

To,

Date: 31.08.2022

BSE Limited  
P.J.Towers, Dalal Street  
Mumbai - 400001

Dear Sir/Madam,

Sub: Submission of the 34<sup>th</sup> Annual Report for the year 2021-22 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Scrip Code 524534

With reference to the subject cited, pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith enclosing the 34<sup>th</sup> Annual Report of the Company for the Financial Year 2021-22 scheduled to be held on Thursday, 22<sup>nd</sup> Day of September, 2022 at 11:00 a.m. through video conferencing/OAVM. The Company has emailed the soft copy of the annual report to all the shareholders whose email ids are registered with the Company.

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

Thanking you.

Yours sincerely,

For Bhaskar Agrochemicals Limited



P. Praveen Kumar  
Joint Managing Director & CFO  
DIN: 00353720

Encl: as above



**BHASKAR AGROCHEMICALS LIMITED**

An ISO 9001, 14001 and 45001 Certified Company

R. O.: 3rd Floor, Plot No. 73, Western Homes, Kavuri Hills, Phase-II, Jubilee Hills, Hyderabad. India. 500033

Factory: 94/1, Toopranpet (V), Choutuppal (M), Yadadri Bhuvanagiri (D), Telangana, India. 508252

+91 40 23119403 @ bhaskaragro@yahoo.com

CIN: L24219TG1988PL008331

## **34th ANNUAL GENERAL MEETING**

Day : Thursday  
Date : 22nd September, 2022  
Time : 11-00 a.m.  
Venue : Video Conferencing("VC")

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## **BHASKAR AGROCHEMICALS LIMITED.**

### **CORPORATE INFORMATION**

#### **BOARD OF DIRECTORS:**

Mr. P. Pattabhi Rama Rao	Chairman & Managing Director	(DIN : 00353641)
Mr. P. Praveen Kumar	Joint Managing Director Cum CFO	(DIN : 00353720)
Dr. Aluri Naga Uma Maheswara Prasad	Non Executive Director	(DIN : 02970817)
Mrs. P. Rajyalakshmi	Non Executive Director	(DIN : 00353832)
Mr. S.V.Satyanarayana Chowdary	Independent Director	(DIN : 07522128)
Mr. Ch. Sudhakar	Independent Director	(DIN : 07522130)

**CHIEF FINANCIAL OFFICER :** Mr. P. Praveen Kumar

#### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

: Ms. Suchita Dugar (upto 31.10.2021)  
Ms. Chetna (w.e.f. 01.11.2021)

#### **REGISTERED OFFICE**

: Plot No.73, Western Homes, 3rd Floor,  
Kavuri Hills, Phase II, Jubilee Hills, Hyderabad – 500 033  
Telangana. Ph : 040 - 23119403  
E.mail : bhaskaragro@yahoo.com

#### **STATUTORY AUDITORS**

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

#### **BANKERS**

: **Axis Bank Limited**

#### **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

#### **STAKEHOLDER RELATIONSHIP COMMITTEE**

: Dr. Aluri Naga Uma Maheswara Prasad - Chairman  
Mr. Ch. Sudhakar - Member

#### **REGISTRAR & SHARE TRANSFER AGENT (RTA) :** **XI Softech Systems Ltd.**

3, Sagar Society, Road No. 3  
Banjara Hills, Hyderabad – 500 034, Telangana.  
Ph : 040 - 23545913, E-mail : xlfield@gmail.com

#### **LISTING**

: BSE Limited

#### **WEBSITE**

: www.bhaskaragro.com

#### **E-MAIL**

: bhaskaragro@yahoo.com

#### **PHONE**

: 040 - 23119403

## NOTICE

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the members of the Bhaskar AgroChemicals Limited will be held on Thursday, the 22<sup>nd</sup> day of September, 2022 at 11:00 a.m. through Video Conferencing/ Other Audio-Visual Means (OAVM), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2022 and 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 Mrs. P. Rajyalakshmi, Non-Executive Director (DIN: 00353832) who retires by rotation and being eligible offers herself for re- appointment.
3. To appoint M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (FRN: 000442S) as the Statutory Auditors:

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

**“RESOLVED THAT** pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (FRN: 000442S), be and is hereby appointed as the Statutory Auditors of the Company to hold the office for 1st term of five (5) consecutive years commencing from the conclusion of 34th Annual General Meeting till the conclusion of 39th consecutive Annual General Meeting at a remuneration of Rs. 4,50,000/- (Rupees Four Lakh Fifty Thousand Only) per annum plus taxes as applicable.

**FURTHER RESOLVED THAT** the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

### SPECIAL BUSINESS:

4. **RE-APPOINTMENT OF AND REVISION IN REMUNERATION PAYABLE TO SRI. PATTABHI RAMA RAO (DIN: 00353641) AS CHAIRMAN AND MANAGING DIRECTOR:**

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

**“RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and the applicable provisions of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Sri. P. Pattabhi Rama Rao, as Chairman and Managing Director of the Company for a period of three years effective April 1, 2023 to March 31, 2026 at a remuneration of Rs. 5,00,000/- p.m. w.e.f. 01.04.2022 and the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time.

**“RESOLVED FURTHER THAT** in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Sri. P. Pattabhi Rama Rao, remuneration by way of salaries and allowances as specified

## **BHASKAR AGROCHEMICALS LIMITED.**

above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time.”

“**RESOLVED FURTHER THAT** the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

### **5. RE-APPOINTMENT OF AND REVISION IN REMUNERATION PAYABLE TO SRI. P. PRAVEEN KUMAR (DIN: 00353720) AS JOINT MANAGING DIRECTOR AND CFO:**

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and the applicable provisions of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Sri. P. Praveen Kumar, as Joint Managing Director of the Company for a period of three years effective April 1, 2023 to March 31, 2026 at a remuneration of Rs. 5,00,000/- p.m. w.e.f. 01.04.2022, the Board of Directors be and is hereby authorized to vary or increase the remuneration, perquisites, and allowances etc. within such prescribed limits in terms of Schedule V of the Companies Act, 2013, as amended from time to time.

“**RESOLVED FURTHER THAT** in the event of losses or inadequacy of profits in any financial year during his tenure the Company shall pay to Sri. P. Praveen Kumar, remuneration by way of salaries and allowances as specified above as minimum remuneration and in accordance with the limits specified under the Companies Act, 2013 read with Schedule V to the Companies Act 2013, or such other limit as may be prescribed by the Government from time to time.”

“**RESOLVED FURTHER THAT** the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

### **6. CONTINUATION OF SRI. ALURI NAGA UMA MAHESWARA PRASAD (DIN: 02970817) AS NON-EXECUTIVE DIRECTOR:**

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

“**RESOLVED THAT** pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and other applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, consent of the members of the Company be and is hereby accorded for continuation of Sri. Aluri Naga Uma Maheswara Prasad, who has attained the age of 75 years August 2022.”

“**RESOLVED FURTHER THAT** the Board is hereby authorized to take all necessary steps as may be necessary to give effect to the above resolution including filing of all such necessary documents as may be required in this regard.”

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

Place: Hyderabad  
Date: 29.08.2022

**P.PRAVEEN KUMAR**  
Wholetime Director & CFO  
DIN : 00353720

## NOTES:

1. In view of the continuing Covid-19 pandemic and consequential restrictions imposed on the movements of people, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 2/2022 dated May 5, 2022, General Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 in conjunction with Circular No. 14/2020 dated April 08, 2020 and Circular No. 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and 20/2021 dated December 08, 2021 (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/ 11 dated January 15, 2021, and circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 on May 13, 2022 issued by SEBI (collectively “SEBI Circulars”) Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the MCA Circulars granted certain relaxations and thus permitted the holding of Annual General Meeting (“AGM”) of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA / SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (e-AGM).
2. In compliance with applicable provisions of the Act read with the MCA Circulars and the Listing Regulations, the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (LODR), Regulations, 2015, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. The company has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries, as scrutinizer of the company to scrutinize the voting process.

## **BHASKAR AGROCHEMICALS LIMITED.**

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.bhaskaragro.com](http://www.bhaskaragro.com). The Notice can also be accessed from the websites of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., [www.evotingindia.com](http://www.evotingindia.com).
10. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021, 20/2021 dated December 08, 2021 and Circular No. 03/2022 dated 05.05.2022.
11. Since the AGM will be held through VC/OAVM Facility, Proxy form, Attendance Slip and the Route Map is not annexed in this Notice.

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

- (i) The voting period begins on 19.09.2022 at 09.00 A.M and ends on 21.09.2022 at 05.00 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 (record date) 15.09.2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting</li> <li>3) your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>4) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the DematAccount. After successful authentication, user will be able to see the-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>



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<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders (holding securities in dematmode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

<b>Login type</b>	<b>Help desk details</b>
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

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

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- ☐ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto: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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. .
- ☐ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same. .
- ☐ Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address [viveksurana24@gmail.com](mailto:viveksurana24@gmail.com) and to the Company at the email address viz; [bhaskaragro@yahoo.com](mailto:bhaskaragro@yahoo.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- ☐ The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- ☐ The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- ☐ Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- ☐ Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- ☐ Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- ☐ Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches
- ☐ Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at company e-mail id viz; [bhaskaragro@yahoo.com](mailto:bhaskaragro@yahoo.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at company e-mail id viz; [bhaskaragro@yahoo.com](mailto:bhaskaragro@yahoo.com). These queries will be replied to by the company suitably by email. .

- ☐ Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. ·
- ☐ Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM. ·
- ☐ If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting
- ☐ **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**
  1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) byemail to Company/RTA email id.
  2. For Demat share holders-Please update your emailed & mobile no.with your respective Depository Participant(DP)
  3. For Individual Demat shareholders – Please update your email id & mobile no. With your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
  4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL- VotingSystem, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.
  5. All grievances connected with the facility for voting by electronic means may be addressed to Mr.RakeshDalvi,Sr.Manager,(CDSL) CentralDepositoryServices (India) Limited, AWing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel(East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com.

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

Place: Hyderabad  
Date: 29.08.2022

**P.PRAVEEN KUMAR**  
Wholetime Director & CFO  
DIN : 00353720

**BHASKAR AGROCHEMICALS LIMITED.**

**EXPLANATORY STATEMENT  
PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013  
AND REGULATIONS OF SEBI(LODR), REGULATIONS, 2015**

**Item no. 3:**

**APPOINTMENT OF M/S. R. KANKARIA & UTTAM SINGHI, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS OF THE COMPANY:**

Pursuant to the Provisions of Section 139 of the Act read with applicable Rules framed thereunder, M/s. S. Singhvi & Co., Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years in the AGM held on 28.09.2017 upto the conclusion of the forthcoming 34<sup>th</sup> Annual General Meeting. The Audit Committee and the Board of Directors have placed on record their appreciation for the professional services rendered by M/s. S. Singhvi & Co., Chartered Accountants during their association with the Company as its auditors.

For the purpose of appointment of new Auditors, the Audit Committee along with the Board, invited proposals from the reputed firms of Chartered Accountants and had detailed discussion with representatives of those firms. The Committee considered various parameters such as reputation of the firm, knowledge and experience of the partners, understanding of business, technical assessment of the Audit skills and the Audit fees and based on these detailed analysis, the Audit Committee recommended M/s. R. Kankaria & Uttam Singhi, Chartered Accountants (Firm Registration No. 000442S), as the Company's new Statutory Auditor. They have further confirmed that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to appoint M/s. R. Kankaria & Uttam Singhi, Chartered Accountants, (Firm Registration no. 000442S), as the Statutory Auditors of the Company for a period of 5 years, commencing from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 39th Annual General Meeting to be held in the year 2027, subject to the approval of the members at a statutory audit fee of Rs. 4,50,000/- (Rupees Four Lakh Fifty Thousand Only) per annum plus taxes as applicable. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

**BRIEF PROFILE OF M/S. R. KANKARIA & UTTAM SINGHI:**

M/s. R. Kankaria & Uttam Singhi is a reputed firm constituted on 26.08.1982 consisting of 2 qualified staff and 13 other employees, the firm is having around 40 years of experience in the field of audit of listed and closely held Companies. Internal audit of corporate, Income tax matters, Bank Branch Audit, Insurance Companies DO audit, PSU Branch audit and audit under the Income Tax Act and as per other statutory requirements. The firm also serves as consultants in the matters related to Goods & Services Tax.

The Board of Directors recommends the Ordinary Resolution for approval of the Members. None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution.

Disclosures made by the Company under Regulation 36(5) of SEBI (LODR) Regulations 2015, for seeking appointment of M/s. R. Kankaria & Uttam Singhi

S.no.	Particulars	Details
1	Proposed fees	Rs. 4,50,000 per annum
2	Terms of Appointment	Reappointed For a period of 5 years from Conclusion of this Annual General Meeting till the Conclusion of 39 <sup>th</sup> Annual General Meeting
3	Basis of recommendation	Audit Committee and Board
4	Credentials of Statutory auditor	Same as mentioned above

**Item no. 4:**

**RE-APPOINTMENT OF AND REVISION IN REMUNERATION PAYABLE TO SRI. PATTABHI RAMA RAO (DIN: 00353641) AS CHAIRMAN AND MANAGING DIRECTOR:**

Sri. Pattabhi Rama Rao (DIN: 00353641) was appointed as Chairman & Managing Director of the Company for a period w.e.f 01.04.2020 to 31.03.2023 in the Annual general Meeting held on 29.09.2020.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 10.08.2022, approved the appointment of Sri. Pattabhi Rama Rao (DIN: 00353641) as Chairman & Managing Director of the Company for a period of three years effective from April 1, 2023 to March 31, 2026 at a remuneration of Rs. 5,00,000/- p.m. w.e.f 01.04.2022.

**Information in accordance with Schedule V of Companies Act, 2013**

**I. GENERAL INFORMATION**

1	Nature of Industry : Agrochemicals		
2	Date or expected date of commencement of commercial: 1988		
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable		
4	Financial performance based on given indications		
	Particulars	2019-20 (Amt in Lakhs.)	2020-21 (Amt in Lakhs.)
	Turnover	5,184.57	6381.90
	Net profit after Tax	60.93	84.93
			2021-22( Amt in Lakhs.)
			6534.85
			108.77
5	Foreign investments or collaborations, if any: Not Applicable		

## **BHASKAR AGROCHEMICALS LIMITED.**

### **II. INFORMATION ABOUT THE APPOINTEE:**

1. Background Details: Sri. P. Pattabhi Rama Rao, Chairman and Managing Director, aged 73 is a graduate with 50 years of experience in Business Management of Agro Chemicals. He guided the company since inception and supported in growth of the Company.
2. Past Remuneration: The past remuneration drawn by Sri. P. Pattabhi Rama Rao is Rs.3,25,000 per month.
3. Recognition or awards: — Nil
4. Job Profile and his suitability: He is one of the promoter Director of the Company and he is on the Board from the inception of the Company and hence possess the relevant experience to efficiently handle the nature of work.
5. Remuneration proposed:As set out in the resolutions for the item No.4 the remuneration to Sri. P. Pattabhi Rama Rao, Chairman and Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6. Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):Taking into consideration of the size of the Company, the profile of Sri. P. Pattabhi Rama Rao and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:Besides the remuneration, he is holding 12,95,484 Equity Shares of the Company. He is Spouse of Smt. P. Rajya Lakshmi and Father of Sri. P. Praveen Kumar.

### **III. OTHER INFORMATION:**

1. Reasons for inadequate profits: Intense competition and unfavourable market conditions.
2. Steps taken or proposed to be taken for improvement: Efforts to increase revenue and finding other markets sales
3. Expected increase in productivity and profit in measurable terms: NA

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 4 of the notice for appointment of Sri. Pattabhi Rama Rao.

None of the Directors or KMPs of the Company or their relatives except Sri. P. Praveen Kumar, Sri. P. Pattabhi Rama Rao and Smt. P. Rajya Lakshmi are concerned or interested in the resolution.

