



Bhagiradha Chemicals & Industries Limited.

Plot No.3,
Sagar Society,
Road No.2, Banjara Hills,
Hyderabad - 500 034, Telangana, INDIA.
Tel : +91-40-42212323/42221212
Fax : +91-40-23540444
E-mail : info@bhagirad.com

Ref/BSE/ 2020

Date: 13.08.2020

To

BSE Limited

P.J Towers
Dalal Street, Fort,
MUMBAI - 400001.

Sub: Annual Report for Financial Year 2019-20

Ref: 531719

This is to inform you that the 27th Annual General Meeting ('AGM') of the shareholders of the Company will be held on Friday, 04 September 2020, at 11.00 a.m through Video Conferencing ('VC') facility or other audio visual means ('OAVM')

Pursuant to Section 108 of the Companies Act, 2013 and Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing the annual report of the company of financial year 2019-20 The aforesaid documents are available on the website of the Company at <http://www.bhagirad.com/reports/Annual/AR2020.pdf> information, and are being sent to all the members of the company whose email IDs are registered with the Company/Depositories.

This is for your information and records.

Thanking you,

For Bhagiradha Chemicals & Industries Limited

B.N.Suvarchala

Company Secretary



Bhagiradha Chemicals & Industries Limited

Resilient Chemistry

Annual Report 2019-20

Table of Contents

Resilient Chemistry	01	AGM Notice	17
Letter From the Chairman	02	Directors' Report	22
Review by the Managing Director and the Chief Executive Officer	03	Business Responsibility Report	43
About Us	04	Corporate Governance Report	50
Our Global Footprints	05	Independent Auditor's Report	64
Board of Directors	06	Balance Sheet	71
Key Performance Indicators	07	Statement Of Profit & Loss	72
Manufacturing Capabilities	08	Cash Flow Statement	73
Management Discussion and Analysis	09	Statement Of Change In Equity	74
Corporate Information	16	Notes To Financial Statements	75



Exchange of MOU with The Government of Karnataka in the presence of The Chief Minister Sri Yeddyurappa for establishing a manufacturing plant in Kadechur Industrial Area, Yadgir Dist.

RESILIENT CHEMISTRY

Businesses are operating in an environment of frequent economic downturns.

With multiple risk factors such as unpredictable demand from customer industries, fluctuating raw material prices and a high-asset intensity, the chemical industries are subject to business volatilities.

At Bhagiradha Chemicals & Industries Limited, we exhibit the much-needed agility to overcome general economic and demand slumps. We have been expanding our product capabilities through our steadfast focus on our market intelligence, quality, customer engagement and R&D. Our R&D pipeline has multiple products at various stages of development. Over the years we have developed a global brand equity as a reliable source for many leading MNCs.

Key ingredients in our operational matrix are aimed at increasing efficiency, innovations and nurturing our customer relations to increase the business resilience.

LETTER FROM THE CHAIRMAN

Dear Shareholders,

The world is adapting to a new normal with the spread of the Covid-19 pandemic across the globe. Nearly every country has faced unprecedented health and economic crises, and efforts are underway to contain the spread of the virus, find preventive vaccines and cures for the virus infection. Healthcare systems are under a lot of strain, global supply chains have been disrupted and governments have initiated fiscal measures to infuse liquidity and lend a helping hand to the poorer and weaker sections of society. It is in this backdrop that we operate today, in a new, ever-changing global scenario.

Amid this, we have some positive developments to look forward to. Growing trade tensions with China have put India in the spotlight, providing us with an immense opportunity to establish ourselves in the global trade market. The government of India has a special focus on a self-reliant or Atmanirbhar India, encouraging Make in India products, reducing import dependencies and increasing exports. Also, 2019-20 was a great year for India in terms of agriculture, with a record production of food grains. Underlying factors such as growing population and the demand for sustainable food are positive for the crop protection market both globally and closer home.

Further, with several agrochemicals going off-patent in the next 4-5 years, the prospects for your Company are very good with its focused R&D and niche chemistry skills. A recent notification by the Indian government on the proposed ban on production of 27 pesticides, which were declared hazardous by the WHO, can severely impact the export market for agrochemicals. Your Company is however ready with alternative products in its pipeline, thanks to its unwavering focus on R&D and strong faith in its business model.

In view of further expansion plans, your Company has entered into an MOU with the Government of Karnataka for allotment of 33.8 acres of Industrial land in Kadechur Industrial estate with a goal of establishing a manufacturing facility for active ingredients and their intermediates, which will be implemented in the next 6 years over 3 phases.

As we enter into a world changed by Covid-19, we are fully committed to having safety, health and happiness of our employees as our key priority. A strong talent pool, sound technological processes, strategic investments and a focus on new markets and areas of potential will be the pillars of success as we stride forward confidently.

