	289,780	68,967	-	-	-
Bank balances other than above	-	-	-	-	-	-
Financial liabilities at amortised cost:						
Borrowings (Non-current and Current)	93,943,050	56,360,555	43,374,269	26,114,477	24,267,741	22,061,582
Trade Payables	33,256,016	22,411,129	21,179,526	-	-	-
Capital Creditors and others	3,626,808	3,566,809	2,892,707	-	-	-

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value of borrowings approximate their carrying amounts largely since they are carried at floating rate of interest.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

37. Financial risk management objectives and policies

Financial Risk Management Framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

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

BHASKAR AGROCHEMICALS LIMITED.

Notes to Financial Statements for the year ended March 31, 2018

	Up to 1 Year	1 to 3 years	3 to 5 years	> 5 years	Total
March 31, 2018:					
Non current borrowings (including current maturities)	11,666,277	19,154,269	7,954,829	26,114,477	64,889,852
Current borrowings	55,167,675	-	-	-	55,167,675
Trade Payables	33,256,016	-	-	-	33,256,016
Other Payables	3,626,808	-	-	-	3,626,808
	<u>103,716,776</u>	<u>19,154,269</u>	<u>7,954,829</u>	<u>26,114,477</u>	<u>156,940,351</u>
March 31, 2017:					
Non current borrowings (including current maturities)	6,780,804	11,839,471	1,925,950	24,267,741	44,813,966
Current borrowings	35,814,330	-	-	-	35,814,330
Trade Payables	22,411,129	-	-	-	22,411,129
Other Payables	3,566,809	-	-	-	3,566,809
	<u>68,573,072</u>	<u>11,839,471</u>	<u>1,925,950</u>	<u>24,267,741</u>	<u>106,606,234</u>
April 01, 2016:					
Non current borrowings (including current maturities)	7,105,921	11,555,544	7,703,722	22,061,582	48,426,769
Current borrowings	15,980,733	-	-	-	15,980,733
Trade Payables	21,179,526	-	-	-	21,179,526
Other Payables	2,892,707	-	-	-	2,892,707
	<u>47,158,887</u>	<u>11,555,544</u>	<u>7,703,722</u>	<u>22,061,582</u>	<u>88,479,735</u>

37. Financial instruments – Fair values and risk management (continued note 37)

B Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates. The company's interest rate exposure is mainly related to variable interest rates debt obligations. The company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	March 31, 2018	March 31, 2017	April 01,
Fixed-rate instruments			
Financial liabilities - measured at amortised cost			
Unsecured loan from related parties	-	-	-
Loans from Directors	16,001,838	6,950,206	3,005,000
Vehicle loans from others (Secured)	2,611,947	1,028,346	2,066,240
Floating-rate instruments			
Financial liabilities - measured at amortised cost			
Term loan from banks	36,163,428	19,259,266	25,037,038
Working capital facilities from bank	39,165,837	28,864,124	12,975,733
Total	<u>93,943,050</u>	<u>56,101,942</u>	<u>43,084,011</u>

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Cash flow sensitivity analysis for variable-rate instruments

The risk estimates provided assume a change of 25 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date assuming that all other variables, in particular foreign currency exchange rates, remain constant.. The period end balances are not necessarily representative of the average debt outstanding during the period.

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
March 31, 2018		
Variable-rate loan instruments	188,323	(188,323)
Cash flow sensitivity (net)	188,323	(188,323)
March 31, 2017		
Variable-rate loan instruments	120,308	(120,308)
Cash flow sensitivity (net)	120,308	(120,308)

37. Financial instruments – Fair values and risk management(continued note 37)

C Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

Currency risk

The company in the normal course of operations deals only in functional currency and hence there is no currency risk.

Exposure to currency risk

Rs. Nil

D Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

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

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	March 31, 2018	March 31, 2017	April 01, 2016
	Rs.	Rs.	Rs.
Not due	-	-	-
0-90 days	8,121,088	5,495,595	7,836,503
90-180 days	3,399,223	-	-
180-270 days	37,619	-	-
270-360 days	120,017	-	-
More than 360 days	-	-	-
	11,677,947	5,495,595	7,836,503

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Expected credit loss assessment for customers as at 1 April 2016, 31 March 2017 and 31 March 2018

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

Cash and cash equivalents

The Company held cash and cash equivalents of INR 70,703 at March 31, 2018 (March 31, 2017: INR 2,89,780, April 1, 2016 : INR 68,967.). The cash and cash equivalents are held with bank.

38. Capital management

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

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company intends to keep the gearing ratio between 0.5 to 1.5. The Company includes within net debt, borrowings including interest accrued on borrowings less cash and short-term deposits.