#### **Item no. 5:**

#### **RE-APPOINTMENT OF AND REVISION IN REMUNERATION PAYABLE TO SRI. P. PRAVEEN KUMAR (DIN: 00353720) AS JOINT MANAGING DIRECTOR AND CFO:**

Sri. P. Praveen Kumar (DIN: 00353720) was appointed as Joint Managing Director of the Company for a period w.e.f 01.04.2020 to 31.03.2023 in the Annual general Meeting held on 29.09.2020.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 10.08.2022, approved the appointment of Sri. P. Praveen Kumar (DIN: 00353720) as Joint Managing Director of the Company for a period of three years effective from April 1, 2023 to March 31, 2026 at a remuneration of Rs. 5,00,000/- p.m. w.e.f. 01.04.2022.

**Information in accordance with Schedule V of Companies Act, 2013**

**I. GENERAL INFORMATION**

1	Nature of Industry : Agrochemicals			
2	Date or expected date of commencement of commercial: 1988			
3	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable			
4	Financial performance based on given indications			
	Particulars	2019-20 (Amt in Lakhs.)	2020-21 (Amt in Lakhs.)	2021-22( Amt in Lakhs.)
	Turnover	5,184.57	6381.90	6534.85
	Net profit after Tax	60.93	84.93	108.77
5	Foreign investments or collaborations, if any: Not Applicable			

**II. INFORMATION ABOUT THE APPOINTEE:**

1.	Background Details: Sri. P. Praveen Kumar, Wholetime Director, aged 45 is a B. Tech (Chemical), MBA (Finance & Operations Management) with 20 years of experience in Agro based industry business management.
2.	Past Remuneration: The past remuneration drawn by Sri. P. Praveen Kumar is Rs. 3,25,000 per month.
3.	Recognition or awards: — Nil
4.	Job Profile and his suitability: He is one of the promoter Director of the Company and he is on the Board from November, 2005 and hence possess the relevant experience to efficiently involve in the day to day affairs of the Company.
5.	Remuneration proposed:As set out in the resolutions for the item No.4 the remuneration to Sri. P. Praveen Kumar, Joint Managing Director has the approval of the Nomination and Remuneration Committee and Board of Directors, is within the limits specified under Schedule V of Companies Act.
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):Taking into consideration of the size of the Company, the profile of Sri. P. Praveen Kumar and the responsibilities shouldered on him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial positions in other companies.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:Besides the remuneration, he is holding 9,01,573 Equity Shares of the Company. He is son of Sri. P. Pattabhi Rama Rao and Smt. P. Rajya Lakshmi.



## **BHASKAR AGROCHEMICALS LIMITED.**

### **III. OTHER INFORMATION:**

1. Reasons for inadequate profits: Intense competition and unfavourable market conditions.
2. Steps taken or proposed to be taken for improvement: Efforts to increase revenue and finding other markets for sales
3. Expected increase in productivity and profit in measurable terms: NA

Accordingly the Board of Directors recommends the passing of the above resolution as an Ordinary Resolution set out in the item no. 4 of the notice for appointment of Sri. Pattabhi Rama Rao.

None of the Directors or KMPs of the Company or their relatives except Sri. P. Praveen Kumar, Sri. P. Pattabhi Rama Rao and Smt. P. Rajya Lakshmi are concerned or interested in the resolution.

#### **Item no. 6:**

#### **CONTINUATION OF SRI. ALURI NAGA UMA MAHESWARA PRASAD (DIN: 02970817) AS NON-EXECUTIVE DIRECTOR:**

As per Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018 requires appointment or continuance of any person as Non- Executive Director of a listed Company who has attained the age of 75 years to be approved by the shareholders by way of a Special Resolution. Although Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 is not applicable to the Company, the Company aspire to compliance of good corporate governance norms.

Sri. Aluri Naga Uma Maheswara Prasad (DIN: 02970817), Non-Executive Director of the Company has joined the Board of Directors of the Company on 19.04.2010. Pursuant to provisions of the Companies Act, 2013. His continuation as Non-Executive Director requires special resolution to be passed in terms of SEBI LODR (Amendment) Regulations, 2018 who has attained the age of 75 years in August 2022.

Accordingly the Board of Directors recommends the passing of the above resolution as Special resolution set out in the item no. 6 of the notice for continuation of Sri. Aluri Naga Uma Maheswara Prasad.

Save and except Sri. Aluri Naga Uma Maheswara Prasad being an appointee, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the Resolution set out in the notice.

Annexure A – for the Item no's 2, 4, 5 & 6

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

<b>Name of the Director</b>	Mrs. P. Rajyalakshmi	Sri. Pattabhi Rama Rao
<b>Date of Birth</b>	17.01.1955	17.07.1949
<b>Brief Resume</b>	She has rich experience in administration and HR activities.	Sri P. Pattabhi Rama Rao is a graduate with 50 years of experience in Business Management of Agro Chemicals
<b>Qualification</b>	Intermediate	B.com

<b>Expertise in specific functional areas</b>	Administration	Overall Planning Policy making & Management
<b>Names of Listed entities in which the person also holds the Directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years</b>	NIL	NIL
<b>Shareholding of Directors</b>	4,56,749 Equity shares	12,95,484 Equity shares
<b>Inter se relationship with any Director</b>	Spouse of Sri P. Pattabhi Rama Rao and Mother of Sri P. Praveen Kumar	Spouse of Sri P. Rajya Lakshmi and Father of Sri P. Praveen Kumar

<b>Name of the Director</b>	Sri. P. Praveen Kumar	Sri. Aluri Naga Uma Maheswara Prasad
<b>Date of Birth</b>	26.06.1977	13.08.1947
<b>Brief Resume</b>	Sri P. Praveen Kumar is a B.Tech (Chemical), MBA (Finance & Operations Management) with 18 years of experience in Agro based industry business management	Sri Aluri Naga Uma Maheswara Prasad has more than 3 decades of experience in Medical Field
<b>Qualification</b>	B. Tech, M.B.A.	MBBS
<b>Expertise in specific functional areas</b>	IT., Agrochemicals Manufacturing	More than 3 decades of experience in Medical Field.
<b>Names of Listed entities in which the person also holds the Directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years</b>	NIL	NIL
<b>Inter se relationship with any Director</b>	Son of Sri P. Pattabhi Rama Rao and Smt. P. Rajya Lakshmi	NA
<b>Shareholding of Directors.</b>	9,01,573 Equity Shares	Nil

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

Place: Hyderabad  
Date: 29.08.2022

**P.PRAVEEN KUMAR**  
Wholetime Director & CFO  
DIN : 00353720

## **BHASKAR AGROCHEMICALS LIMITED.**

### **DIRECTOR'S REPORT**

**To the Members,**

We have pleasure in presenting the 34<sup>th</sup> Directors' Report on the business and operations of the Company together with the audited Financial Statements for the year ended 31<sup>st</sup> March, 2022..

#### **1. FINANCIAL SUMMARY / HIGHLIGHTS :**

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

(Rs. In Lakhs)

Particular	Standalone	
	2021-22	2020-21
Revenue from Operations	65,34,85,387	63,81,71,927
Other Income (Including Exceptional Items)	21,266	18,001
Total Expenses	62,65,81,564	62,96,96,481
Profit Before Tax	1,94,50,423	84,93,447
Less: Provision for Taxation	85,73,221	0
Profit / (Loss) After Tax	1,08,77,202	84,93,447
Total Comprehensive Income	-5,78,831	3,99,904
Earning per Equity Share Basic Diluted (in Rs.)	2.09	1.63

#### **REVIEW OF OPERATIONS:**

During the Year under the review, the Company has recorded an Income of Rs. 65,34,85,387 and profit/Loss of Rs. 1,08,77,202 as against the Income of Rs. 63,81,71,927 and incurred loss of Rs. 84,93,447 in the previous financial year ending 31.03.2021.

#### **BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS :**

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

#### **2. CHANGE IN THE NATURE OF THE BUSINESS, IF ANY :**

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

#### **3. RESERVES :**

The Company has not carried any amount to the reserves.

#### **4. DIVIDEND :**

Your Directors have decided not to recommend dividend for the year 2021-22.

#### **5. MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY :**

There are no major material changes and commitments affecting the financial position of the Company after the end of the financial year and up to date of this report (i.e., 29.08.2022)

#### **6. BOARD MEETINGS :**

The Board of Directors duly met Six (06) times during the financial year from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022. The dates on which the meetings were held are 29.06.2021, 14.08.2021, 06.09.2021, 31.10.2021, 13.11.2022 and 14.02.2022.

**ATTENDANCE OF DIRECTORS:**

S.no.	Name of Director	Total Meetings Held During the tenure of the director	Attended
1.	Mr. P. Pattabhi Rama Rao	6	6
2.	Mr. P. Praveen Kumar	6	6
3.	Dr. Aluri Naga Uma Maheswara Prasad	6	6
4.	Mrs. P. Rajyalakshmi	6	6
5.	Mr. S.V.Satyanarayana Chowdary	6	6
6.	Mr. Ch. Sudhakar	6	6

**7. APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS /CEO/ CFO AND KEY MANAGERIAL PERSONNEL:**

Ms. Suchita Dugar has resigned from the Company from the designation of Company Secretary and Compliance Officer on 31.10.2021 due to her commitments and personal pre-occupations.

The Board places on record its sincere appreciation for the services rendered by Ms. Suchita Dugar during her association with the Company.

Ms. Chetna was appointed as Company Secretary and Compliance Officer w.e.f. 01.11.2021.

**8. REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review.

**9. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from all the 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 Requirements) Regulations, 2015.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

**10. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the directors. Direct meetings with the Chairman are further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

## **BHASKAR AGROCHEMICALS LIMITED.**

### **11. 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 to the 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:**

##### **3.1. 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;
- shall not be disqualified under the Companies Act, 2013;
- shall Endeavour to attend all Board Meeting and wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- 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.
- 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.

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

3.3.3 A Director shall not serve as 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.

3.3.4 A 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:

2.1 "Director" means a Director appointed to the Board of the company.

2.2 "key managerial personnel" means

(i) The Chief Executive Officer 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

## **BHASKAR AGROCHEMICALS LIMITED.**

- 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. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

#### 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.

### **12. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013 and on the basis of explanation given by the executives of the Company and subject to disclosures in the Annual Accounts of the Company from time to time, we state as under:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgment 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 or loss of the Company for that period;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis:
5. That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
6. That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**13. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

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

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

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

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

**15. 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 annual return is disclosed on the website [www.bhaskaragro.com](http://www.bhaskaragro.com).

**16. AUDITORS:**

**a. Statutory Auditors**

At the 29<sup>th</sup> Annual General Meeting held on 28.09.2017, the members of the company approved the appointment of M/s. S. Singhvi & Co, Chartered Accountants as Statutory Auditors of the company for the term of five years upto the conclusion of 34<sup>th</sup> Annual General Meeting to be held in the financial year 2021-22.

The Board in its meeting held on 29.08.2022 proposed to appoint M/s. M/s. R. Kankaria & Uttam Singhi, as Statutory Auditors of the Company for a period of 5 years from the conclusion of ensuing 34<sup>th</sup> AGM till the conclusion of 39<sup>th</sup> Annual General Meeting to be held in the year 2027.

On recommendation of audit committee, the Board has appointed M/s. M/s. R. Kankaria & Uttam Singhi as statutory auditors of the Company from the conclusion of the 34<sup>th</sup> AGM till the conclusion of the 39<sup>th</sup>AGM to be held in the year 2027 for a term of 5 years, subject to the approval of the members in the ensuing AGM.

**Statutory Auditors Report**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2022 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the coming years.



## **BHASKAR AGROCHEMICALS LIMITED.**

### **b. Secretarial Auditor**

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, the Board has appointed M/s. Vivek Surana & Associates, Practicing Company Secretaries to undertake Secretarial Audit of the Company for financial year ending 31.03.2022. The report of the Secretarial Auditor is enclosed herewith vide **ANNEXURE-1** of this Report.

### **Annual Secretarial Compliance Report**

Annual Secretarial Compliance Report is not applicable to the Company for financial year ending 31.03.2022.

### **c. Cost Auditor**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the Company for the year 2021-22.

### **d. Internal Auditor**

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed Mr. Sunesh Agarwal, Chartered Accountant, as Internal Auditors of the Company.

## **17. 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 auditor's u/s 143(12).

## **18. INTERNAL AUDIT AND FINANCIAL CONTROLS:**

The Company has adequate internal controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

## **19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given loans, Guarantees or made any investments attracting the provision of Section 186 of the Companies Act, 2013 during the year under review.

## **20. RELATED PARTY TRANSACTIONS:**

Our Company has formulated a policy on related party transactions which is also available on Company's website at [www.bhaskaragro.com](http://www.bhaskaragro.com). This policy deals with the review and approval of related party transactions.

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or the Senior Management which may have a potential conflict with the interest of the Company at large.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 is appended as **ANNEXURE-2** which forms part of this Report.

All related party transactions were placed before the Audit Committee/Board for approval. Prior approval of the Audit Committee was obtained for the transactions which are foreseen and are in repetitive in nature. Members may refer to note no. 49 to the financial statements which sets out related party disclosures pursuant to IND AS-24.

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

During the year under review no Company has become its subsidiary, joint venture or associate Company.

**22. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as prescribed under Section 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. Research & Development and 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

**23. COMMITTEES**

**(I). AUDIT COMMITTEE**

Audit committee: Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

Brief Description of Terms of Reference: - 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.

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
- iii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- iv. Approval of payment to statutory auditors for any other services rendered by them.
- v. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
  - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;

## **BHASKAR AGROCHEMICALS LIMITED.**

- vi. Review of the quarterly and half yearly financial results with the management and the statutory auditors;
- vii. Examination of the financial statement and the auditors' report thereon;
- viii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- ix. Approval or any subsequent modification of transactions with related parties;
- x. Scrutiny of inter-corporate loans and investments;
- xi. Review of valuation of undertakings or assets of the company wherever it is necessary;
- xii. Evaluation of internal financial controls and risk management systems;
- xiii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- xvi. Consideration of the reports of the internal auditors and discussion about their findings with the management and suggesting corrective actions wherever necessary;
- xvii. Look into the reasons for any substantial defaults in payment to the depositors, debentureholders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- xviii. Review the functioning of the whistle blower mechanism;
- xix. Review and monitor the end use of funds raised through public offers and related matters;
- xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- xxi. Frame and review policies in relation to implementation of the Code of Conduct for Prevention of Insider Trading and supervise its implementation under the overall supervision of the Board;
- xxii. Discharge such duties and functions as indicated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules made thereunder from time to time.

Review of the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- Statement of deviations as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1).
- Annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

- The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
- Carrying out any other function as may be referred to the Committee by the Board.
- Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

During the financial year 2021-22, (4) four meetings of the Audit Committee were held on the 29.06.2021, 14.08.2021, 13.11.2021 and 14.02.2022.

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

ED: Executive director

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

#### (II). **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee

('NRC') functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its Charter adopted by the Board. The terms of reference of the NRC includes:

- Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- Recommend to the Board the appointment or reappointment of Directors.
- Recommend to the Board how the Company will vote on resolutions for appointment of Directors on the Boards of its material subsidiaries.
- Recommend to the Board, the appointment of Key Managerial Personnel (KMP) and executive team members.
- Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.
- Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/EDs, KMP and executive team.

## **BHASKAR AGROCHEMICALS LIMITED.**

- Review matters related to voluntary retirement and early separation schemes for the Company.
- Provide guidelines for remuneration of Directors on material subsidiaries.
- Recommend to the Board how the Company will vote on resolutions for remuneration of Directors on the Boards of its material subsidiaries.  
Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.
- Oversee familiarization programmes for Directors.
- Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.
- Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.