I take this opportunity to sincerely thank every individual who has been associated with our Company in any capacity. It is always together that a family, Company, community and a country find strength to move forward in times of distress.

My immense thanks also to our shareholders for the trust and confidence they reposed in us.

Stay safe.

Regards,

K Satyanarayana Raju

Chairman

“

Further, with several agrochemicals going off-patent in the next 4-5 years, the prospects for your Company are very good with its focused R&D and niche chemistry skills.



REVIEW BY THE MANAGING DIRECTOR AND THE CHIEF EXECUTIVE OFFICER

Dear Shareholders,

We hope that everyone is staying safe and healthy during these difficult times. The Covid-19 pandemic has changed the way the world operates in an unprecedented manner. Individuals, organizations and countries are grappling with the health and socio economic impact of the deadly virus. While a few countries are relaxing prescribed norms such as masks and social distancing, most of the evidence points to continuing these for as long as possible until a vaccine or a cure is found. Early signs indicate that these may be available soon, hopefully by the beginning of 2021.

Our operations were also affected by the nationwide lockdown in Q4 of FY 19-20 and Q1 of FY 20-21. Production operations were shut down from March 25th 2020, due to the countrywide lockdown to curtail the Covid-19 pandemic. Subsequently, the plant was re-opened with special permissions and has been operating at reduced capacity from April 2nd. The financial performance of your Company was impacted in 2019-20, with revenues of ₹ 245.67 Crore, compared to ₹ 383.98 Crore. The fall in revenue was mainly due to stop production orders issued by the Andhra Pradesh Pollution Control Board in Q3 and Q4'20, coupled with the shutdown due to Covid-19, leading to an overall production loss of about 100 days. Correspondingly, the profit after tax has come down to ₹ 6.51 Crore as compared to ₹18.29 Crore in the previous year.

Despite the headwinds, there are commendable achievements to report. Your Company effectively executed the investment in the Fipronil process line, the commercial sales of which commenced in April 2020.

We have also successfully implemented the backward integration of the manufacturing process of Azoxystrobin, reducing our reliance on imports.

In terms of the pipeline, efforts are also ongoing for registration of 2 new generics, Pymetrozine and Dinotefuran, commercial production of which is expected in 2020 and 2021 respectively. Chlorpyrifos, Fipronil and Azoxystrobin will be the key molecules which are expected to majorly contribute to the top line of the Company in the current financial year. Delayed shipments and policy decisions of the government to restrict imports from certain countries may result in disruption in the supplies of certain raw materials. Your Company is focused on ensuring adequate inventory of raw materials so as to minimize production disruption.

With the overall landscape for agrochemical industry looking promising, your Company is confident of its ability to sustain in the current global economic downturn, and scale to new heights in the long run.

We express our deep gratitude to our Customers, Suppliers, Bankers, Business Partners, and Government for their support to the Company. We owe our performance and achievements to our management and employees, to their unwavering focus at work, their sincerity and dedication. A big thank you to our shareholders, for your investment and trust in us.

Warm regards,

S. Chandra Sekhar
Managing Director

A. Arvind Kumar
Chief Executive Officer



ABOUT US

Introduction:

Bhagiradha is distinguished globally as an R&D driven Agrochemical Company. Through its strengths in innovation and agile development practices, the Company has adapted itself in meeting the expectations of its customers amidst changing regulatory requirements. Evolutionary development, adaptive planning, continual improvements and perseverance form the core around which Bhagiradha has modelled its R&D. In doing so it has succeeded in being recognised as a credible global agrochemicals player. A robust product portfolio, elite customer base and a diverse revenue mix reflect the strengths of Bhagiradha.

Net Sales

₹ **24,567** Lakhs

Profit After Tax

₹ **651** Lakhs

Number of Employees

354

Key Highlights of the Company



Manufacturer of high quality pesticide and pesticide intermediates



R&D driven Company with process technologies for all commercialized products developed in-house



Exporting products to more than 14 countries across the globe



Led by technocrats with expertise in chemical engineering and synthesis

OUR GLOBAL FOOTPRINTS

India is a major market for the Company, with more than 40% of the revenue coming from the domestic market. Azoxystrobin, Chlorpyrifos and herbicide intermediates are major products for domestic market

Major products for exports include Azoxystrobin, Chlorpyrifos, Chlorpyrifos-methyl, Triclopyr BEE, Fipronil and few intermediates. The Company is a net exporter and has consistently achieved over 60% of revenue from exports. The overseas markets comprise of USA, Brazil, Columbia, Argentina, Mexico, Costa Rica, Germany, UK, France, Portugal, Italy, Israel, Turkey, Iran, Indonesia, Taiwan, Malaysia, New Zealand and Australia.