	March 31, 2018	March 31, 2017	April 01 2016
Borrowings including interest accrued on borrowings	120,057,527	80,628,296	65,435,851
Less: cash and short-term deposits	(70,703)	(289,780)	(68,967)
Net debt	119,986,824	80,338,516	65,366,884
Equity	51,980,330	51,980,330	51,980,330
Other Equity	27,923,877	24,246,973	15,675,633
Total Equity	79,904,207	76,227,303	67,655,963
Gearing ratio (Net Debt/ Total Equity)	1.50	1.05	0.97

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2018.

39. First time adoption of Ind AS

These are the Company's first set of financial statements which have been prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2018, the Company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(a) The Company has elected to regard carrying values for all of property, plant and equipment as deemed cost at the date of the transition.

(b) Estimates

The estimates as at April 01, 2016 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation. The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2016 (transition date), March 31, 2017 and March 31, 2018.

BHASKAR AGROCHEMICALS LIMITED.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018****40. Reconciliation with Indian GAAP:****A.1 Reconciliation of equity as previously reported under Indian GAAP to Ind AS as at March 31, 2017:**

	Indian GAAP	Effect of transition to Ind AS	Ind AS
ASSETS			
Non Current Assets			
Property, plant and equipment	136,675,242	-	136,675,242
Capital work in progress	11,028,208	-	11,028,208
Financial assets			
Investments			
Loans	888,794	(409,445)	479,349
Deposits and others	-	-	-
Other non-current assets	-	409,786	409,786
	148,592,244.00	341	148,592,585
Current Assets			
Inventories	55,392,444	-	55,392,444
Financial assets			
Loans	768,986	(768,986)	-
Trade receivables	5,495,595	-	5,495,595
Cash & cash equivalents	289,780	-	289,780
Deposits and others	-	13,545	13,545
Current tax assets (Net)	-	162,855	162,855
Other current assets	23,028	592,245	615,273
	61,969,833	(341)	61,969,492
Total Assets	210,562,077-	-	210,562,077
EQUITY and LIABILITIES			
Equity			
Equity share capital	84,480,330	(32,500,000)	51,980,330
Other equity	(8,044,026)	32,290,999	24,246,973
Total Equity	76,436,304.00	(209,001)	76,227,303
Non Current Liabilities			
Financial liabilities			
Borrowings	37,824,161	209,001	38,033,162
Other financial liabilities	-	591,000	591,000
Provisions	1,300,322	-	1,300,322
Other non-current liabilities	591,000	(591,000)	-
	39,715,483	209,001	39,924,484
Current Liabilities			
Financial liabilities			
Borrowings	35,814,330	-	35,814,330
Trade payables	17,278,271	5,132,858	22,411,129
Current maturities and other liabilities	-	10,347,613	10,347,613
Other current liabilities	41,317,689	(15,480,471)	25,837,218
	94,410,290.00	-	94,410,290
Total Equity and Liabilities	210,562,077	-	210,562,077

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

A.2 Reconciliation of equity as previously reported under Indian GAAP to Ind AS as at April 01, 2016:

	Notes	Indian GAAP	Effect of transition to Ind AS	Ind AS
ASSETS				
Non Current Assets				
Property, plant and equipment		89,582,459	-	89,582,459
Capital work in progress		37,783,413	-	37,783,413
Financial assets				
Loans		6,188,380	(5,681,031)	507,349
Other non-current assets		-	5,681,031	5,681,031
		133,554,252	-	133,554,252
Current Assets				
Inventories		40,649,834	-	40,649,834
Financial assets				
Loans		1,909,249	(1,909,249)	-
Trade receivables		7,836,503	-	7,836,503
Cash & cash equivalents		68,967	-	68,967
Deposits and others		-	10,727	10,727
Current tax assets (Net)		-	411,298	411,298
Other current assets		19,365	1,487,224	1,506,589
		50,483,918	-	50,483,918
Total Assets		184,038,170	-	184,038,170
EQUITY and LIABILITIES				
Equity				
Equity share capital		84,480,330	(32,500,000)	51,980,330
Other equity		(18,821,525)	34,497,158	15,675,633
Total Equity		65,658,805.00	1,997,158	67,655,963
Non Current Liabilities				
Financial liabilities				
Borrowings		44,346,355	(1,997,158)	42,349,197
Other financial liabilities		-	591,000	591,000
Provisions		1,754,238	-	1,754,238
Deferred tax Liabilities (Net)		-	-	-
Other non-current liabilities		591,000	(591,000)	-
		46,691,593	(1,997,158)	44,694,435
Current Liabilities				
Financial liabilities				
Borrowings		15,980,733	-	15,980,733
Trade payables		19,049,344	2,130,182	21,179,526
Current maturities and other liabilities		-	9,998,628	9,998,628
Provisions		-	-	-
Current tax liabilities		-	-	-
Other current liabilities		36,657,695	(12,128,810)	24,528,885
		71,687,772	-	71,687,772
Total Equity and Liabilities		184,038,170	-	184,038,170