Perform other activities related to the charter as requested by the Board from time to time .During the financial year 2021-22, (1) one meeting of the Nomination & Remuneration Committee meeting held on the 31.10.2021.

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-Executive director

### **(III). STAKEHOLDERS RELATIONSHIP COMMITTEE**

Terms of reference of the committee comprise of various matters provided under Regulation 20 of the Listing Regulations and section 178 of the Companies Act, 2013 which inter-alia include:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Proactively communicate and engage with stockholders including engaging with the institutional shareholders at least once a year along with members of the Committee/Board/ KMPs, as may be required and identifying actionable points for implementation.
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

During the financial year 2021-22, (1) one meeting of the Stakeholders and Relationship Committee meeting held on the 14.02.2022.

Name	Designation	Category	No. of Meetings held	No.of Meetings attended
Dr. Aluri Naga Uma Maheswara Prasad	Chairman	NED	1	1
P. Rajya Lakshmi	Member	NED	1	1

NED (I): Non-Executive Independent director

NED: Non-Executive director

**24. VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with Regulation 22 of SEBI (LODR) Regulations, 2015, a vigil Mechanism for Directors and employees to report genuine concerns has been established. It also provides for necessary safeguards for protection against victimization for whistle blowing in good faith.

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.

**25. CORPORATE SOCIAL RESPONSIBILITY (CSR, COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY):**

Since your Company does not have net worth of Rs. 500 Crores or more or turnover of Rs. 1000 Crores or more or a net profit of Rs. 5 Crores 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.

**26. PUBLIC DEPOSITS:**

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.

**27. SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS / TRIBUNALS:**

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

**28. DISCLOSURE OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

Further, details of internal financial control and its adequacy are included in the Management Discussion and Analysis Report which is appended as Annexure IV and forms part of this Report.

**29. INSURANCE:**

The properties and assets of your Company are adequately insured.

**30. CREDIT & GUARANTEE FACILITIES:**

The Company has not availed credit and guarantee facilities.

**31. RISK MANAGEMENT POLICY:**

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks and also to identify business opportunities. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the senior management on a periodical basis.

**32. SHARE CAPITAL:**

The authorised share capital of the Company as on 31.03.2022 is Rs. 9,25,00,000/-divided into 92,50,000 equity shares of Rs.10/- each.

The paid-up share capital of the Company as on 31.03.2022 is Rs. 8,44,80,330/-divided into 84,48,033 equity shares of Rs.10/- each.

## **BHASKAR AGROCHEMICALS LIMITED.**

### **33. 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 is Not Applicable.

### **34. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation provides an overview of the affairs of the Company, its legal status and autonomy, business environment, mission & objectives, sectoral and operational performance, strengths, opportunities, constraints, strategy and risks and concerns, as well as human resource and internal control systems is appended as **ANNEXURE-3** for information of the Members.

### **35. POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website [www.bhaskaragro.com](http://www.bhaskaragro.com).

### **36. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

### **37. STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

### **38. 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. No Complaints were pending at the beginning of the year or received during the year.

### **39. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

A table containing the particulars in accordance with the provisions of Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure 4 (a)** to this Report.

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 4 (b)**.

During the year, 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 specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**40. 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, Chairman & Managing Director and Mr. P. Praveen Kumar, Joint Managing Director & CFO of the Company to the median remuneration of the employees is 13:1 and 13:1 respectively.

**41. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities. The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website ([www.bhaskaragro.com](http://www.bhaskaragro.com)).

**42. MECHANISM FOR EVALUATION OF THE BOARD:**

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The criteria for performance evaluation covers the areas relevant to the functioning of the Board and Board Committees such as its composition, oversight and effectiveness, performance, skills and structure etc.

**43. SECRETARIAL STANDARDS:**

The Company is in compliance with the applicable secretarial standards.

**44. EVENT BASED DISCLOSURES:**

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

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

**45. DEVIATIONS, IF ANY OBSERVED ON FUNDS RAISED THROUGH PUBLIC ISSUE, PREFERENTIAL ISSUE ETC:**

During the year under review, company has not raised any funds from public or through preferential allotment.



**BHASKAR AGROCHEMICALS LIMITED.**

**46. 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.

Mrs. P. Rajya Lakshmi, Non-Executive Director of the Company holds 4,56,749 Equity Shares of the Company.

**47. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):**

There is no application filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

**48. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016.

**49. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

**50. 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 for their continued support for the growth of the Company.

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

Place: Hyderabad  
Date: 29.08.2022

**P.PRAVEEN KUMAR**  
Wholetime Director & CFO  
DIN : 00353720

**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 of Managerial Personnel) Rules, 2014  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

To,

The Members

Bhaskar Agrochemicals Limited

We have conducted the secretarial 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 our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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 1<sup>st</sup> April, 2021 and ended 31<sup>st</sup> March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

1. We have examined the books, papers, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> of March, 2022 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 2021-22: -
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event-based disclosures, wherever applicable.**
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018 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](http://www.bhaskaragro.com)**
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the company has not issued any shares during the year under review.**
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**

## **BHASKAR AGROCHEMICALS LIMITED.**

- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **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 Venture Capital and Corporate Investments Private Limited as its Share Transfer Agent.**
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009/2021; **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, 2018; **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:
  - 1. The Code on Wages, 2019
  - 2. The Code on Industrial Relations, 2020
  - 3. The Code on Social Security, 2020
  - 4. The Occupational Safety, Health and Working Conditions Code, 2020
  - 5. Shops and Establishment Act, 1948
  - 6. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975
  - 7. The Air (Prevention and Control of Pollution) Act, 1981
  - 8. The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975 and
  - 9. Other required clearance fro local authorities.

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 6 meetings of the Board of Directors, 4 meetings of the Audit committee, 1 Meeting of Stakeholder Relationship Committee and 1 meeting of Nomination and Remuneration Committee Meeting 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
- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- External Commercial Borrowings were not attracted to the Company under the financial year under report;
- Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- 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:

- 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.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review and the same was carried out in compliance with the provisions of the Act.
- 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.
- As per the minutes of the meeting duly recorded and signed by the Chairman of the meeting, the decisions of the Board were unanimous and no dissenting views have been recorded.
- 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.
- Compliance by the company of applicable financial Laws like Direct and Indirect tax Laws has not been reviewed thoroughly in this audit since the same has been subject to review by statutory financial Audit and other designated professionals.
- 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.

**Place: Hyderabad**

**Date: 27.08.2022**

**For Vivek Surana & Associates**

**Sd/-**

**Vivek Surana**

**Proprietor**

**M. No.A24531, CP No: 12901**

**UDIN: A024531D000862445**

**Peer review Cer no: 1809/2022**

**BHASKAR AGROCHEMICALS LIMITED.**

**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.

**Place: Hyderabad**

**Date: 27.08.2022**

**For Vivek Surana & Associates**

**Sd/-**

**Vivek Surana**

**Proprietor**

**M. No.A24531, CP No: 12901**

**UDIN: A024531D000862445**

**Peer review Cer no: 1809/2022**

**ANNEXURE - 2**

**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)  
This form pertains to the disclosure of particulars of contracts/arrangements entered into between the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including arm's length transaction under third proviso thereto.

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

- a) Name(s) of the related party and nature of relationship : Not Applicable
- b) Nature of contracts/arrangements/transactions : None
- c) Duration of the contracts/arrangements/transactions : Not Applicable
- d) Salient terms of the contracts or arrangements or Transactions including the value, if any : Not Applicable
- e) Justification for entering into such contracts or Arrangements or transactions : Not Applicable
- f) Date(s) of approval of the Board : Not Applicable
- g) Amounts paid as advances, if any : None
- h) Date on which the special resolution was passed in General meeting as required under first proviso to Section 188 : Not Applicable

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

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions:	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year:
1	Pattabhi Rama Rao Posani - Chairman & Managing Director	Remuneration	During FY 21-22	Rs.39 Lakhs	29-06-2021
2	Praveen Kumar Posani - Joint Managing Director & CFO	Remuneration	During FY 21-22	Rs.39 Lakhs	29-06-2021
3	Pattabhi Rama Rao Posani - Chairman & Managing Director	Loan Taken	On Account	Balance Outstanding is Rs. 183.94 Lakhs Interest Paid during the year is Rs.19.49 Lakhs	29-06-2021
3	Praveen Kumar Posani - Joint Managing Director & CFO	Loan Taken	On Account	Balance Outstanding is Rs. 70.17 Lakhs Interest Paid during the year is Rs.0.50 Lakhs	29-06-2021

**BHASKAR AGROCHEMICALS LIMITED.**

3. Details of contracts or arrangements or transactions not in the ordinary course of business : Not Applicable

S.No	Particulars	Details
a)	Name(s) of the related party & nature of relationship	None
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	None
e)	Justification of entering into such contracts or arrangements or transactions	None
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable

All related party transactions that were entered during the financial year were on arms-length basis and are according to the policy of related party transactions adopted by the Company.

### ANNEXURE – 3

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

##### Management Discussion and Analysis Report:

(a) Industry structure and developments:

Agriculture continues to be the largest source of livelihood for about 58% of India's population and its growth ensures economic growth of the country. The Indian agrochemical sector has risen at an annual rate of 7.6% over the last six years. Although the Pandemic has affected the economy, the Indian agrochemical industry is considered to be one of the industries which has successfully fought the wrath of the pandemic. Crop protection chemicals are type of pesticides, insecticides, herbicides and plant growth promoters that are used to protect crops against insects and pests.

Many crops would suffer significant losses if they did not exist. Plant diseases and pests have become more common as a result of changing environmental conditions. Also, climate fluctuations have a substantial impact on crop productivity. The crop protection industry has been transforming over the years, with robust growth and changing crop mix trends and environmental regulations. Growing population, declining arable land, food security, trends of people shifting to vegetarian food and the need for augmented agricultural productivity are the significant factors driving the demand for higher agricultural output, thus boosting the growth of the crop protection industry globally. The market growth of crop chemicals is dependent on pest attacks, crop yields, and agriculturists' awareness levels and capacity to buy products depending on their availability of credit. Increasing demand for insecticides across the globe is also a major factor driving the market growth. Agriculture inputs play a decisive role in enhancing crop production. With arable land declining, production of crops can only be increased by using quality inputs through a scaled-up country-wide effort.

(b) Opportunities and Threats:

India's agrochemical consumption is one of the lowest in the world with per hectare consumption being just 0.6 kgs as compared to the United States (5-7kgs/hectare) and Japan (11-12kgs/hectare). With the increase in awareness and market penetration, consumption is likely to improve in the near future. The agrochemicals industry is expected to play a pivotal role in attaining food security for a populous country like India.

India is fast emerging as a hub for contract manufacturing, due to some competitive advantages like Low Cost Manufacturing Capability, Availability of highly skilled workforce, Seasonal nature of domestic demand, Idle Capacity availability, Better price realizations in global markets and Ease of Doing Business.

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

During the year under review, the Company has recorded revenue of Rs. 6534.85 Lakhs and made a Profit of Rs. 108.77 Lakhs against revenue of Rs. 6381.72 Lakhs and a profit of Rs. 84.93 Lakhs in the previous financial year 2020-21.

(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:

Risk management comprises all the organisational rules and actions for early identification of risks in the course of doing business and the management of such risks along with identification of opportunities.

The Company as formulated a Risk Management Policy under which various risks associated with the business operations is identified and risk mitigation plans have been put in place.



## **BHASKAR AGROCHEMICALS LIMITED.**

(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:

The Financial performance of the Company has been detailed in Board's Report under para Financial summary.

(h) Material developments in Human Resources/Industrial Relations front, including number of people employed:  
The Company has able and experienced staff and dedicated executives. The company continues to have cordial relations with its employees and other stakeholders.The Company has 78 permanent employees as on 31.03.2022.

i) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios along with detailed explanations thereof:

### **RATIOS :**

PARTICULARS	2021-2022	2020-2021	REMARKS
Debtors turnover ratio	7.92 Times	14.33	Increase/decrease in ratios is because of higher profitability and stern measures adopted by the management to realise the money from the debtors, resulting in quick service of debts taken by the Company.
Times Inventory turnover ratio	4.30 Times	7.53	
Times Interest coverage ratio	2.678 Times	2.726	
Times Current ratio	1.03	0.82	
Debt equity ratio	0.51	0.59	
Operating profit margin (%)	5.35%	4.36%	
Net profit margin (%)	4.12%	1.33%	
Return on Net worth	14.20%	8.81%	

h.) Sector-specific equivalent ratios, as applicable:

j) Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof:

k) Disclosure of Accounting Treatment:

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

### **CAUTIONARY STATEMENT:**

Statements in this Management Discussion and Analysis Report may be "forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference at the Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forwardlooking statements on the basis of subsequent developments, information or events.

**Annexure – 4(a)**

**STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

1. The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.

Director	Total Remuneration (in rupees)	Ratio to median remuneration
Pattabhi Rama Rao Posani	39,00,000	13:1
Praveen Kumar Posani	39,00,000	13:1

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Name	Designation	Remuneration in Rupees		Increase(Decrease) %
		FY 2021 -2022	FY 2020 -2021	
Pattabhi Rama Rao Posani	Chairman & Managing Director	39,00,000	39,00,000	---
Praveen Kumar Posani	CFO & Joint Managing Director	39,00,000	39,00,000	---
Parasharam Ramachandra Adav	Company Secretary	---	1,40,000	---
Suchita Dugar	Company Secretary	1,40,000	1,00,000	---
Chetna	Company Secretary	1,00,000	---	---

3. The percentage increase in the median remuneration of employees in the financial year

Particulars	Remuneration in Rupees		Increase(Decrease) %
	FY 2021 -2022	FY 2020 -2021	
Median Remuneration of all the employees per annum*	3,00,000	1,32,972	44.3

*\*Employees who have served for whole of the respective financial years have been considered.*

**BHASKAR AGROCHEMICALS LIMITED.**

4.

Particulars	Number
<b>The number of employees on the rolls of the company as on March 31, 2022</b>	<b>78</b>

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and details if there are any exceptional circumstances for increase in the managerial remuneration**

Particulars	Increase(Decrease) %
<b>Average percentage increase in the remuneration of all Employees*</b> (Other than Key Managerial Personnel)	8
<b>Average Percentage increase in the Remuneration of Key Managerial Personnel</b> *Employees who have served for whole of the respective financial years have been considered.	0

6. **Affirmation that the remuneration is as per the remuneration policy of the company.**

The Company is in compliance with its remuneration policy.

S.No	Employee Name	Remuneration Received	Designation	Nature of Employment	Qualification and experience of the employee	Date of the commencement of employment	The age of Employee	The last employment held by such employee before joining company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Whether any such employee is a relative of any director or manager of the Company and if so name of such director or manager
1.	P. Pattabhi Rama Rao	39,00,000	Chairman & Managing Director	Permanent	B Com	19-02-1988	72	-	24.87	Husband of Mrs. P. Rajyalakshmi and father of Mr. P. Praveen Kumar
2.	P. Praveen Kumar	39,00,000	Joint Managing Director & CFO	Permanent	B.Tech, MBA	24-11-2005	45	-	17.31	Son of Mrs. P. Rajyalakshmi and P. Pattabhi Rama Rao
3.	Siva Reddy Katsani	24,50,000	Dy. General Manager	Contractual	B.Sc Ag.	01-03-2021	55	Sulphur Mills	-	-
4.	Babu Rao Modeam	15,60,000	Vice President	Contractual	B.Sc Ag.	01-10-2020	68	Crystal Crop Protection	-	-
5.	Sada Siva Rao Gogulapati	12,11,902	Plant Incharge	Contractual	B.com	01-10-2020	68	-	-	-
6.	Adinarayana Rao Nalla	10,95,376	Production Incharge	Contractual	B.com	15-05-1995	63	-	-	-
7.	Ram Reddy Chandupatia	8,55,000	Regional Business Manager	Contractual	B.Sc Ag.	11-12-2020	61	Coromandel Agrico Pvt. Ltd.	-	-
8.	Saravanan Marimuthu	7,82,375	Regional Business Manager	Contractual	B.Sc Ag.	01-10-2020	47	Crystal Crop Protection	-	-
9.	Kumara Swamy Muthavarapu	7,20,000	Senior Territory Manager	Contractual	B.Sc Ag.	16-02-2021	40	Insecticide India Ltd.	-	-
10.	Jagadeeswara Rao Sanapala	6,98,000	Quality Control Manager	Contractual	M.Sc.	20-07-2017	48	Hyderabad Chemicals Ltd.	-	-

**BHASKAR AGROCHEMICALS LIMITED.**

**CERTIFICATE OF CODE OF CONDUCT FOR THE YEAR 2021-22**

The shareholders,  
Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2021-22 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Bhaskar Agrochemicals Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a “Code of Ethics and Business Conduct” which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2021-22.