BOARD OF DIRECTORS



Mr. K S Raju
Non-Executive Chairman



Mr. S. Chandra Sekhar
Managing Director



Mr. D. Sadasivudu
Director



Mr. Sudhakar Kudva
Independent Director



Mr. G.S.V. Krishna Rao
Independent Director



Mr. Ketan Chamanlal Budh
Whole Time Director



Mrs. S. Lalitha Sree
Director



Mrs. A. Lakshmi Sowjanya
Independent Director

- Audit Committee
- Stakeholder's Relationship Committee

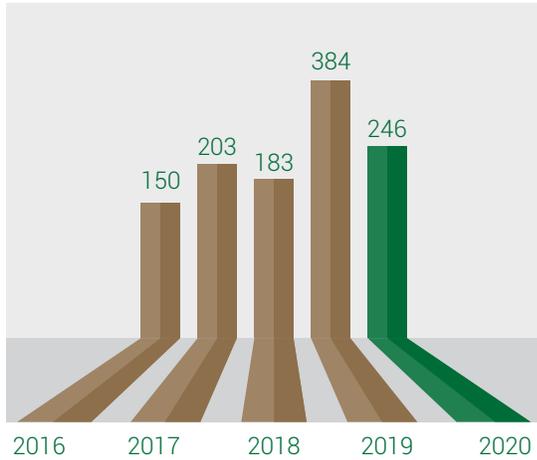
M : Member of the Committee

- Nomination & Remuneration Committee
- CSR Committee

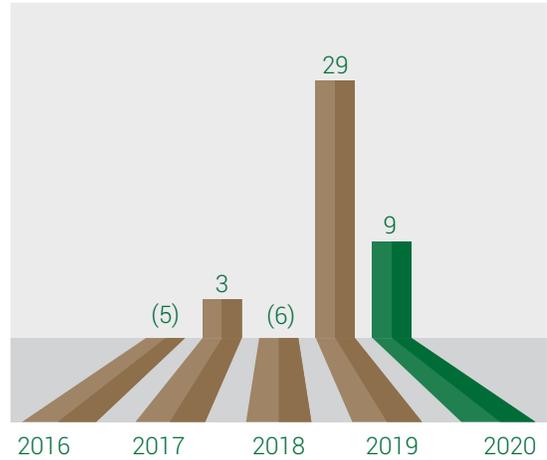
C : Chairman of the Committee

KEY PERFORMANCE INDICATORS (₹ in Crores)