BHASKAR AGROCHEMICALS LIMITED.**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018****B.1 Reconciliation of Statement of Profit and Loss as previously reported under Indian GAAP to Ind AS for the year ended**

	Indian GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations (Gross)	277,950,020	58,640,740	336,590,760
Other Income	161,367	-	161,367
Total Revenue (I)	278,111,387.00	58,640,740	336,752,127
EXPENSES			
Cost of Materials Consumed	204,151,646	22,128,499	226,280,145
Increase in Inventories of Finished Goods and Work-in-Progress	4,361,318	-	4,361,318
Excise duty on sale of goods	-	58,640,740	58,640,740
Employee Benefits Expenses	10,746,313	-	10,746,313
Finance Cost	5,805,711	2,206,159	8,011,870
Depreciation and Amortisation	4,477,626	-	4,477,626
Other Expenses	37,791,274	(22,128,499)	15,662,775
Total Expenses (II)	267,333,888	60,846,899	328,180,787
Profit Before Tax	10,777,499	(2,206,159)	8,571,340
Tax Expense			
Current tax	-	-	-
Deferred tax charge/ (credit)	-	-	-
Total tax expense	-	-	-
Profit for the year	10,777,499	(2,206,159)	8,571,340
OTHER COMPREHENSIVE INCOME (OCI)			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on employee defined benefit plans	-	-	-
Deferred tax credit	-	-	-
Total other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year, net of tax	10,777,499	(2,206,159)	8,571,340

c. Notes to reconciliation of equity as at April 01, 2016 and March 31, 2017 and statement of profit or loss for the year ended March 31, 2018:**(i) Borrowings**

The company has measured interest free borrowings at fair value in accordance with Ind AS. Accordingly the company has recognised notional interest on effective interest rate method on such borrowings and has charged to statement of profit and loss.

(ii) Preference Shares

Under the Indian GAAP redeemable non - convertible preference shares were measured at cost and shown as Equity. However under Ind AS redeemable non - convertible preference shares are financial liability measured at fair value and the difference between the fair value and carrying amount as on the date of transition has been recognised in retained earnings. The company has recognised notional interest on effective interest rate method on such redeemable non - convertible preference shares and has charged to statement of profit and loss.

(iii) Excise duty on sale of goods

As per Indian GAAP, excise duty should included in the turnover and should be shown as reduction from the gross turnover on the face of the statement of profit and loss. However, Ind AS 18 does not specifically prescribe any guidance for inclusive presentation of excise duty. Accordingly the Company has presented revenue gross of excise duty.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(iv) Other comprehensive income

Under Indian GAAP, the Company has not presented other comprehensive income separately. Hence, it has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

(v) Remeasure of actuarial gains/ (losses):

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(vi) Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.

41. Prior year regrouping / reclassification

The previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's presentation.

For S Singhvi & Co.
Chartered Accountants
ICAI Firm Registration Number : 003872S