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

Place: Hyderabad  
Date: 29.08.2022

**P.PRAVEEN KUMAR**  
Wholetime Director & CFO  
DIN : 00353720

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Bhaskar Agrochemicals Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Bhaskar Agrochemicals Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Key Audit Matter

##### 1 Revenue Recognition

a) Revenue from the sale of goods (hereinafter referred to as Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable.

The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported

#### Auditor's Response

**Principal Audit Procedures** Our audit approach was a combination of test of internal controls and substantive procedures including:

1. Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof.
2. Evaluating the design and implementation of Company's controls in respect of revenue recognition.
3. Testing the effectiveness of such controls over revenue cut off at year-end.

## **BHASKAR AGROCHEMICALS LIMITED.**

performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.

b) The Company has disclosed the gross sales revenue excluding trade discount.

Refer Note 2 and 42 (a) to the Financial Statements - Significant Accounting policies and notes to the accounts.

### **2 Impairment evaluation of Property, Plant and Equipment (PPE) refer note no. 2.6 and 3.2 of the financial statements)**

Based on the guidance provided by Ind AS 36 “Impairment of assets” the following indicators that PPE may be impaired have been identified:

- Up to 31.03.2021 company was not providing the depreciation on PPE of unit – II as the same is closed.
- The PPE is not being in use since long time and depreciation on the said PPE is not provided and carrying value of the PPE in the books may not be on fair value.

Therefore, as required by Ind AS 36, the company has estimated the recoverable amount of its PPE based on the management estimation and independent quotations received subsequent to year end. Any valuation / forecasting assessments performed are exposed to higher than usual degree of estimation uncertainty and judgment. Accordingly, this is a key audit matter.

### **Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

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

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

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

4. Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.

5. Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.

Evaluating adequacy of disclosure in relation to revenue recognition – sales revenue in the financial statements.

#### **Our audit procedure includes :**

- Obtaining an understanding of the Company’s process and key controls over the impairment evaluation.
- Assessing and testing the design and operating effectiveness.
- Evaluating the Company’s process with respect to impairment assessment and fair valuation.
- Assessing and testing the sensitivity analysis performed by the Company and evaluating whether any possible changes in assumptions could lead to a significant change in recoverable value.
- Assessed the adequacy of the disclosures relating to impairment.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



## **BHASKAR AGROCHEMICALS LIMITED.**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred on account of unpaid dividend, to the Investor Education and Protection Fund by the Company as at 31<sup>st</sup> March, 2022.
- iv. (a) As per the written representation received from the management and to the best of its knowledge and belief other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity, including foreign entities ("Intermediaries"), with the understanding, that the Intermediary shall, whether, directly Or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) As per the written representation received from the management and to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity, including foreign entities ("Funding Parties"), with the understanding, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.

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

**Shailendra Singhvi  
Proprietor  
Membership No.023125/ICAI  
UDIN No. : 22023125AJXITQ9267**

Place : Hyderabad  
Date : 30.05.2022

**BHASKAR AGROCHEMICALS LIMITED.**

**ANNEXURE “A” TO THE AUDITOR’S REPORT**

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

- i) a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Company has a program of verification to cover all the items of Property, Plant and Equipment and right of use assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment and right of use assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
- c. According to the information and explanations given to us and the records examined by us and based on the examination of the registered title deeds of immovable properties provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold and included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as Right of Use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- d. The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year.
- e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii). a. The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the physical verification and the book records that were more than 10% in the aggregate of each class of inventory.
- b. The Company has been sanctioned working capital limit of Rs.785.00 Lakhs, in aggregate, during the year, from bank on the basis of security of its current assets. In our opinion and based on the information and explanations given to us and our verification of the stock statements submitted by the Company to the bank in relation to the aforesaid working capital limits, such stock statements are, broadly in all material respect, in agreement with the books of account of the Company except for the deviations detailed in Note No. 45 of the audited financial statements.
- iii). According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. Accordingly, provisions of clause 3(iii)(a) to 3(iii)(f) of the order are not applicable to the company.
- 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. Accordingly, provisions of clause 3(iv) of the order is not applicable to the company.

- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence, the reporting under clause 3(v) of the Order is not applicable.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii) a. According to the information and explanations given to us, none of the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there are no dues in respect of disputed amount to be deposited in respect of provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other statutory dues as on 31<sup>st</sup> March, 2022.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix) a. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to bank or financial institutions or any other lender during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.
- c. According to the information and explanations given to us, and on the basis of our examination of the records, the company has taken term loan during the year and it was applied for the purpose for which the loan was obtained.
- d. According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company, we report that funds raised on short term basis have not been used for long term purposes by the company.
- e. According to the information and explanations given to us, and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us, and the audit procedures performed by us, we report that the company has not raised any loans during the year on the pledge of its securities held in its subsidiary, joint ventures or associate company, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x) a. In our opinion, and according to the information and explanations given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. In our opinion, and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence reporting under clause 3(x) (b) of the Order is not applicable.
- xi) a. In our opinion, and according to the information and explanations given to us, no fraud has been noticed or reported either on company or by the company during the year.

**BHASKAR AGROCHEMICALS LIMITED.**

- b. According to the information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act, 2013 has been filed by auditors in form ADT – 4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with central government.
- c. As represented to us by management, there are no whistle blower complaints received by the company during the year.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with the requirements of section 177 and 188 of Companies Act, 2013 and the same has been disclosed in the Note No. 49 of the audited financial statements, as required by the applicable Ind AS.
- xiv) a. In our opinion and based on our examination, the Company has an internal audit system, commensurate with its size and nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into non cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 is not applicable to the company.
- xvi) The company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).Accordingly, reporting under clause 3(xvi) (a), (b), (c ) and (d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of statutory auditors during the year and accordingly clause 3((xviii) of the Order is not applicable.
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx) According to the information and explanations given to us, the company is not required to incurred any amount as per section 135 of the Companies Act, 2013 under the CSR activities. Hence, reporting in the clause 3(XX) (a) and (b) of the Order is not applicable.

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

**Shailendra Singhvi  
Proprietor  
Membership No.023125/ICAI  
UDIN No. : 22023125AJXITQ9267**

Place : Hyderabad  
Date : 30.05.2022

## **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, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. 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.

## **BHASKAR AGROCHEMICALS LIMITED.**

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the 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  
UDIN No. : 22023125AJXITQ9267**

Place : Hyderabad  
Date : 30.05.2022

## BALANCE SHEET AS AT 31-03-2022

Particulars	Note No	31st March, 2022	31st March, 2021
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	3	1,68,201.69	1,80,030.90
Capital Work in Progress	4	-	1,939.52
Other Intangible Assets	5	521.06	-
Intangible Assets under Development	6		255.00
Financial assets			
Other Financial Assets	7	1,057.05	1,024.05
Other non-current assets	8	271.05	400.37
<b>Total Non Current Assets</b>		<b>1,70,050.85</b>	<b>1,83,649.84</b>
<b>Current Assets</b>			
Inventories	9	1,33,902.89	93,171.36
Financial assets			
Trade receivables	10	1,29,960.70	35,010.33
Cash & cash equivalents	11	208.75	132.50
Other Financial Assets	12	66.81	47.06
Current tax assets (Net)	13	241.00	307.65
Other current assets	14	5,162.64	3,403.24
Assets classified as held for sale	3.2	750.00	-
<b>Total Current Assets</b>		<b>2,70,292.79</b>	<b>1,32,072.13</b>
<b>Total Assets</b>		<b>4,40,343.64</b>	<b>3,15,721.96</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	51,980.33	51,980.33
Other equity	16	66,064,986	50,382.08
<b>Total Equity</b>		<b>1,18,045.32</b>	<b>1,02,362.41</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial liabilities			
Borrowings	17	51,171.89	49,758.24
Other financial liabilities	18	4,079.00	970.00
Provisions	19	2,330.03	1,173.86
Deferred Tax Liabilities (Net)	20	1,030.23	-
<b>Total Non Current Liabilities</b>		<b>58,611.14</b>	<b>51,902.10</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	21	1,13,034.05	56,881.13
Trade payables			
a) Total outstanding dues of Trade Payables	22		
Micro and small enterprises		23,944.23	26,446.54
b) Total Outstanding dues of Trade payables other than			
Micro and Small enterprises		86,864.31	73,314.24
Other Financial liabilities	23	4,919.61	3,787.81
Other current liabilities	24	32,985.17	632.91
Provisions	25	425.95	394.83
Current Tax Provisions	26	1,513.88	--
<b>Total Current Liabilities</b>		<b>2,63,687.19</b>	<b>1,61,457.46</b>
<b>Total Equity &amp; Liabilities</b>		<b>4,40,343.64</b>	<b>3,15,721.96</b>
Summary of Significant Accounting Policies	1 TO 2		
The accompanying notes are an integral part of the standalone financial statements	3 TO 54		

As per our report of even date attached.

for **S Singhvi & Co.**

Chartered Accountants

Firm Regi. No. 003872S

**Shailendra Singhvi**

Proprietor

M.No. 023125 / ICAI

Place : Hyderabad

Date : 30.05.2022

**For and on behalf of the Board**  
**BHASKAR AGROCHEMICALS LIMITED**

**P. PRAVEEN KUMAR**

Joint Managing Director & CFO

DIN : 00353720

**P. PATTABHI RAMA RAO**

Chairman & Managing Director

DIN : 00353641

**CHETNA**

Company Secretary



**BHASKAR AGROCHEMICALS LIMITED.****STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2022**

Particulars	Note No	31st March, 2022	31st March, 2021
(Amount in indian rupees in thousands unless otherwise stated)			
<b>Income :</b>			
Revenue from Operations	27	<b>6,53,485.39</b>	6,38,171.93
Other Income	28	<b>21.27</b>	18.00
<b>Total Income</b>		<b>6,53,506.65</b>	6,38,189.93
<b>Expenses:</b>			
Cost of materials consumed	29	<b>5,36,986.31</b>	5,74,829.25
Changes in inventories of finished goods	30	<b>-49,006.00</b>	-13,900.81
Employee benefits expense	31	<b>41,543.43</b>	23,020.41
Finance costs	32	<b>13,732.44</b>	13,412.48
Depreciation and amortization expense	33	<b>11,254.69</b>	10,207.37
Other expenses	34	<b>72,070.70</b>	22,127.78
<b>Total Expenses</b>		<b>6,26,581.56</b>	6,29,696.48
<b>Profit/(Loss) before exceptional items and tax</b>		<b>26,925.09</b>	8,493.45
Less : Exceptional items	35	<b>7,474.67</b>	-
<b>Profit/(Loss) before tax</b>		<b>19,450.42</b>	8,493.45
Tax expense :			
Current Tax		<b>1,935.36</b>	-
MAT Credit Entitlement		<b>-1,935.36</b>	-
Deferred tax		<b>8,573.22</b>	-
<b>Profit/(Loss)for the year</b>		<b>10,877.20</b>	8,493.45
<b>Other Comprehensive Income</b>	36		
Item not to be reclassified to profit & Loss in Subsequent periods:			
Remeasurement on employees defined benefit plan		<b>-801.93</b>	399.90
Deferred tax credit on above		<b>223.10</b>	-
<b>Total other Comprehensive Income, net of tax</b>		<b>-578.83</b>	399.90
<b>Total Comprehensive Income, net of tax</b>		<b>10,298.37</b>	8,893.35
Earning per equity share of Rs.10/- each fully paid:	37		
Basic & Diluted (Annulised)		<b>2.09</b>	1.63
Summary of Significant Accounting Policies	1 TO 2		
The accompanying notes are an integral part of the standalone financial statements	3 TO 54		

As per our report of even date attached.  
for **S Singhvi & Co.**  
Chartered Accountants  
Firm Regi. No. 003872S

**Shailendra Singhvi**  
Proprietor  
M.No. 023125/ICAI

Place : Hyderabad  
Date : 30.05.2022

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

**P. PRAVEEN KUMAR**      **P. PATTABHI RAMA RAO**  
Joint Managing Director & CFO      Chairman & Managing Director  
DIN : 00353720      DIN : 00353641

**CHETNA**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount in indian rupees in thousands unless otherwise stated)

Particulars	Note No	31st March, 2022	31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net profit Before tax		19,450.42	8,493.45
Adjustments for :			
Exceptional Items		7,474.67	--
Depreciation amortisation		11,254.69	10,207.37
Interest Paid		13,146.94	10,837.83
Interest earned		-21.27	18.00
Profit on Sale of Property, Plant and Equipments		-	-
Gratuity		-801.93	399.90
<b>Operating profit before working capital charges</b>		<b>50,503.52</b>	<b>29,956.54</b>
Adjustments for movement in working capital:			
(Increase)/Decrease in Inventories		-40,731.53	-37,275.64
(Increase)/Decrease in Trade Receivable		-94,950.37	19,069.43
(Increase)/Decrease in Current and Non-current Financial Assets		-52.75	-574.69
Other Current & non current assets		-1,630.09	-3,092.63
(Increase)/Decrease in Trade Payable		11,047.76	65,259.83
(Increase)/Decrease in Other Financial, non financial liabilities & provisions		5,428.08	2,547.22
(Increase)/Decrease in Other current liabilities		32,352.26	-50,899.18
<b>Cash generated from operations</b>		<b>-38,033.12</b>	<b>24,990.88</b>
Direct taxes paid (Net of refund)		-354.83	-246.95
<b>Net cash flow from operating activities (A)</b>		<b>-38,387.95</b>	<b>24,743.93</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchases of property, plant & equipments, capital work in progress & capital advances(Tangible and in Tangible both)		-5,976.69	-7,894.01
Proceeds from sale of property, Plant & Equipments		-	-
Interest earned		21.27	-18.00
<b>Net cash flow used in investing activities (B)</b>		<b>-5,955.42</b>	<b>-7,912.01</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>			
proceeds/(Repayment) of long term borrowings (Net)		1,413.65	9,945.01
proceeds/(Repayment) of short term borrowings (Net)		56,152.92	-15,984.03
Interest paid		-13,146.94	-10,837.83
<b>Net cash used in financing activities (C)</b>		<b>44,419.63</b>	<b>-16,876.85</b>
Net increase/(decrease) in cash and cash equivalents(A+B+C)		76.25	-44.92
Cash and cash equivalents at the beginning of the year		132.50	177.42
Cash and cash equivalents at end of the year		<b>208.75</b>	<b>132.50</b>
Cash and cash equivalents includes			
Cash on hand		208.75	48.66
Balances with banks in current accounts		-	83.84
Summary of Significant Accounting Policies	1 TO 2	<b>208.75</b>	<b>132.50</b>
The accompanying notes are an integral part of the standalone financial statements	3 TO 54		

The above cash flow statement has been prepared using the 'Indirect Method as set out in the IND AS -7 on Cash flow Statement as notified by the Central Government under the Companies Act, 2013.