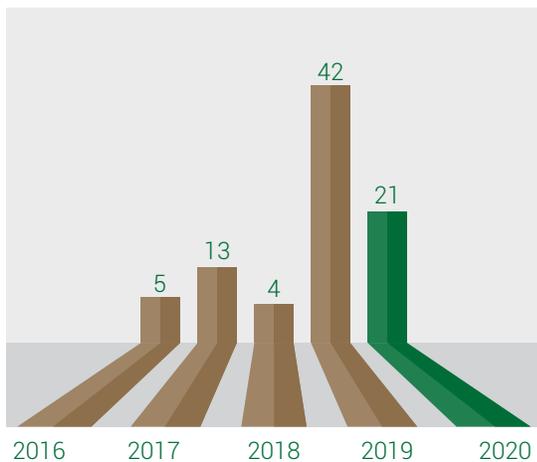
REVENUE FROM OPERATIONS



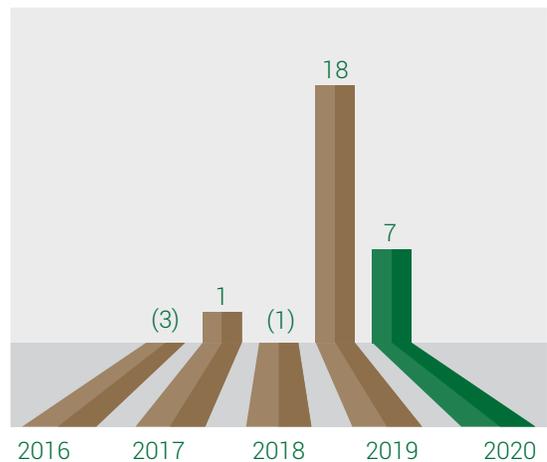
PROFITABILITY



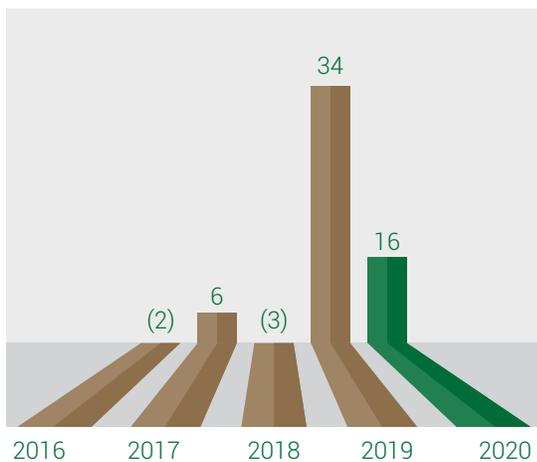
EBITDA



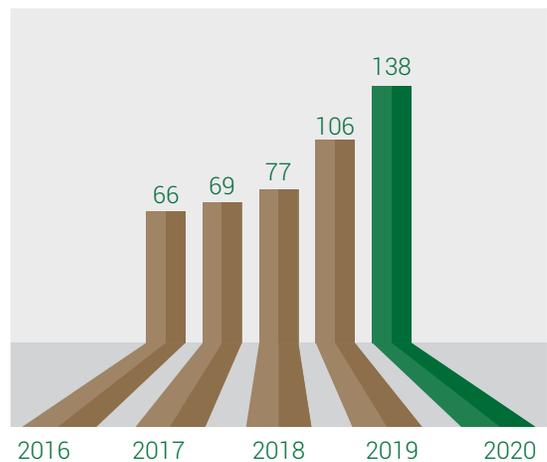
PAT



CASH PROFIT



NET FIXED ASSETS



MANUFACTURING CAPABILITIES

The Company has permitted capacity of 3250 MT per annum for production of agrochemical active ingredients and their intermediates in addition to pesticide formulations. There are three production blocks with aggregate reactor volume of about 700 KL consisting of Stainless Steel and Glass lined reactors for manufacture of insecticides, herbicides & herbicide intermediates and Fungicides.

The Effluent Treatment Plant is equipped with Stripper, Multiple Effect Evaporators, Forced Evaporation System, Agitated Thin Film Dryers, Biological treatment plant and Reverse Osmosis plant. Inorganic sludge generated in the process is disposed to secured land fill, organic effluent sent to cement plants for co-incineration as approved by the regulatory authorities.

The R&D facility of the Company is recognised by Department of Science & Technology and is equipped with state of the art equipment. Pilot plant facility is available for production up to a scale of 50 kg/batch.



Insecticides



Products: **4** | Products under development: **3**

Fungicides



Products: **1** | Products under development: **3**

Herbicides



Products: **3** | Products under development: **3**

Intermediates



Products: **5**

MANAGEMENT DISCUSSION AND ANALYSIS

Cautionary Statement

Statements in this report on Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could however differ from those expressed or implied. Many important factors including global and domestic demand supply conditions, prices, raw materials costs and availability, change in government regulations, tax laws and other statutes, force majeure may affect the actual result which could be different from what the directors envisage in terms of future performance and outlook.

Inside Management Discussion and Analysis

PAGE 10

OVERVIEW
GLOBAL ECONOMY
INDIAN ECONOMY

PAGE 11

GLOBAL AGROCHEMICAL INDUSTRY
DOMESTIC AGROCHEMICAL INDUSTRY

PAGE 12

OUTLOOK
SWOT ANALYSIS

PAGE 13

BUSINESS STRATEGY
STATUS ON INSURANCE CLAIM
RESEARCH & DEVELOPMENT
QUALITY AND COMPLIANCE
ORDERS ISSUED BY THE APPCB
IMPACT OF COVID-19

PAGE 14

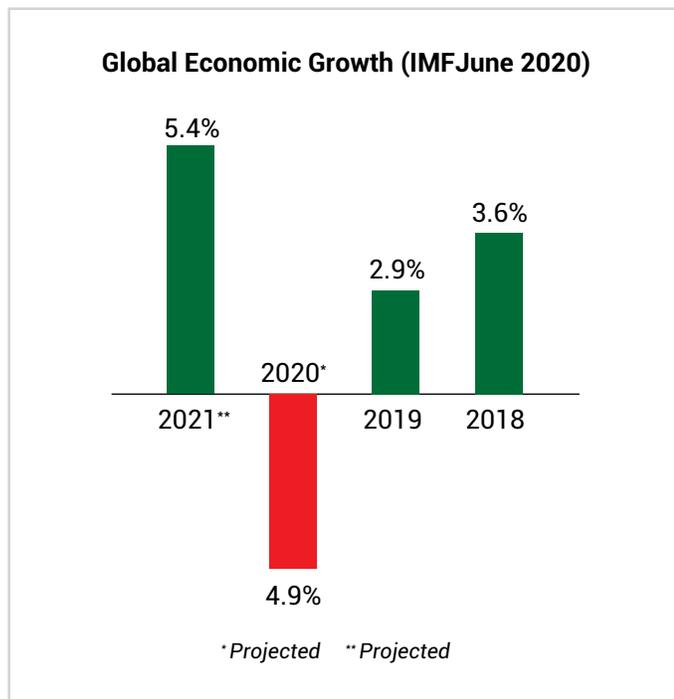
FINANCIAL HIGHLIGHTS



OVERVIEW

Bhagiradha Chemicals & Industries Limited (BCIL) is a listed Company based at Hyderabad, India, manufacturing high quality technical grade agrochemicals. Its manufacturing plant located in Ongole, Andhra Pradesh has a production capacity of 3250 MT per annum. Promoted by late Sri S. Koteswara Rao, a former scientist of Indian Institute of Chemical Technology, Hyderabad in the year 1993, the Company earned a niche for itself as one of the leading pesticide manufacturers and distinguished as an R&D driven Company. Today, its products are exported to more than a dozen countries across the globe constituting about sixty percent of its revenue. Keeping in line with the objectives of its founder, unceasing efforts are made to build a sustainable organization that meets the requirements of its customers and builds value for the investors duly ensuring support to the communities in which it operates.