Shailendra Singhvi
Proprietor
Membership No. 023125/ICAI

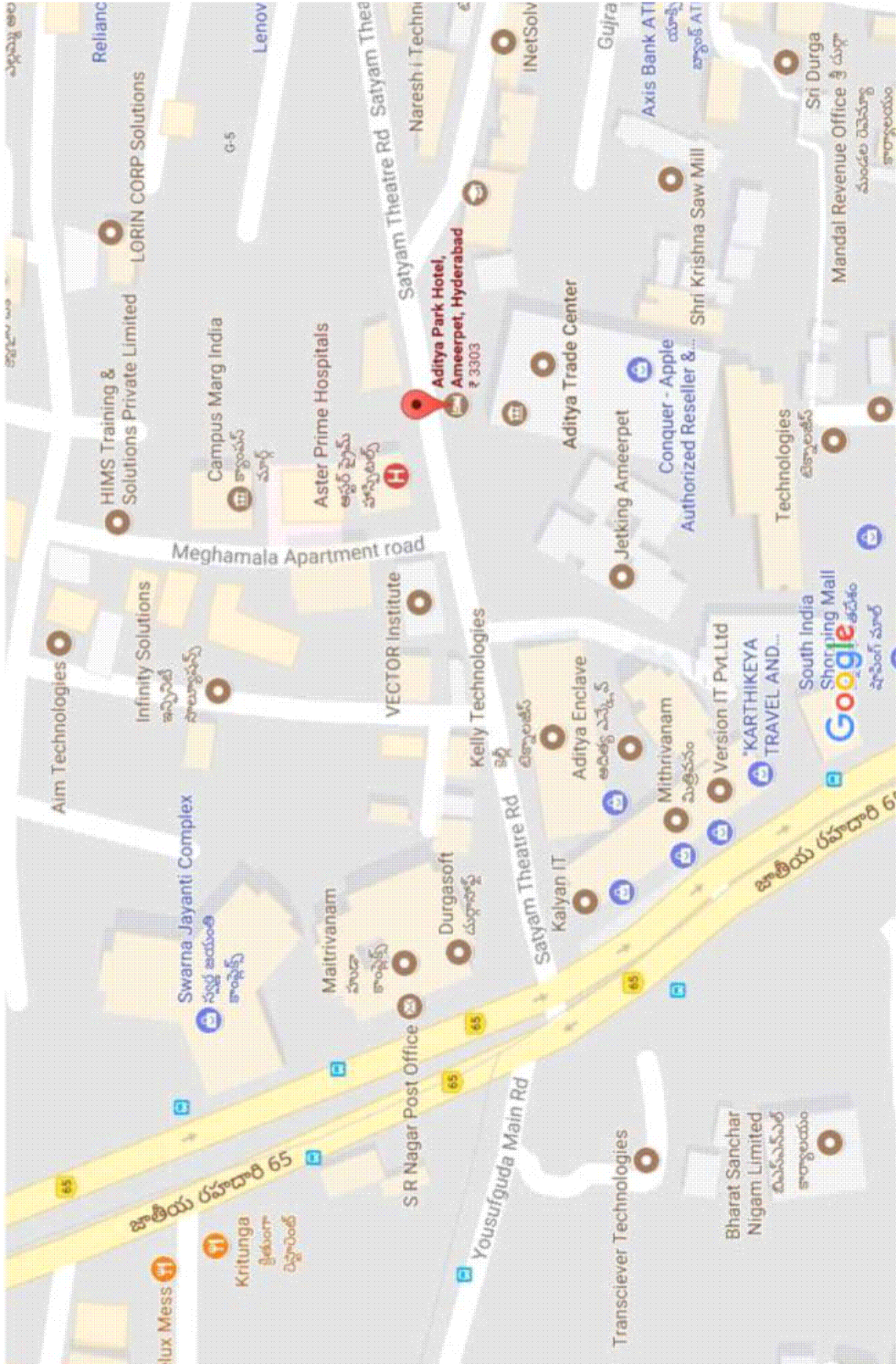
Place: Hyderabad
Date: 30 May 2018

For and on behalf of the Board of Directors
Bhaskar Agrochemicals Limited

P. Pattabhi Rama Rao	P. Praveen Kumar
Managing Director	Wholetime Director & CFO
DIN No. 00353641	DIN No. 00353720

Parasharam Ramchandra Adav
Company Secretary

Google Maps Aditya Park Hotel, Ameerpet, Hyderabad



Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L24219TG1988PLC008331
 Name of the company : Bhaskar Agrochemicals Limited
 Registered office : 6-3-347/9, 503, Riviera Apartment, Dwarka Puri Colony, Panjagutta,
 Hyderabad-500082 Telangana

Name of the member(s) :	
Registered Address :	
E-mail Id :	
Folio No./Client Id :	
DP ID :	
No. of Shares :	

I/We, being the member(s) of the above name company , hereby appoint

Name:

Address:

E-mail Id:.....Signature:or failing him

Name:

Address:

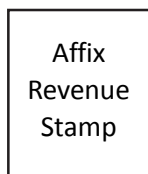
E-mail Id:.....Signature:or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Friday, 28th of September, 2018 at 10.00 A.M. at Aditya Park, Aditya Trade Centre, Ameerpet, Hyderabad – 500 038, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. Approval of financial statements for the year ended 31.03.2018.
2. Appointment of a director in place of Dr. Aluri Naga Uma Maheswara Prasad who retires by rotation.

Signed this day of..... 2018



Signature of shareholder

Signature of Proxy holder(s)

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BHASKAR AGROCHEMICALS LIMITED

**6-3-347/9, 503, RIVIERA APARTMENT, DWARKA PURI COLONY PUNJAGUTTA,
HYDERABAD-500 082 TELANGANA**

ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 30th Annual General Meeting of the members of the company to be held on Friday, 28th of September, 2018 at 10.00 A.M. at Aditya Park, Aditya Trade Centre, Ameerpet, Hyderabad – 500 038, Telangana and at any adjourned meeting thereof.

Shareholders/Proxy's Signature_____

Shareholders/Proxy's full name_____

(In block letters)

Folio No.: _____

Client ID_____

DP ID: _____

No. of shares held_____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