As per our report of even date attached.

for **S Singhvi & Co.**  
Chartered Accountants  
Firm Regi. No. 003872S

**Shailendra Singhvi**  
Proprietor  
M.No. 023125/ICAI

Place : Hyderabad  
Date : 30.05.2022

**For and on behalf of the Board  
BHASKAR AGROCHEMICALS LIMITED**

**P. PRAVEEN KUMAR**      **P. PATTABHI RAMA RAO**  
Joint Managing Director & CFO      Chairman & Managing Director  
DIN : 00353720      DIN : 00353641

**CHETNA**  
Company Secretary

**BHASKAR AGROCHEMICALS LIMITED.**

(Amount in indian rupees in thousands unless otherwise stated)

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022**

1. Equity Share Capital	31.03.2022	
	Number of shares	Amount in Rs.
(Amount in indian rupees in thousands unless otherwise stated)		
For the year ended 31 March 2022		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at 1 April 2021	5209633	51980.33
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 April 2021	5209633	51980.33
Changes in equity share capital during the current year	-	-
Balance as at 31 March 2022	5209633	51980.33
<b>As at 31.03.2022</b>		
For the year ended 31 March 2021		
Equity shares of INR 10 each issued, subscribed and fully paid		
Balance as at 1 April 2020	5209633	51980.33
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at 1 April 2020	5209633	51980.33
Changes in equity share capital during the current year	-	-
Balance as at 31 March 2021	5209633	51980.33

**b Other Equity**

	Reserves & Surplus				Other Comprehensive Income (Remeasurement of defined benefit plans)	Total
	Capital Reserves	Share Premium Reserves	General Reserves	Retained Earnings		
As at April 01, 2021	47,381.66	15,161.54	-	-12,645.64	484.52	50,382.08
Add: Profit for the year	-	-	-	10,877.20	-	10,877.20
Add: Deferred tax assets (Net) (Refer Note No.20.1)	-	-	5,384.54	-	-	5,384.54
Add: Other Comprehensive Income for the year :	-	-	-	-	-	0.00
Remeasurement of employees defined benefit plans	-	-	-	-	-801.93	-801.93
Deferred tax on above	-	-	-	-	223.10	223.10
As at March 31, 2022	47,381.66	15,161.54	5,384.54	-1,768.44	-94.31	66,064.99
As at April 01, 2020	47,381.66	15,161.54	-	-21,139.09	84.61	41,488.73
Add: Profit for the year	-	-	-	8,493.45	-	8,493.45
Add: Other Comprehensive Income for the year :	-	-	-	-	-	-
Remeasurement of employees defined benefit plans	-	-	-	-	399.90	399.90
Deferred tax on above	-	-	-	-	-	-
As at March 31, 2021	47,381.66	15,161.54	0.00	-12,645.64	484.52	50,382.08

Summary of Significant Accounting Policies 1 to 2

The accompanying notes are an integral part of the standalone financial statements 3 to 54

As per our report of even date attached.  
for **S Singhvi & Co.**Chartered Accountants  
Firm Regi. No. 003872S**Shailendra Singhvi**Proprietor  
M.No. 023125/ICAI

Place : Hyderabad

Date : 30.05.2022

**For and on behalf of the Board**  
**BHASKAR AGROCHEMICALS LIMITED****P. PRAVEEN KUMAR**      **P. PATTABHI RAMA RAO**  
Joint Managing Director & CFO      Chairman & Managing Director  
DIN : 00353720      DIN : 00353641**CHETNA**  
Company Secretary

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

**1 Overview of the Company** Bhaskar Agrochemicals Limited was incorporated on February 19, 1988 in Hyderabad (Telangana). The Company is a public limited company incorporated and domiciles in India and has its registered office at 3rd Floor, Pent House, Plot No. 73, Western Homes, Kavuri Hills, Phase - II, Jubilee Hills, Hyderabad - 500 033 (TG). It is incorporated under the Companies Act, 1956/2013 and its shares are listed on the Bombay Stock Exchange. 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**

This note provides a list of the significant accounting policies adopted in the preparation of these financial Statement. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **2.1 Basis of preparation & compliance with IND AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The financial statements of the company are prepared in accordance with the Indian Generally Accepted Principal (GAAP) on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS

> Certain financial assets and liabilities are measured at fair value (Referred accounting policy on financial instruments)

> Defined benefit and other long term Employees Benefit.

#### **Current versus non current classification**

All the assets and liabilities have been classified as current and non current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

#### **2.2 Uses of Estimates & judgments**

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires management to make estimates and 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.

#### **2.3 Measurement of Fair Values**

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

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

## **BHASKAR AGROCHEMICALS LIMITED.**

- Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted price included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - inputs for the asset or liability that 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.

### **2.4 Property Plant and Equipment and Depreciation**

- a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the property, plant and equipment. Any trade discounts and rebates are deducted in arriving at the purchase price.
- b) Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if it is probable the future benefits associated with the item will flow to the entity and the cost associated with item can be measured reliably.
- c) Capital work-in-progress includes property, plant and equipment not ready for their intended use and related incidental expenses and attributable interest.
- d) Expenditure during construction period: Expenditure (direct & indirect) incurred during the construction period which are attributable to acquisition / construction of PPE, will be capitalized with the respective Plant, Property & Equipment at the time of commissioning of such assets.
- e) The estimated useful life of assets are as follows:

Building	30-60 years
Plant and equipment	15-25 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer and data processing equipment	3 years

- f) Depreciation on tangible property, plant and equipment has been provided on on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.
- g) Items of property, plant and equipment that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- h) An item of property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

### **2.5 Intangible Assets**

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets are added to its book value only if it is probable benefits from the existing asset beyond its previously assessed standard of performance.
- c) Intangible fixed assets that are ready for use are amortized on a straight line basis over a period of estimated useful life of 4 years.

d) 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 property, plant & equipments carried at cost are recognised in the Statement of Profit and Loss.

## 2.6 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss. An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

## 2.7 Borrowing Costs

Borrowing 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.

## 2.8 Research and Development Cost

Research and development costs incurred for development of products are expensed as incurred, except for development costs that relate to the design and testing of new or improved materials, products or processes, which are recognized as an intangible asset to the extent that it is technically feasible to complete the development of such asset and future economic benefits are expected to be generated from such assets. Capital expenditure on research and development is included as part of property, plant and equipment and depreciated on the same basis as other assets.

Research and Development cost incurred (other than cost of property, plant and equipment acquired) are charged as an expense in the year in which they are incurred and are reflected under the appropriate head of account.

## 2.9 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

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

## **BHASKAR AGROCHEMICALS LIMITED.**

### **2.10 Inventories**

- a) Inventories are valued at lower of cost or net realizable value on an item-by-item basis.
- b) 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 first-in-first-out basis.

### **2.11 Cash and Cash Equivalents**

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

### **2.12 Cash Flow Statement**

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

### **2.13 Leases**

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the Company assumes substantially all the risk and rewards of ownership are classified as finance leases. When acquired, such assets are capitalised at fair value or present value of the minimum lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of Profit and loss. Other leases are treated as operating lease, with payments are recognised as expenses in the statement of profit and loss on a straight line basis over the lease term.

### **2.14 Revenue Recognition**

- a) 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.
- b) 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.
- c) Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable. For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate method to the net carrying amount of the financial assets.

### **2.15 Income Tax**

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

#### **a) Current Tax**

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

#### **b) Deferred Tax**

"Deferred tax is recognised in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Deferred tax assets and liabilities are offset only if: a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### **c) Minimum Alternate Tax**

MAT is recognised as an assets only when & to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit became 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 convincing evidence to the effect that the company will pay normal income tax during the specified period. MAT credits are in the form of unused tax credits that are carried forward by the company for a specified period of time, hence, it is presented as Deferred Tax Assets.

### **2.16 Employees Benefits**

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.

#### **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.

#### **Defined benefit plans**

The company provides for gratuity benefit and compensated absences, which are defined benefit plans, covering all its eligible employees. Liability towards gratuity benefits and compensated absences 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 is funded with the Life Insurance Corporation of India (LIC).

The short term provision for compensated absences has been calculated on actual basis, based on the balance of unutilised leave available, and can be encashed at the end of the year as per the company's policy.



## **BHASKAR AGROCHEMICALS LIMITED.**

### **2.17 Foreign Currency Transactions**

a) 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.

b) 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.

### **2.18 Provisions and Contingencies**

a) A provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

b) A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

### **2.19 Government Grants**

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

### **2.20 Earnings per Shares**

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

### **2.21 Operating Cycles**

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

### **2.22 Financial Instruments**

#### **a) Financial Assets**

##### **i) Recognition and initial measurement**

Financial assets are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value through profit and loss. Financial assets are carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

##### **ii) Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in four categories:

**Financial assets at amortised cost**

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

**Financial assets at fair value through other comprehensive income (FVTOCI)**

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

**Financial assets at fair value through profit (FVTPL)**

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

**Financial instruments measured at fair value through other comprehensive income (FVTOCI)**

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

**iii) Derecognition**

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

**iv) Impairment of Financial Assets**

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

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

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

**b) Financial Liabilities****i) Recognition and initial measurement**

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial liability is initially measured at fair value, in case of financial liability which 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) Subsequent measurement**

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or 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,

## **BHASKAR AGROCHEMICALS LIMITED.**

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. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

### **2.23 Contributed equity**

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### **2.24 Significant accounting judgments, estimates and assumptions**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### **Taxes**

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

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.

#### **Defined benefit plans (gratuity benefits and leave encashment)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis.

### **2.25 Standards that became effective during the year**

There are no new Standards that became effective during the year. The Company has applied certain amendments

that became effective during the year which are discussed below:

a) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116 The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to A floating interest rate, equivalent to A movement in A market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued

- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instruments is designated as A hedge of A risk component.

These amendments have no impact on the financial statements of the Company. the Company intends to use the practical expedients in future periods as and when it become applicable.

b) Amendments to Ind AS consequential to Conceptual Framework under Ind AS

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, These amendments have no impact on the financial statements of the Company.

c) Ind AS 103: Business combination

The MCA clarified that for the purpose of this Ind AS, acquirers are required to apply the definition of asset and liability given in the framework for preparation and presentation of financial statements with Indian Accounting standards rather than the conceptual framework. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments have no impact on the financial statements of the Company.

d) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

In the definition of “Recoverable amount” the words “the higher of an asset’s fair value less costs to sell and its value in use” are replaced with “higher of an asset’s fair value less costs of disposal and its value in use”.

The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments have no impact on the financial statements of the Company.

## 2.26 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousand as per requirement of Schedule III of the Act, unless otherwise stated.

## BHASKAR AGROCHEMICALS LIMITED.

### NOTES TO THE ACCOUNTS 3. PROPERTY, PLANT & EQUIPMENT

Particulars	(Amount in indian rupees in thousands unless otherwise stated)							Total Property plant and equipment	
	Freehold land	Buildings	Plant and Equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers		Vehicles
<b>Gross carrying Value</b>									
Balance as at April 01, 2021	1,439.69	1,34,417.62	1,03,322.71	4,754.50	5,887.52	4,129.41	1,516.35	10,022.51	2,65,490.31
Additions	-	-	7,191.02	-	-	146.71	137.54	131.54	7,606.81
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	11,601.91	-	-	-	-	-	11,601.91
Balance as at March 31, 2022	1,439.69	1,34,417.62	98,911.82	4,754.50	5,887.52	4,276.12	1,653.89	10,154.05	2,61,495.21
<b>Accumulated Depreciation</b>									
Opening Accumulated depreciation	-	31,721.93	43,133.61	1,389.86	3,344.58	1,903.49	1,185.52	2,780.42	85,459.41
Depreciation charge during the Period	-	2,889.32	4,998.22	478.69	399.77	946.55	186.47	1,312.33	11,211.35
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	3,377.24	-	-	-	-	-	3,377.24
Closing Accumulated depreciation	-	34,611.25	44,754.60	1,868.55	3,744.34	2,850.05	1,371.99	4,092.74	93,293.52
Net Carrying amount as at 31.03.2022	1,439.69	99,806.37	54,157.23	2,885.95	2,143.18	1,426.07	281.90	6,061.31	1,68,201.69
<b>Gross carrying value</b>									
Balance as at April 01, 2020	1,439.69	1,34,417.62	1,02,533.74	4,754.50	5,632.82	3,558.65	1,239.35	6,214.45	2,59,790.82
Additions	-	-	788.97	-	254.70	570.76	276.99	3,808.06	5,699.48
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	1,439.69	1,34,417.62	1,03,322.71	4,754.50	5,887.52	4,129.41	1,516.35	10,022.51	2,65,490.31
<b>Accumulated Depreciation</b>									
Opening Accumulated depreciation	-	29,209.35	38,263.07	899.63	2,961.89	1,014.33	1,037.48	1,866.31	75,252.05
Depreciation charge during the year	-	2,512.58	4,870.55	490.24	382.68	889.16	148.05	914.11	10,207.37
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation	-	31,721.93	43,133.61	1,389.86	3,344.58	1,903.49	1,185.52	2,780.42	85,459.41
Net Carrying amount as at 31.03.2021	1,439.69	1,02,695.69	60,189.10	3,364.64	2,542.95	2,225.92	330.82	7,242.10	1,80,030.90

3.1 The company has not carried out any revaluation of property, plant and equipment during the current or previous reporting year.

3.2 Assets classified as held for sale:

Board of directors of the Company decided to close the operations of Unit - II (disposal group) in the year 2001-02 .

The carrying value of property, plant & equipment of the disposal group as on 31 March 2021 is Rs. 9,754.17 thousand. The company has utilized part of the plant & equipment in their Unit - I amounting to Rs. 1,529.51 thousand. The remaining carrying value of the plant and equipment amounted to Rs. 8,224.67 thousand.

Based on the management estimation and independent quotations received subsequent to year end the realisable value of such assets is Rs.750 thousands, the Company has recognised an impairment loss of Rs. 7474.67 thousand during the year. Management is in the process of disposal of such assets which have been recorded at fair value less cost to sell under "asset classified as held for sale".

Management expects the process of sale to be complete within 12 months from 31 March 2022.