GLOBAL ECONOMY



Long before the worldwide impact of Covid-19 was felt, The World Economic Outlook (WEO) Update published by IMF has estimated the global output to grow at 2.9 per cent in 2019, declining from 3.6 per cent in 2018 and 3.8 per cent in 2017. The global output growth in 2019 is estimated to be the slowest since the global financial crisis of 2009, arising from a geographically broad-based decline in manufacturing activity and trade. Uncertain trade tensions between China and the USA have contributed to the decline of world output and trade. The global slack in consumer demand affected industrial activity, which slumped in most

of the major economies in 2019. As global industrial activity slowed down, there was a drop in growth of manufacturing exports from major economies. Increasing trade barriers as well as trade uncertainty stemming from growing trade tensions also weakened business confidence and further limited trade.

The COVID-19 pandemic is inflicting high and rising human costs worldwide. Protecting lives and allowing health care systems to cope have required isolation, lockdowns, and widespread closures to slow the spread of the virus. The health crisis is therefore having a severe impact on economic activity. As a result of the pandemic, the global economy is projected to contract sharply by -3 percent in 2020, much worse than during the 2008-09 financial crisis. The plunge in crude prices has dried up budgetary revenues for oil exporters; on the other hand, oil importers have been denied terms of trade gains by the crushing blow to demand delivered by the pandemic. In a baseline scenario, which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. Necessary measures to reduce contagion and protect lives will take a short-term toll on economic activity but should also be seen as an important investment in long-term human and economic health. The immediate priority is to contain the fallout from the COVID-19 outbreak, especially by increasing health care expenditures to strengthen the capacity and resources of the health care sector while adopting measures that reduce contagion. (Source: IMF)

The IMF's forecasts assume that outbreaks of the novel corona virus will peak in most countries during the second quarter and fade in the second half of the year, with business closures and other containment measures gradually unwound. A longer pandemic that lasts through the third quarter could cause a further 3% contraction in 2020 and a slower recovery in 2021, due to the "scarring" effects of bankruptcies and prolonged unemployment. A second outbreak in 2021 that forces more shutdowns could cause a reduction of 5 to 8 percentage points in the global GDP baseline forecast for next year, keeping the world in recession for a second straight year. "It is very likely that this year the global economy will experience its worst recession since the Great Depression, surpassing that seen during the global financial crisis a decade ago," the IMF said in its report. "The Great Lockdown, as one might call it, is projected to shrink global growth dramatically."

INDIAN ECONOMY

The corona virus pandemic came at a time when India's economy was already slowing, due to persistent financial sector weaknesses. The severe disruption of economic

activities caused by covid-19, both through demand and supply shocks, has overtaken the incipient recovery in the Indian economy leading to massive job losses. IMF even expects FY20 growth at 4.2% as against 5% estimated by India's statistics department. Wage stagnation, job losses, rising rural unemployment rates, stressed non-banking financial companies and decline in credit growth caused a sharp drop in domestic demand. On the supply side, excess idle production capacity and lower private investments further dragged down economic activity. The Government of India undertook initiatives such as liberalizing sectors to attract foreign direct investments, upfront capital infusion in public sector banks to alleviate liquidity concerns and reducing corporate tax rates to revive private investments. Following the Covid-19 outbreak, India implemented one of the strictest nationwide lockdowns in the world early on, in order to keep the infection numbers under control. (Source IMF)

According to the Reserve Bank of India, amidst this encircling gloom, agriculture and allied activities have provided a beacon of hope on the back of an increase of 3.7 per cent in food grains production to a new record (as per the third advance estimates of the Ministry of Agriculture released on May 15, 2020). A ray of hope also comes from the forecast of a normal southwest monsoon in 2020 by the India Meteorological Department (IMD). By May 10, 2020 up to which latest information is available, Kharif sowing was higher by 44 per cent over last year's acreage. Rabi procurement is in full flow in respect of oilseeds, pulses and wheat, benefiting from the bumper harvest. These developments will support farm incomes, improve the terms of trade facing the farm sector and strengthen food security for the country. Going forward, these would also have a salutary effect on food price pressures.

GLOBAL AGROCHEMICAL INDUSTRY

Key facts about the global pesticides market

The global crop protection market was worth \$59.8 billion in 2019, down by 0.8% on 2018.

The largest wave of M&A in decades reduced the top 12 companies to a new top 9 in 2018 with this new group, led by Bayer.

Herbicides are the largest product sector, comprising 43.8% of the global crop protection market. The leading product by a large margin is Glyphosate but this is now under increased regulatory pressure.

The biological pest control segment is estimated to be around \$3 billion and is expected to grow at a faster CAGR than the overall market.

Many of the leading companies are investing in precision agriculture and digital-farming platform technologies;

these are still at early stage and the benefits are yet to be fully realised (Source: IHS MARKIT)

Despite persistent challenges, the agrochemicals market seems poised to grow, thanks largely to increasing demand for products that protect against crop losses and increase yields. The agricultural chemical industry outlook is being shaped significantly by new developments such as integrated pest management (IPM), precision farming, and off-patent products. The future of agrochemicals looks bright, considering global population growth, growing imperative to protect against crop losses and increase yields, rising consumer demand for sustainably produced food, and the role of agrochemicals in tackling climate change.

The main challenges to future market growth include: increasingly stringent regulation, which has markedly reduced the number of conventional agrochemical products available to growers; pest resistance and continued growth of the generics sector. Consequently, the drivers for growth include increased product innovation through both R&D and life cycle management, expansion of integrated pest management approaches, investment in the biologicals sector and evolution of commercially viable digital- and precision-agriculture technologies.

DOMESTIC AGROCHEMICAL INDUSTRY

According to Agribusiness intelligence, India stands fourth in agrochemicals management and its current market value is \$4.1 billion. It has been estimated that the market will reach \$8.1 billion by 2025. The exports market is expected to reach \$4.2 billion by 2025. In spite of its huge market, India lags in terms of the agrochemical consumption that amounts to 0.65 kg per hectare approximately. The low yield per hectare of the crop is attributed to the low consumption of agrochemicals. Exponentially growing population and ever-increasing demand for food necessitate the use of more agrochemicals to increase the yield per hectare.

In the wake of lockdown imposed on account of COVID-19, the pesticide manufacturing industries too were shut down for a few days before the Ministry of Home Affairs, Government of India passed an order dated 27th March, 2020 providing exemption from lockdown for pesticide industry among other essential industry categories. While so, the Agriculture Ministry had on May 14, 2020 issued a draft notification announcing the government's intention to ban 27 pesticides that were found to be harmful for humans and animals by an official committee. There is a 90-day window for the stakeholders to present their views on the draft notification before it gets finalized. Pesticides Manufacturers & Formulators Association of India (PMFAI), the body that is opposing the ministry move, said the committee that recommended the ban had not considered their views and wanted an enquiry by a high-powered government-appointed scientific committee to look at its conclusions.

India may be providing China an opportunity to dominate the global generic pesticide market by deciding to ban the production of 27 pesticides. The ban will shrink India's pesticide export capability by more than 50 per cent and hand over a market worth ₹ 12,000 crore to our Chinese competitors. The association also complains that implementing the ban will increase the input cost of farmers and force India to stop supplying to the global market. It will also break the backbone of Indian generic pesticide industry, including several MSMEs. The generic pesticide formulations, proposed to be banned, cost between ₹ 350-450 per litre, while the alternatives imported will cost in the range of ₹ 1,200-2,000 per litre. It will defeat the very purpose of Prime Minister Narendra Modi's call for Atmanirbhar Bharat," say industry experts.

OUTLOOK

Bhagiradha is well placed in the domestic market, led by a robust domestic portfolio with focus on in-licensing and regular launch of new products. While the year before has seen speedy progress made by the Company in broad basing its revenue mix by adding new clients, new geographies and new products, during the reporting year, the momentum temporarily slowed down due to loss of about 100 production days on account of stop production orders issued by the APPCB and COVID-19. Despite facing these odds, the Company could successfully implement its Capex plan for manufacturing Fipronil insecticide and commenced its sale.

Bhagiradha is well equipped with alternative products in the pipeline in the event of any negative headwinds in terms of the proposed ban of 27 pesticides. Bhagiradha looks set for sustainable long term growth led by its sheer endurance that was displayed in the bygone year. We have stayed the course and believed in our business model. We have successfully managed both failures and risks in a fast changing world.

Bhagiradha is committed to be a partner of choice by creating compelling value for its customers through leveraging its R&D capabilities. We have been relentlessly striving to improve our standards by benchmarking ourselves against the global best. With a blend of advanced technology, talent and R&D skills, Bhagiradha aims to become a world class agrochemical manufacturer.

SWOT ANALYSIS

Strengths

- Strong R&D capabilities and niche chemistry skills
- Longstanding relationships with the global leaders in agrochemical industry.
- Long standing industry experience of promoters and hands on approach of the management in R&D segment.