#### 4. CAPITAL WORK IN PROGRESS (Assets pending for capitalization)

Particulars	Buildings	Plant and Equipments	Total Capital Work in progress
<b>As at April 01, 2021</b>	1,939.52	-	1,939.52
Additions	-	6,075.01	6,075.01
Deductions / Capitalised	1,939.52	6,075.01	8,014.53
<b>As at March 31, 2022</b>	-	-	-
<b>As at April 01, 2020</b>	-	-	-
Additions	1,939.52	-	1,939.52
Deductions / Capitalised	-	-	-
<b>As at March 31, 2021</b>	1,939.52	-	1,939.52

#### 4.1 Capital Work in Progress - Ageing Schedule :

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Year 2021-22</b>					
Project in Progress	-	-	-	-	0
Projects temporarily suspended	-	-	-	-	-
<b>Year 2020-21</b>					
Project in Progress	1,940	-	-	-	1,940
Projects temporarily suspended	-	-	-	-	-

#### 5. INTANGIBLE ASSETS

Particulars	Computer Software Purchased	Total Intangible Assets
Gross carrying value		
<b>Balance as at April 01, 2021</b>	-	-
Additions	564.40	564.40
Disposals	-	-
<b>As at March 31, 2022</b>	564.40	564.40
Amortisation		
<b>As at April 01, 2021</b>	-	-
Charge for the year	43.34	43.34
Disposal	-	-
<b>As at March 31, 2022</b>	43.34	43.34
<b>Net Carrying amount as at 31.03.2022</b>	521.06	521.06
Gross carrying value		
<b>Balance as at April 01, 2020</b>	-	-
Additions	-	-
Disposals	-	-
<b>As at March 31, 2021</b>	-	-
Amortisation		
<b>As at April 01, 2020</b>	-	-
Charge for the year	-	-
Disposal	-	-
<b>As at March 31, 2021</b>	-	-
<b>Net Carrying amount as at 31.03.2021</b>	-	-

5.1 The company has not carried out any revaluation of intangible assets during the current or previous reporting year.

**BHASKAR AGROCHEMICALS LIMITED.****6. INTANGIBLE UNDER DEVELOPMENT (Assets pending for capitalization)**

Intangible Assets under development	Software	Total
As at April 01, 2021	255.00	255.00
Additions	309.40	309.40
Deductions	564.40	564.40
As at March 31, 2022	-	-
As at April 01, 2020	-	-
Additions	255.00	255.00
Deductions	-	-
As at March 31, 2021	255.00	255.00

**6.1 Intangible Assets under Development - Ageing Schedule :**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
<b>Year 2021-22</b>					
Project in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Year 2020-21</b>					
Project in Progress	255.00	-	-	-	255.00
Projects temporarily suspended	-	-	-	-	-

**7. OTHER FINANCIAL ASSETS NON-CURRENT**

PARTICULARS	31st March, 2022	31st March, 2021
(Unsecured considered good unless otherwise stated)		
Security Deposit	1,017.05	1,024.05
Total	1,017.05	1,024.05

**8. OTHER NON CURRENT ASSETS**

PARTICULARS	31st March, 2022	31st March, 2021
Unsecured considered good unless otherwise stated		
Capital advances	271.05	400.37
Total	271.05	400.37

## NOTES TO THE ACCOUNTS

### 9. INVENTORIES

PARTICULARS	31st March, 2022	31st March, 2021
Cost or net realisable value whichever is lower		
Raw Material	53,161.59	67,538.15
Finished Goods	63,696.14	14,690.14
Packing Material	17,045.16	10,943.07
<b>Total</b>	<b>1,33,902.89</b>	<b>93,171.36</b>

9.1 Hypothecated as charge against short term-borrowings. Refer note 21.

### 10. TRADE RECEIVABLE

PARTICULARS	31st March, 2022	31st March, 2021
Unsecured Considered Good	1,29,960.70	35,010.33
Which have significant increase in credit risk	-	-
Credit impaired	-	-
	1,29,960.70	35,010.33
Less: Provision for bad & doubtful trade receivable	-	-
<b>Total</b>	<b>1,29,960.70</b>	<b>35,010.33</b>

10.1 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member.

10.2 Trade Receivables ageing schedule :

As at 31st March, 2022

PARTICULARS	Not Due	Outstanding of the following periods from due date of payments					Total
		Less than 6 months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	44,272.46	55,477.39	30,210.84	-	-	-	1,29,960.70
Undisputed Trade Receivables -							
Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables -							
Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

As at 31st March, 2021

PARTICULARS	Not Due	Outstanding of the following periods from due date of payments					Total
		Less than 6 months	6 Months-1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables - Considered good	31,779.50	3,230.83	-	-	-	-	35,010.33
Undisputed Trade Receivables -							
Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables -							
Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-



**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****11. CASH & CASH EQUIVALENTS**

PARTICULARS	31st March, 2022	31st March, 2021
Balances with bank in current accounts	-	83.84
Cash in hands	208.75	48.66
Total	208.75	132.50

**12. FINANCIAL ASSETS - DEPOSITS & OTHERS**

PARTICULARS	31st March, 2022	31st March, 2021
Current (Unsecured considered good unless otherwise stated)		
Other Advances	50.82	30.86
Interest accrued on deposits	15.99	16.20
Total	66.81	47.06

**13. CURRENT TAX ASSETS (NET)**

PARTICULARS	31st March, 2022	31st March, 2021
Income tax refund receivable	241.00	307.65
Total	241.00	307.65

**14. OTHER CURRENT ASSETS**

PARTICULARS	31st March, 2022	31st March, 2021
Current (Unsecured considered good unless otherwise stated)		
Advances to Suppliers	2,259.71	136.24
Advances to Staff	297.97	0.00
Advances towards expenses	262.04	114.41
Prepaid Expenses	998.99	508.17
Balance with statutory/Government Authorities	1,343.94	2,644.41
Total	5,162.64	3,403.24

**15. EQUITY SHARE CAPITAL**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Authorised</b>		
60,00,000 Equity Shares of Rs. 10/- each	60,000.00	60,000.00
3,25,000 Redemmmable non convertible Preference Shares of Rs. 100/- each	32,500.00	32,500.00
Total	92,500.00	92,500.00
<b>Issued &amp; Subscribed</b>		
52,09,633 Equity Shares of Rs. 10/- each, Fully Paid up	52,096.33	52,096.33
	52,096.33	52,096.33
<b>Paid up</b>		
52,09,633 Equity Shares of Rs. 10/- each, Fully Paid up	52,096.33	52,096.33
Less: Allotment money due by others	-116.00	-116.00
Total	51,980.33	51,980.33

## NOTES TO THE ACCOUNTS

### 15.1 RECONCILIATION OF NUMBER OF SHARES:

PARTICULARS	31st March, 2022	31st March, 2021
Number of Equity Shares at the beginning of the year	5,209.63	5,209.63
Add: Number of shares issued during the year	-	-
Number of Equity Shares at the end of the year	5,209.63	5,209.63

### 15.2 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. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

### 15.3. DETAILS OF SHARES HELD BY EACH SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

CLASS OF SHARES/NAME OF SHAREHOLDERS	Number of Shares held	% of holding in that class of shares	Number of Shares held	% of holding in that class of shares
Equity shares of Rs. 10/- each held by:				
P Pattabhi Rama Rao	1295484	24.87%	1295484	24.87%
P Rajya Laxmi	456749	8.77%	456749	8.77%
C Sai Sudha	366254	7.03%	366254	7.03%
P Praveen Kumar	901573	17.31%	901573	17.31%

15.3.1. As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

15.4 The Company has not allotted any equity shares as fully paid up without being received in cash or as bonus shares or bought back any equity shares during the period of five years immediately preceding the current year end

### 15.5 DETAILS OF SHARES HELD BY PROMOTERS AT THE END OF THE YEAR :

15.5 (a) Previous reporting year as at 31.03.2022

PARTICULARS	Number of Shares	% of total shares	% of change during the year
P Pattabhi Rama Rao	1295484	24.87%	0.00%
P Rajya Laxmi	456749	8.77%	0.00%
C Sai Sudha	366254	7.03%	0.00%
P Praveen Kumar	901573	17.31%	0.00%
P Santhi	220454	4.23%	0.00%

**BHASKAR AGROCHEMICALS LIMITED.**

15.5 (b) Previous reporting year as at 31.03.2021

PARTICULARS	Number of Shares	% of total shares	% of change during the year
P Pattabhi Rama Rao	1295484	24.87%	0.00%
P Rajya Laxmi	456749	8.77%	0.00%
C Sai Sudha	366254	7.03%	0.00%
P Praveen Kumar	901573	17.31%	0.00%
P Santhi	220454	4.23%	0.00%

**16. OTHER EQUITY**

PARTICULARS	31st March, 2022	31st March, 2021
Capital Reserve		
Balance at the beginning of the year	47,381.66	47,381.66
Securities Premium		
Balance at the beginning of the year	15,219.54	15,219.54
Less: Share Premium due by others	<u>58.00</u>	<u>58.00</u>
	15,161.54	15,161.54
General Reserve		
Opening Balance	-	-
Add: Deferred tax assets (Net) (Refer Note No.20.1)	<u>5,384.54</u>	<u>-</u>
	5,384.54	0.00
Retained Earnings		
Balance at the beginning of the year	-12,161.12	-21,054.47
Add: Profit for the year	10,877.20	8,493.45
Other Comprehensive Income		
Add/(less): Remeasurement on employees defined benefit plan	-801.93	399.90
Add/(less): Deferred Tax on above	<u>223.10</u>	<u>-</u>
Balance at the end of the year	-1,862.75	-12,161.12
<b>Total</b>	<b>66,064.99</b>	<b>50,382.08</b>

**NOTES TO THE ACCOUNTS**
**17. FINANCIAL LIABILITIES - BORROWINGS**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Non Current Borrowings</b>		
Preference shares (Unsecured)		
325000 Redemmmable non convertible Preference shares of Rs. 100/- each	22,197.94	20,179.94
Term Loan (Secured)		
From Axis Bank Limited	20,143.75	21,974.28
Term Loans - Vehicles (Secured)		
From Bank	587.44	872.25
From NBFC	2,704.76	3,411.65
Loan from others (Unsecured)		
Intercorporate Deposit	7,652.09	6,956.45
Loans from related parties (Unsecured)		
Intercorporate Deposit	7,302.10	6,638.27
	<u>60,588.07</u>	<u>60,032.83</u>
<b>Current Maturities of non current borrowings</b>		
Term Loan (Secured)		
From Axis Bank Limited	7,628.75	8,622.90
Term Loans - Vehicles (Secured)		
From Bank	1,478.06	1,366.88
From NBFC	309.37	284.81
	<u>9,416.18</u>	<u>10,274.59</u>
<b>Total</b>	<b>51,171.89</b>	<b>49,758.24</b>

**17 .1 Details of Indian Rupee Term Loan from banks are as under:**

Name of the Bank/Others	Outstanding as on 31.03.2022	Outstanding as on 31.03.2021	Number of Instalments	Effective Interest Rate
Term Loans from Bank				
Axis Bank - Term Loan 2	3,008.75	8,166.65	57 Monthly installments commencing from November, 2017	9.90% i.e. MCLR plus 2.50% p.a.
Axis Bank - Term Loan 3	10,235.00	13,807.63	36 Monthly installments commencing from July, 2021	9.25% i.e. repo (4%) +5.25% p.a.
Axix Bank - Term Loan 4	6,900.00	-	36 Monthly installments commencing from November, 2023	8.21% i.e. repo (4%) +4.21% p.a.
Vehicle Loans from Bank				
ICICI Bank Ltd.	587.44	872.25	36 Monthly installments commencing from February, 2021	8.30%
Vehicle Loans from NBFCs				
Toyota Financial Services India Pvt Ltd.-1	297.92	869.72	60 Monthly installments commencing from October, 2017	8.26%
Toyota Financial Services India Pvt Ltd.-2	752.94	1,011.97	60 Monthly installments commencing from September, 2019	8.96%
Kotak Mahindra Prime Ltd-1	993.90	1,529.95	36 Monthly installments commencing from December, 2021	7.99%
Kotak Mahindra Prime Ltd-2	659.99	--	36 Monthly installments commencing from April, 2021	7.99%
Other Loans - Intercorporate from Related Party				
Cosmic Agro Chemicals (Prop. Posani Fertilizers Ltd)	10,691.00	10,691.00		-
Unsecured Loans - Inter-corporate from others				
Navyuga Engineering Co Ltd.	11,203.43	11,203.43		-

## **BHASKAR AGROCHEMICALS LIMITED.**

### **NOTES TO THE ACCOUNTS**

- 17.2 Term loan - 1 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.
- 17.3 Term loan - 2 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.
- 17.4 Term loan - 3 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.
- 17.5 Term loan - 4 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.
- 17.6 All the Term loans from Axis Bank Limited are secured by hypothecation of entire current assets of the company both present and future.
- 17.7 All the Term loans from Axis Bank Limited are secured by fresh equitable mortgage of industrial land and building admeasuring 4.68 Acres situated at No. 2-04, Sy. No. 94/1 & 95, Toopranpet Village, Chotuppal Mandal, Yadadri Bhuvanagiri District standing in the name of company.
- 17.8 Term Loans from Axis Bank Limited is further secured by personal guarantee of Sri P Pattabhi Rama Rao, Managing Director, P Praveen Kumar, Whole Time Director & CFO, Dr. A.N. Uma Maheshwara Prasad, Director of the company and Smt. P Rajya Lakshmi, Director of the company.
- 17.9 Vehicle loan is secured against the respective vehicle financed by them.
- 17.10 Vehicle loan taken from DCL Finance Ltd in the year 1996 & which was repaid fully. However, charge is still reflecting as per the index of charge available on MCA website
- 17.11 The Company has obtained term loan from Bank/ Financial Institution during the financial year 2021–22. As per the Loan Agreement/ term sheet, the said Loan was taken for the Purpose of meeting liquidity mismatch arising out of COVID-19 The company has used such borrowings for the purposes as stated in the loan agreement.
- 17.12 The Company has obtained term loan from Bank/ Financial Institution during the financial year 2020–21. As per the Loan Agreement/ term sheet, the said Loan was taken for the Purpose of meeting liquidity mismatch arising out of COVID-19 The company has used such borrowings for the purposes as stated in the loan agreement.
- 17.13 The company has not been declared a wilful defaulter (as defined by RBI Circular) by any bank or financial Institution or other lender.

### **18 OTHER FINANCIAL LIABILITIES**

PARTICULARS	31st March, 2022	31st March, 2021
Other non current liabilities		
Dealership deposit	4,079.00	970.00
Total	4,079.00	970.00

### **19 NON CURRENT PROVISIONS**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Provisions for Employee Benefits</b>		
For Gratuity	2,330.03	1,173.86
Total	2,330.03	1,173.86

### **20 DEFERRED TAX LIABILITIES**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Deferred Tax Liabilities</b>		
On Property, Plant & Equipment	10,428.15	-
<b>Deffered tax Assets</b>		
MAT Credit Entitlement	1,935.36	-
Provision for employee benefits	543.62	-
Relating to IND as Adjustment	223.10	-
Unabsorbed depreciation / Losses	6,695.86	-
Total	1,030.23	-

## 20.1 DEFERRED TAX ASSETS/(LIABILITIES)

The company was having the unabsorbed depreciation and there was no reasonable certainty that there will be taxable income hence the company has not created the deferred tax assets till 2020-21. During the current year company is having sufficient taxable income and reasonable certainty that the unabsorbed depreciation will be utilised. Hence, in compliance with the Ind AS 12 relating to "Income Taxes" issued by the Institute of Chartered Accountants of India accumulated net deferred tax asstes arising out of timing difference of the earlier years amounting to Rs. 5716.62 thousands has been adjusted against general reserve at the beginning of the year in accordance with the transitional provision of the Ind AS.

During the current year ended 31st March, 2022 the timing difference is resulted in deffered tax liability details of which are as follows :

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Compre-hensive Income	Closing Balance
Accelerated depreciation for tax purpose	9,538.91	889.25	-	10,428.15
MAT credit Entitlement	-	1,935.36	-	1,935.36
Unused tax losses/depreciation	-14,487.04	7,791.18	-	-6,695.86
Expenses allowed on payment basis	-325.15	-107.21	-	-432.36
Other items giving rise to temporary differences	-111.25	-	-223.10	-334.35
	-5,384.54	10,508.58	-223.10	4,900.95

## 21. FINANCIAL LIABILITIES - BORROWINGS

PARTICULARS	31st March, 2022	31st March, 2021
<b>Current Borrowings</b>		
<b>Secured, from bank, term loan</b>		
<b>- Loans repayable on demand</b>		
Working capital loans from Axis Bank Limited	78,209.82	28,704.74
<b>Current Maturities of Non Current Borrowings</b>		
Term Loan (Secured)		
From Axis Bank Limited	7,628.75	8,622.90
Term Loans - Vehicles (Secured)		
From Bank	309.37	284.81
From NBFCs	1,478.06	1,366.88
<b>Loan from related party (Unsecured)</b>		
Loan from directors	25,408.04	17,901.80
<b>Total</b>	<b>1,13,034.05</b>	<b>56,881.13</b>

### 21.1 Details of Indian Rupee Working Capital Loan from banks are as under:

Name of the Bank	Effective Interest Rate	
	Current Year	Previous Year
From Axis Bank Limited	8.21%	9.05%

21.2 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, besides personal guarantee of Sri P Pattabhi Rama Rao, Managing Director, P Praveen Kumar, Whole Time Director & CFO and Dr. A.N. Uma Maheshwara Prasad, Director of the company and Smt. P Rajya Lakshmi, Director of the company.