Weaknesses

Dependence on China for raw material linkages. China still continues to be the main source for many of the basic raw materials used in chemical manufacturing. Any disruption in the supplies is expected to have significant impact on the production and margins for the domestic agrochemical players

Opportunities

Europe, North America, Australia and Japan are looking at India as an alternate manufacturing destination to China. This is set to bring in a number of investment and long & short term business opportunities to Indian companies.

With a number of products coming out of patent in next 3 to 5 years, it presents ample opportunities to for domestic R&D based organizations to develop and market new generics

Threats

Due to operations in a single manufacturing location any disruption in production on account of regulatory and other factors can significantly impact the performance
Susceptibility to delays in Regulatory approvals can result in loss of business opportunities.

BUSINESS STRATEGY

Medium-Term

- Regain the lost ground in terms of revenues and market share in the domestic and overseas market.
- Commercialize production of Fipronil on a large scale and capture sizable market share in domestic as well as overseas market.

Long-Term

- Continue to work on developing commercially viable technologies for the products coming off patent post 2020 and emerge as a leading agrochemical Company with decent market share in the domestic segment and strong presence in overseas market.
- Strong emphasis on registrations of new products in existing markets and also of existing products in new markets to ensure strong diversified revenue streams.

STATUS OF INSURANCE CLAIM

During the course of operations, a fire accident occurred in one of the production blocks on 20-05-2017. Part of the civil structures, Plant and Electrical Equipment worth ₹ 9.71 crores got damaged.

The Company has lodged a claim under the reinstatement policy for ₹ 12.41 crores towards the damages and the insurance company has disbursed ₹ 5.18 crores on ad hoc basis in the year 2018. The Company has accounted loss as per Ind AS 16, ("Property, Plant and Equipment") Ind AS 36 ("Impairment of Assets"), net of ad hoc amount released by insurance company. The surveyor has submitted the final report recently and settlement by the insurer is awaited.

The insurer also settled a claim of ₹ 1.82 Cr under consequential loss policy during the reporting year. An amount of ₹ 0.65 Crores was realised through the sale of salvage material and accounted in the books as an exceptional item during the year.

RESEARCH & DEVELOPMENT

Research & Development is the core around which the company has modelled its business strategy. The Company's DSIR recognized R&D Centre located within the factory premises in Ongole is the key strength of Bhagiradha. The agile team of professionals working under the stewardship of the Managing Director has mastered library of reactions and developed robust and safe synthesis processes. In doing so, they have generated useful intellectual property and created marked value to the company. With a number of molecules going off-patent in next 3 to 5 years, the company is expected to capture markets for new products and increase its presence in domestic and global markets.

QUALITY AND COMPLIANCE

Bhagiradha adheres to the quality standards set for itself and meets the requirements of all its reputed domestic and MNC customers. During the year, the manufacturing facility has undergone inspections by various regulatory authorities including the APPCB and the expert committees constituted by them from the pollution, safety, environment and other perspectives. The facility is in compliance with all the regulatory requirements.

The process technology for the high quality products of Bhagiradha are entirely developed In-House over the years and its research team is constantly striving to establish a sound scientific base to meet the increasing demands on the quality of the products.

STOP PRODUCTION ORDERS ISSUED BY THE APPCB

During the year, the Andhra Pradesh Pollution Control Board served stop production orders on the Company's manufacturing plant at Cheruvukommupalem, Ongole on 12.09.2019, with certain directives to the Company which included among others, installation of Agitated Thin Film Dryers in the place of the existing rotary kiln from the pollution control perspective. After complying with most of the directives at a cost of about ₹ 8.30 Cr revocation orders were given for a three month period on 14.11.2019. The pollution Control Board has served stop production orders again on 10th February 2020, giving certain further directives. The APPCB issued regular revocation orders on the 12th March after ensuring satisfactory compliance of such further directives by the Company.

IMPACT OF COVID-19

During the financial year ended 31.03.2020, the production operations were shut down for a period of 7 days from

the 25th March 2020 in terms of the orders of the district administration in the wake of the COVID-19 pandemic. The operations were restarted from the 2nd April 2020 after permission was received from the District Collector with instructions to follow the safety guidelines issued by the administration. However, in view of various restrictions in place due to the pandemic, the plant has been running at reduced capacity.

Execution of Customer Orders: Even though, our original plans for production and dispatches as per the orders of our overseas customers received a setback due to reduced production levels and limited operations of shipping vessels, we could still manage to ship some consignments to our overseas customers in the months of April and May 2020. On the domestic front too our sales plan was impacted due to the fall in production levels and initial logistic issues. However, there is good demand for our Company's products in the domestic market and we expect to do better in the remaining quarters of the year.

Financial Impact: COVID is likely to create adverse financial implications on our Company's performance in Q1 of the current fiscal. Considering the fact that there are plenty of opportunities available for us in the domestic market, the outlook for the remaining quarters of the year appears favourable.