21.3. Working Capital facilities from Axis Bank Limited are secured by fresh equitable mortgage of industrial land and building admeasuring 4.68 Acres situated at No. 2-04, Sy. No. 94/1 & 95, Toopranpet Village, Chotuppal Mandal, Yadadri Bhuvanagiri District standing in the name of company.

21.4 Loan availed from Directors, the loans are repayable on demand. The Interest is paid at the rate of 12% per annum on the principal outstanding.

21.5 The company has not been declared a wilful defaulter (as defined by RBI Circular) by any bank or financial institution or other lender.

**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****22 TRADE PAYABLE**

PARTICULARS	31st March, 2022	31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	<b>23,944.23</b>	26,446.54
Total outstanding dues of trade payables other than micro enterprises and small enterprises	<b>86,864.31</b>	73,314.24
<b>Total</b>	<b>1,10,808.54</b>	<b>99,760.78</b>

22.1 Dues to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

Principal amount remaining unpaid	<b>23,944.23</b>	26,446.54
Interest due thereon	--	--
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the period/year	--	--
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period/year) but without adding the interest specified under MSMED Act, 2006	--	--
Interest accrued and remaining unpaid as at balance sheet date	--	--
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	--	--
<b>Total</b>	<b>23,944.23</b>	<b>26,446.54</b>

22.2 The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the company.

**22.3 Trade Payables ageing schedule :  
Current Reporting year as at 31.03.2022**

Particulars	Payable not due	Outstanding of the following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	1,354.43	22,589.80				23,944.23
Others	5,285.04	81,579.27				86,864.31
Disputed dues - MSME	-	-				
Disputed dues - Others	-	-				

**Previous Reporting year as at 31.03.2021**

Particulars	Payable not due	Outstanding of the following periods from due date of payments				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	26,412.94	33.60	-	-	-	26,446.54
Others	68,570.27	4,743.97	-	-	-	73,314.24
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

**23 OTHER FINANCIAL LIABILITIES**

PARTICULARS	31st March, 2022	31st March, 2021
Payable towards capital creditors	161.00	788.28
Other Payable - Expenses	4,758.61	2,999.54
<b>Total</b>	<b>4,919.61</b>	<b>3,787.81</b>

**24 OTHER CURRENT LIABILITIES**

PARTICULARS	31st March, 2022	31st March, 2021
Advance from Customers	<b>30,967.34</b>	133.86
Statutory Dues	<b>2,017.83</b>	499.05
<b>Total</b>	<b>32,985.17</b>	<b>632.91</b>

**25 CURRENT PROVISIONS**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Provisions for Employee Benefits</b>		
For Gratuity	<b>425.95</b>	394.83
<b>Total</b>	<b>425.95</b>	<b>394.83</b>

**26 CURRENT TAX LIABILITIES**

PARTICULARS	31st March, 2022	31st March, 2021
Provision for Income tax (Net of Advance tax and TDS/TCS)	1,513.88	-
<b>Total</b>	<b>1,513.88</b>	<b>-</b>



**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****27 REVENUE FROM OPERATIONS**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Sale of products (refer not no. 42)</b>		
Manufactured products - Domestic	<b>6,52,544.80</b>	6,36,075.21
<b>Sale of Services</b>		
Job work Services	<b>940.59</b>	2,096.72
Total Revenue from operations	<b>6,53,485.39</b>	6,38,171.93

**28 OTHER INCOME**

PARTICULARS	31st March, 2022	31st March, 2021
Interest Income	<b>21.27</b>	18.00
Total	<b>21.27</b>	18.00

**29 COST OF MATERIAL CONSUMED**

PARTICULARS	31st March, 2022	31st March, 2021
<b>Raw Material Consumption</b>		
Inventories at the beginning of the year	67,538.15	32,595.09
Add: Purchases	4,81,367.35	5,61,105.76
Less: Discount Received	-	93.86
	<u>5,48,905.50</u>	<u>5,93,606.98</u>
Inventories at the end of the year	<u>53,161.59</u>	<u>67,538.15</u>
	4,95,743.91	5,26,068.83
<b>Packing Material Consumed:</b>		
Inventories at the beginning of the year	10,943.07	22,511.31
Add: Purchases	47,344.49	37,192.17
	<u>58,287.56</u>	<u>59,703.48</u>
Inventories at the end of the year	<u>17,045.16</u>	<u>10,943.07</u>
	41,242.40	48,760.41
Total	<b>5,36,986.31</b>	<b>5,74,829.25</b>

**30 CHANGES IN INVENTORIES OF FINISHED GOODS**

PARTICULARS	31st March, 2022	31st March, 2021
Inventories at the beginning of the year		
Finished goods	<b>14,690.14</b>	789.33
Inventories at the end of the year		
Finished goods	<b>63,696.14</b>	14,690.14
Change in inventories	<b>-49,006.00</b>	-13,900.81

**31 EMPLOYEES BENEFITS EXPENSES**

PARTICULARS	31st March, 2022	31st March, 2021
Salaries, Wages, Bonus and other allowances	<b>30,347.10</b>	13,225.14
Directors Remuneration	<b>7,800.00</b>	7,800.00
Contribution to provident fund & other funds	<b>1,218.80</b>	582.82
Grauity Expenses (Refer note no.48)	<b>572.94</b>	336.60
Compensated absence	<b>170.17</b>	128.94
Staff Welfare Expenses	<b>1,434.42</b>	946.91
Total	<b>41,543.43</b>	23,020.41

## NOTES TO THE ACCOUNTS

### 32 FINANCIAL COSTS

PARTICULARS	31st March, 2022	31st March, 2021
<b>Interest on borrowing</b>		
- On term loan	1,923.07	2,059.56
- On working capital facilities	5,421.80	3,995.81
- On others	2,424.60	1,695.96
- On delay in payment of taxes	39.48	16.08
- On financial liabilities recognised on amortised cost	3,377.47	3,070.42
Bank Charges & Processing Fee	546.02	328.53
Cash Discount	-	2,246.13
<b>Total</b>	<b>13,732.44</b>	<b>13,412.48</b>

### 33 DEPRECIATION AND AMORTIZATION EXPENSES

PARTICULARS	YEAR ENDED 31.03.2022	YEAR ENDED 31.03.2021
Depreciation (Refer Note 3)	11,211.35	10,207.37
Amortization (Refer Note 5)	43.34	0.00
<b>Total</b>	<b>11,254.69</b>	<b>10,207.37</b>

### 34 OTHER EXPENSES

PARTICULARS	31st March, 2022	31st March, 2021
<b>Manufacturing Expenses</b>		
Power & Fuel	2,607.56	2,991.01
Insurance	988.96	673.48
Carriage Inward	5,521.98	4,174.42
Repairs & Maintenance		
Plant & Equipment	1,083.16	1,448.49
Buildings	0.00	15.84
Others	186.51	284.21
Testing & Lab Charges	134.70	67.67
Water Charges	518.80	563.58
Factory Maintenance	553.39	973.30
	11,595.05	11,192.00
<b>Selling and Distribution Expenses</b>		
Freight Outward	7,096.34	347.19
Trade Discount	15,991.40	-
Cash Discount	12,946.35	-
Business Promotion & Advertisement	4,556.39	228.03
	40,590.48	575.22
<b>Administration and Other Expenses</b>		
Rent	2,266.13	1,264.50
Rates & Taxes	567.12	323.42
Printing & Stationery	214.90	296.30
Communication Expenses	260.53	139.19
Vehicle Maintenance	925.23	730.71
Travelling & Conveyance	8,951.27	1,597.25
Consultancy & Other Professional Charges	2,744.02	3,839.73
Remuneration to auditors	175.00	175.00
Internal Audit Fee	80.00	80.00
Miscellaneous Expenses	3,700.98	1,914.47
	19,885.17	10,360.56
<b>Total</b>	<b>72,070.70</b>	<b>22,127.78</b>

## BHASKAR AGROCHEMICALS LIMITED.

### 35 EXCEPTIONAL ITEMS

PARTICULARS	31st March, 2022	31st March, 2021
Loss due to Impairment of non current assets (refer note no. 3.2)	7,474.67	-
	<u>7,474.67</u>	<u>-</u>

### 36 OTHER COMPREHENSIVE INCOME

PARTICULARS	31st March, 2022	31st March, 2021
Net loss on remeasurement of defined benefit plans	-801.93	399.90
Deferred tax effect on remeasurment costs on net defined liability	223.10	-
Total	<u>-1,025.02</u>	<u>399.90</u>

### 37 EARNINGS PER SHARES

37.1 Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

37.2 Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

37.3 The Basic and diluted EPS per share is given hereunder

PARTICULARS		31st March, 2022	31st March, 2021
Profit / (Loss) as per Profit and Loss Account	Rs.	10,877.20	8,493.45
Net Profit / (Loss) attributable to Equity Share holders	Rs.	10,877.20	8,493.45
Equity Shares outstanding at the beginning of the year	Nos.	5209633	5209633
Equity Shares outstanding at the close of the year	Nos.	5209633	5209633
Weighted Average No. of Equity Shares	Nos.	5209633	5209633
Nominal Value of Equity Shares	Rs.	10	10
<b>Basic EPS and Diluted EPS</b>	Rs.	<u>2.09</u>	<u>1.63</u>

## NOTES TO THE ACCOUNTS

### 38 TAXES

PARTICULARS	31st March, 2022	31st March, 2021
<b>a. Income Tax Expense recognised in the Statement of Profit &amp; Loss:</b>		
Current Tax	1,935.36	-
MAT Credit Entitlement	-1,935.36	-
Deferred tax Charge/(Credit)	8,573.22	-
Total Income tax Expenses recognised in statement of profit & loss and OCI	8,573.22	-
Deferred tax Charged/(Credit) to OCI	223.10	-
<b>b. Reconciliation of effective tax rate:</b>		
Profit before tax ( including OCI) (A)	19,450.42	8,493.45
Enacted tax rate in India (B)	27.82%	27.82%
Expected Tax Expenses (C=A*B)	5,411.11	2,362.88
Adjustments:		
Expenses not deductible for tax purpose	-19,450.42	3,593.69
Tax due to change in tax rate	28,005.68	-8,623.02
Others	2,811.08	-3,464.12
Profit after adjusting permanent difference	30,816.75	-8,493.45
Expected tax Expenses	8,573.22	-
Total tax expenses	8,573.22	-

### 39 COMMITMENTS & CONTINGENCIES

PARTICULARS	31st March, 2022	31st March, 2021
<b>a. Commitments:</b>		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	240.54	200.00
<b>b. Contingent Liabilities:</b>		
	NIL	NIL

### 40 SEGMENT REPORTING :

The Company's operations predominantly relate to manufacturing and sales of Agro Chemicals. Hence no separate segment information has been furnished herewith.

a. An analysis of the Company's revenue from 'manufacturing and sales of Agro Chemicals' is as follows:

	31 March 2022		31 March 2021	
	Amount (INR)	%	Amount (INR)	%
Manufacturing/ Formulation and sales of Agro Chemicals	6,53,485.39	100%	6,38,171.93	100%
	<b>6,53,485.39</b>	<b>100%</b>	<b>6,38,171.93</b>	<b>100%</b>

b. Geographical analysis (Manufacturing/ Formulation and sales of Agro Chemicals) :

	31 March 2022		31 March 2021	
	Amount (INR)	%	Amount (INR)	%
India	6,53,485.39	100%	6,38,171.93	100%
Outside India	0	0%	0	0%
	<b>6,53,485.39</b>	<b>100%</b>	<b>6,38,171.93</b>	<b>100%</b>

### 41 PAYMENTS TO AUDITORS (excluding GST Tax)

PARTICULARS	31st March, 2022	31st March, 2021
Statutory Audit Fees (excluding GST Tax)	175.00	175.00

## BHASKAR AGROCHEMICALS LIMITED.

42 a. As per the Indian Accounting Standard (Ind AS) Sales Revenue should be recognized net of trade discount. Company has disclosed the trade discount of Rs. 15,991.40 thousand as selling and distribution expenses. Hence the Sales revenue is over stated by Rs. 15,991.40 thousand and correspondingly selling & distribution expenses is overstated by Rs. 15,991.40 thousand.

b. As per the Indian Accounting Standard (Ind AS) Cash discount should be included in finance expenses. Company has disclosed Cash discount of Rs. 12,946.35 thousand as selling and distribution expenses. Hence, finance expenses is under stated by Rs. 12,946.35 thousand and selling & distribution expenses is overstated by Rs. 12,946.35 thousand. However, these disclosure has not impacted the overall profit of the company.

43 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of Struck off Company	Nature of transactions	Transactions during the year ended March 31, 2022	Balance outstanding at the end of the year as at March 31, 2022	Relationship with the Struck off company, if any, to be disclosed
Adit Capital Services Pvt Ltd	Share capital	—	1600 Shares	Share Holder
Prarthana Holdings Pvt Ltd	Share capital	—	500 Shares	Share Holder
Lyca Investment Ltd	Share capital	—	300 Shares	Share Holder
Tatini Finance Private Limited	Share capital	—	800 Shares	Share Holder

44 Registration of charges or satisfaction with Registrar of Companies :

a. The company have not filed charge for the Vehicle loans taken from ICICI Bank Ltd, Toyota Finance Service India Ltd., Kotak Mahindra Prime Ltd.

b. Vehicle loan taken from DCL Finance Ltd in the year 1996 & which was repaid fully. However, satisfaction of charge is not filed and still reflecting as per the index of charge available on MCA website.

45 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions Year 2021-2022

Quarter	Name of bank	Particulars of Securities Provided	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
Jun-21	Axis Bank	Inventories	2,58,843.29	2,35,093.93	23,749.35	Software is under implementation, hence while generating the inventory report difference is there.
		Trade Receivables	93,567.53	90,506.20	3,061.33	Variance is due to receipt entry from the Trade receivables has been entered in the books subsequent to submitting to Bank.
		Trade Payables	2,56,000.63	2,86,689.31	-30,688.68	Some of the customers are also suppliers and amount due to them is not included in trade payable while submitting the stock statement.
Sep-21	Axis Bank	Inventories	2,55,095.30	2,04,778.57	50,316.73	Software is under implementation, hence while generating the inventory report difference is there.
		Trade Receivables	2,66,372.58	3,16,233.24	-49,860.66	Trade receivable more than 90 days is not included while submitting the Stock Statement
		Trade Payables	4,13,818.45	4,28,210.30	-14,391.85	Some of the customers are also suppliers and amount due to them is not included in trade payable while submitting the stock statement.
Dec-21	Axis Bank	Inventories	2,15,877.70	1,44,864.16	71,013.54	Software is under implementation, hence while generating the inventory report difference is there.
		Trade Receivables	1,64,202.48	2,43,716.31	-79,513.84	Trade receivable more than 90 days is not included while submitting the Stock Statement
		Trade Payables	2,67,637.37	2,64,918.90	2,718.47	Variance is due to payment entry to the Trade payables has been entered in the books subsequent to submitting to Bank.
March - 22	Axis Bank	Inventories	1,28,113.46	1,33,902.89	-5,789.43	Variance is due to overhead allocation
		Trade Receivables	86,858.92	1,53,141.17	-66,282.25	Trade receivable more than 90 days is not included while submitting the Stock Statement
		Trade Payables	1,09,294.50	1,09,294.50	0.00	

Year 2020-2021

Quarter	Name of bank	Particulars of Securities Provided	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
Jun-20	Axis Bank	Inventories	1,31,245.52	1,31,245.52	0.00	
		Trade Receivables	68,732.80	68,732.80	0.00	
		Trade Payables	1,20,353.31	1,20,353.31	0.00	
Sep-20	Axis Bank	Inventories	93,581.55	93,581.55	0.00	
		Trade Receivables	2,39,620.43	2,40,622.67	-1,002.24	Trade receivable more than 90 days is not included while submitting the Stock Statement
		Trade Payables	2,57,522.12	2,57,522.12	0.00	
Dec-20	Axis Bank	Inventories	62,355.99	62,306.30	49.69	
		Trade Receivables	1,04,560.40	1,13,180.36	-8,619.96	Trade receivable more than 90 days is not included while submitting the Stock Statement
		Trade Payables	93,560.95	93,565.46	-4.51	
March - 21	Axis Bank	Inventories	93,877.90	93,171.36	706.54	Variance is due to difference in valuation in one the inventory item.
		Trade Receivables	31,908.28	35,010.33	-3,102.04	Trade receivable more than 90 days is not included while submitting the Stock Statement
		Trade Payables	51,595.90	98,742.79	-47,146.90	Some of the customers are also suppliers and amount due to them is not included in trade payable while submitting the stock statement.

## BHASKAR AGROCHEMICALS LIMITED.

### 46 Disclosure of Ratios :

Ratio	Particulars		March 31, 2022		March 31, 2021		Ratio as on		Variation	Reason (if variation is more than 25%)
	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	March 31, 2022	March 31, 2021		
Current Ratio	Current Assets= Inventories + Current Receivable + Cash & Cash Equivalents + Other Current Assets + Assets held for Sale	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities)+ Contract Liabilities+ Provisions + Other Current Liability	2,70,292.79	2,63,687.19	1,32,072.13	1,61,457.46	1.03	0.82	25.31%	The current ratio has increased because the increase in the operating margin which has resulted in increase in current assets compared to previous year
Debt-Equity Ratio	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	60,688.07	1,18,045.32	60,032.83	1,02,362.41	0.513	0.59	-12.48%	--
Debt Service Coverage Ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	35,864.33	23,529.16	32,113.30	15,889.25	1.524	2.02	-24.58%	--
Return on Equity Ratio	Net Income= Net Profits after taxes - Preference Dividend	Shareholder's Equity	10,298.37	1,18,045.32	8,893.35	1,02,362.41	8.72%	8.69%	0.04%	--
Inventory Turnover Ratio	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	4,87,980.31	1,13,537.12	5,60,928.43	74,533.53	4.30	7.53	-42.89%	The variance is due to higher stock of finished Goods in current year compared to previous year.
Trade Receivables Turnover Ratio	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	6,53,485.39	82,485.51	6,38,171.93	44,545.04	7.92	14.33	-44.70%	Variance is due to significant increase in credit sales during the last quarter of the year
Trade Payables Turnover Ratio	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	5,28,711.83	1,05,284.66	5,98,297.93	67,130.87	5.02	8.91	-43.65%	The trade payables turnover ratio has been increased due to increase in Purchases in last quarter compared to last quarter of previous year.
Net Capital Turnover Ratio	Revenue	Average Working Capital= Average of Current assets - Current liabilities	6,53,506.65	-11,389.87	6,38,189.93	-39,910.32	-5737.61%	-1,599.06%	-4138.55%	The variance is due to improvement in average working capital due to higher margin.
Net Profit Ratio	Net Profit	Net Sales	10,877.20	6,53,506.65	8,493.45	6,38,189.93	1.66%	1.33%	0.33%	--
Return on Capital Employed	EBIT= Earnings before interest and taxes	Capital Employed= Total Assets - Current Liability	40,657.53	1,76,656.45	21,905.93	1,54,264.51	23.02%	14.20%	8.81%	--
Return on Investment	Net Profit	Net Investment= Net Equity	10,877.20	1,18,045.32	8,493.45	1,02,362.41	9.21%	8.30%	0.92%	--

## NOTES TO THE ACCOUNTS

### 47 CONSUMPTION OF RAW MATERIALS & PACKING MATERIAL:

PARTICULARS	31st March, 2022		31st March, 2021	
	Amount	%	Amount	%
<b>a. Raw Material</b>				
Imported	-	-	-	-
Indigenous	4,95,743.91	100	5,26,068.83	100
<b>Total</b>	<b>4,95,743.91</b>	<b>100</b>	<b>5,26,068.83</b>	<b>100</b>
<b>b. Packing Material</b>				
Imported	-	-	-	-
Indigenous	41,242.40	100	48,760.41	100
<b>Total</b>	<b>41,242.40</b>	<b>100</b>	<b>48,760.41</b>	<b>100</b>

### 48 EMPLOYEES BENEFITS (Disclosure pursuant to Ind AS - 19)

#### 48.1 Gratuity - Defined Benefit Plan

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:

PARTICULARS	31st March, 2022	31st March, 2021
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	471.91	200.95
Reimbursement Service Cost	--	16.22
Interest cost	184.50	182.75
Interest income on planned assets	-83.47	-63.54
Employee benefit expense (recognised in Employee benefits expenses)	572.94	336.38
Remeasurement on employees defined benefit plan recognised in OCI		
Net actuarial (gain) / loss recognised in the period/ year	801.93	-399.90
Net employee benefit expenses	1,374.87	-63.53
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	4,113.03	2,714.20
Fair value of plan assets	1,339.09	1,145.51
	2,773.94	1,568.69
<b>C) Changes in the present value of the defined benefit obligation</b>		
<b>Opening defined benefit obligation</b>	2,714.20	2,719.48
Current service cost	471.91	200.95
Interest cost	184.50	182.75
Settlement payments from -plan assets	-41.54	-
Re-measurement due to financial assumptions	-129.59	-26.29
Re-measurement due to experience assumptions	913.55	-362.69
<b>Closing defined benefit obligation</b>	<b>4,113.03</b>	<b>2,714.20</b>
<b>D) Change in the fair value of plan assets</b>		
<b>Opening fair value of plan assets</b>	1,145.51	803.77
Expected return on plan assets	83.47	63.54
Contributions	187.58	283.51
Benefits paid	-41.54	-
Others (Employee Contribution, Taxes, Expenses)	-	-16.22
Remeasurement - Return on Assets	-17.97	10.92
Actuarial gain/(loss) on plan assets	-17.97	-
<b>Closing fair value of plan assets</b>	<b>1,339.09</b>	<b>1,145.51</b>



## BHASKAR AGROCHEMICALS LIMITED.

### NOTES TO THE ACCOUNTS

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

PARTICULARS	31st March, 2022	31st March, 2021
Investments with Life Insurance Corporation of India	100.00%	100.00%
<b>E) Remeasurement adjustments:</b>		
Experience loss/ (gain) on plan liabilities	913.55	-362.69
Experience loss/ (gain) on plan assets	17.97	-10.92
Financial loss/ (gain) on plan liabilities	-129.59	-26.29
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
<b>Remeasurement gains/(losses) recognised in other comprehensive income:</b>	<b>801.93</b>	<b>-399.00</b>

(i) The principal assumptions used in determining gratuity for the Company's plans are shown below:

PARTICULARS	31st March, 2022	31st March, 2021
Discount rate	7.32%	6.85%
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. The plan assets have been invested in Insurance managed funds.

#### 48.2 Compensated Absences

The company permits encashment of compensated absence accumulated by their employee at the end of the financial year. The liability in respect of the company, for outstanding balance of leave at the balance sheet date is determined and provided as at the balance sheet date. The company is of the opinion that compensated absences are payable within 12 months of their accrual and thus, are not required to be actuarially valued.

**49 RELATED PARTY DISCLOSURES :**  
**Names of related parties and description of relationship**

Name of the related party	Relationship
<b>Enterprises under the significant influence of persons having significant influence over this company</b>	
Cosmic Agro Chemicals (Prop. Posani Fertilizers Limited)	
<b>Key Management Personnel</b>	
Pattabhi Rama Rao Posani	Chairman & Managing Director
Praveen Kumar Posani	Joint Managing Director & CFO
Rajya Lakshmi Posani	Director
Naga Uma Maheswara Prasad Aluri	Director
Venkata Satyanarayana Sankurathri Chowdary	Director
Sudhakar Chigurupati	Director
Chetna	Company Secretary (From 01.11.2021)
Suchita Dugar	Company Secretary (Till 31.10.2021)
Parasharam Ramchandra Adav	Company Secretary (Till 31.10.2020)

**Note :** Names of related parties and description of relationship as identified and certified by the Company.

**Transactions during the year:**

	31st March, 2022	31st March, 2021
<b>b) Key Management Personnel</b>		
<b>i) Pattabhi Rama Rao Posani</b>		
Remuneration	3,900.00	3,900.00
Unsecured loans taken	4,350.00	10,864.00
Unsecured loans Repaid	5,760.45	4,691.56
Interest on Unsecured loans	1,949.23	1,337.71
<b>ii) Praveen Kumar Posani</b>		
Remuneration	3,900.00	3,900.00
Unsecured loans taken	7,172.19	1,461.33
Unsecured loans Repaid	254.57	3,107.76
Interest on Unsecured loans	49.84	113.81
<b>iii) Parasharam Ramachandra Adav</b>		
Remuneration	-	140.00
<b>iv) Suchita Dugar</b>		
Remuneration	140.00	100.00
<b>iv) Chetna</b>		
Remuneration	100.00	-

## BHASKAR AGROCHEMICALS LIMITED.

### Closing Balances :

	31st March, 2022	31st March, 2021
<b>a) Enterprises under the significant influence of persons having significant influence over</b>		
i) Cosmic Agro Chemicals (Prop. Posani Fertilizers Limited) Unsecured Loans Payable	<b>10,691.00</b>	10,691.00
<b>b) Key Management Personnel</b>		
<b>i) Pattabhi Rama Rao Posani</b> Unsecured Loans Payable	<b>18,390.95</b>	17,852.18
<b>ii) Praveen Kumar Posani</b> Unsecured Loans Payable	<b>7,017.09</b>	49.63
<b>iii) Chetna</b> Remuneration Payable	<b>19.80</b>	-

### 50 FAIR VALUES

The fair value of other current financial assets, cash and cash equivalents, trade receivables, investments, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

Non-current borrowing comprises term loan from the banks. The impact of fair value on such portion is not material and therefore not considered for above disclosure.

Non-current borrowings comprises of Inter corporate borrowing has been valued at amortised cost using Effective Interest Rate (EIR).

The carrying amounts and fair values of financial instruments by category are as follows:

	Carrying value		Fair value	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
<b>Financial assets at fair value through profit &amp; loss</b>				
Investments				
<b>Financial Assets at amortised cost</b>				
Deposits & Others	<b>1,107.87</b>	1,054.91	-	-
Trade Receivables	<b>1,29,960.70</b>	35,010.33	-	-
Cash & Cash Equivalents	<b>208.75</b>	132.50	-	-
<b>Financial Liabilities at amortised cost</b>				
Borrowings (Non Current & Current)	<b>1,34,705.90</b>	79,821.16	<b>29,500.04</b>	26,818.21
Trade Payables	<b>1,10,808.54</b>	99,760.78	-	-
Capital Trade Payables & Others	<b>4,919.61</b>	3,787.81	-	-

## 51 RISK MANAGEMENT

### Financial Risk Management objectives & Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity expose it to market risk, commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company.

The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rate, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable, payables and loan and borrowings.

### 51.1 Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

#### a) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

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

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

PARTICULARS	31st March, 2022	31st March, 2021
Not Due	44,272.46	31,779.50
0 - 180 Days	55,477.39	3,230.83
180 - 360 Days	30,210.84	0.00
More than 360 Days	0.00	0.00
	<u>1,29,960.70</u>	<u>35,010.33</u>

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.

#### b) Cash and Cash Equivalents

The Company held cash and cash equivalents of Rs. 208.75 thousand at March 31, 2022 (March 31, 2021: Rs. 132.50 thousand) This includes the cash and cash equivalents held with the bank and cash on hand with the company.

### 51.2 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has obtained fund and non-fund based working capital loan from bank. The borrowed funds are generally applied for company's own operational activities.

Exposure to liquidity risk:

**BHASKAR AGROCHEMICALS LIMITED.****a) The following are the remaining contractual maturities of financial liabilities at the reporting date.**

The amounts are gross and undiscounted :

PARTICULARS	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
<b>31-Mar-22</b>					
Non Current Borrowings (Including current maturities)	9,416.18	1,2670.64	1,341.67	29,500.04	60,588.07
Current Borrowings	1,03,617.86	-	-	-	1,03,617.86
Trade Payables	1,10,808.54	-	-	-	1,10,808.54
Other Payables	4,919.61	-	-	-	4,919.61
	<u>2,28,762.20</u>	<u>1,2670.64</u>	<u>1,341.67</u>	<u>29,500.04</u>	<u>2,79,934.08</u>
<b>31-Mar-21</b>					
Non Current Borrowings (Including current maturities)	10,274.59	15,983.58	-	26,818.21	53,076.39
Current Borrowings	46,606.54	-	-	-	46,606.54
Trade Payables	99,760.78	-	-	-	99,760.78
Other Payables	3,787.81	-	-	-	3,787.81
	<u>1,60,429.72</u>	<u>15,983.58</u>	<u>-</u>	<u>26,818.21</u>	<u>2,03,231.52</u>

**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.

	31st March, 2022	31st March, 2021
<b>Floating rate instruments</b>		
<b>Financial Liabilities - measured at amortised cost</b>		
Term loan from banks	20,143.75	21,974.28
Working capital facilities from bank	78,209.82	28,704.74
<b>Fixed rate instruments</b>		
Vehicle loan from others (Secured)	2,704.76	3,411.65
Loan from Directors (Unsecured)	25,408.04	17,901.80
<b>Total</b>	<b>1,26,466.37</b>	<b>71,992.46</b>

### Fair value sensitivity analysis for fixed-rate instruments

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

### Cash flow sensitivity analysis for variable-rate instruments

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

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
<b>31-Mar-22</b>		
Variable rate loan instruments	316.17	179.98
<b>31-Mar-21</b>		
Variable rate loan instruments	-316.17	-179.98

### 51.3 a) Market Risk

Market risk is the possibility of losses that may be incurred by the company due to factors that affect the overall performance of the company – such as foreign exchange rates, interest rates, recessions etc. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily due to the fluctuations in the rate of interest for borrowings from banks, recession in the market, foreign exchange rate fluctuation etc.

### b) Currency Risk

The company deals in domestic market in the functional currency and does not have any exposure in foreign currency in operating activities and borrowings.

### c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2022 & March 31, 2021 are in Indian Rupees is NIL.

## 52. CAPITAL RISK MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

## BHASKAR AGROCHEMICALS LIMITED.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

	31st March, 2022	31st March, 2021
Non Current borrowings	51,171.89	49,758.24
Current borrowings	1,03,617.86	46,606.54
Current maturities of long term debts	9,106.81	9,989.78
Total Debts	1,63,896.56	1,06,354.56
Less: Cash & Cash equivalents	208.75	132.50
Other bank deposits	0.00	0.00
Adjusted net debts	1,63,687.81	1,06,222.06
Equity	51,980.33	51,980.33
Other Equity	66,064.99	50,382.08
Total Equity	1,18,045.32	1,02,362.41
<b>Adjusted net debt to equity ratio</b>	<b>1.39</b>	<b>1.04</b>

54. Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest thousand

### 53 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

54 Figures of the Previous year are regrouped / reclassified wherever considered necessary and rounded off to the nearest thousand.

As per our report of even date attached.  
for **S Singhvi & Co.**  
Chartered Accountants  
Firm Regi. No. 003872S

**Shailendra Singhvi**  
Proprietor  
M.No. 023125/ICAI

Place : Hyderabad  
Date : 30.05.2022

### For and on behalf of the Board BHASKAR AGROCHEMICALS LIMITED

**P. PRAVEEN KUMAR**  
Whole Time Director & CFO  
DIN : 00353720

**P. PATTABHI RAMA RAO**  
Managing Director  
DIN : 00353641

**Chetna**  
Company Secretary