Liquidity: There has been strain on the Company's liquidity position as the production and sales volumes are below the normal level owing to the restricted production activity due to the prevalence of COVID-19. However, sufficient drawing power and undrawn credit limits are available for us to avail sanctioned limits fully from banks. The inventory holdings in the form of finished goods and raw material can be easily liquidated and money realized. The existing debtors shall be realized in the normal course. The government has been slowly easing the restrictions and our production and business operations should stabilize at normal level in the near future. We do not therefore see any challenges on the liquidity front going forward.

FINANCIAL HIGHLIGHTS

Revenue from operations

The revenue from operations decreased to ₹ 245.67 Cr in the year from ₹ 383.98 Cr of the previous year. The fall in operating income is on account of stop production orders of APPCB and Covid-19 resulting in loss of about 100 production days and corresponding revenue.

Raw Material Consumed

The consumption of raw materials decreased by 44.05% in the year 2019-20 as against increase of consumption by 85.80% during the year 2018-19. The consumption level

has come down in line with the reduced level of production on account of stop production orders of APPCB and Covid-19 as mentioned above.

Employee Benefit Expenses

The employee related expenses increased to ₹ 18.89 Cr from ₹ 15.84 Cr during the year. The increase was owing to the fresh recruitment in the previous year as per the business plan and the pay hike in the year.

Finance Cost

The expenditure under this head stood at ₹ 5.48 Cr as against ₹ 7.94 Cr of the previous year. The benefit of reduction is on account of better pricing from the Banks and reduced level of utilisation of credit limits.

Depreciation Expense

The expenditure under this head increased to ₹ 6.66 Cr in the year from ₹ 4.82 Cr of the previous year, owing to implementation of Capex during the year.

Other expenses

The expenses under this head stood at ₹ 50.24 Cr in the year as against ₹ 51.19 Cr of the previous year.

Profit after Tax

The profit after tax declined to ₹ 6.51 Cr in the year as against ₹ 18.29 Cr of the previous year. The drastic fall in the sales turnover coupled with the increase in selling & distribution expenses to meet the commitment given to the overseas customers resulted in significant drop in the profits.

Balance Sheet

₹ in Crores

Particulars	As on 31.03.2020	As on 31.03.2019
Assets		
Fixed Assets	141.90	109.73
Non- Current Assets	4.79	6.58
Current assets	78.57	157.31
Total	225.26	273.62
Liabilities		
Share capital	8.33	8.33
Reserves and surplus	123.91	119.77
Non- Current liabilities	9.92	8.40
Current Liabilities	83.10	137.12
Total	225.26	273.62

Fixed Assets

The gross carrying value of fixed assets increased to ₹ 191.35 Cr in the year by ₹ 39.06 Cr, mainly due to

capitalization of plant & equipment relating for backward integration works and setting up of process line for manufacture of Fipronil insecticide besides acquisition of land in acres 27.19 at a cost of ₹ 1.94 Cr.

Ratios

Key ratios	31.03.2020	31.03.2019
Inventory turnover	4.37	6.68
Interest coverage ratio	1.90	4.67
Current Ratio	0.95	1.15
Debt Equity ratio	0.32	0.37
Gross profit ratio	10.37	12.13
Net Profit margin	3.58	7.57
EPS	7.83	22.53
EPS (Cash)	18.51	41.82
Return on capital employed	0.10	0.24
Book value	159.23	157.80

Ratios

The total revenue of the Company in fiscal 2020, having come down to ₹ 247.34 Cr by 35.68 % from ₹ 384.58 Cr of the previous year as also the bottom line to ₹ 6.51 Cr from ₹ 18.29 Cr, most of the key ratios have declined as compared to the previous year on account of stop production orders of APPCB and lockdown imposed due to Covid-19 resulting in loss of about 100 production days and corresponding revenue.

Inventory Turnover: The ratio declined to 4.37 from the previous year's ratio of 6.68 due to the fall in sales turnover for the reasons mentioned above.

Interest Coverage: Lowered profit after tax has impacted this parameter which stood at 1.90 for the year as against 4.67 of the previous year.

Debt Equity: The marginal improvement of this ratio to 0.32 in the year from 0.37 of the previous year is owing to the year's profit besides on account of reduction in term loan liabilities.

Net Profit margin: The net profit margin for the year ended 31.03.2020 stood at 3.58% as compared to 7.57% of the previous year. The fall in revenue by over 36.02% has brought down the net profits for the year to ₹ 6.51 Cr from ₹ 18.29 Cr. of the previous year. Hence, reduction in net margin.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has proper and adequate systems of internal controls which ensure that all the assets are safeguarded and that all transactions are authorized, recorded and reported correctly. The company maintains adequate and effective control system and suitable monitoring procedures with regard to the purchase of raw materials, stores, plant & machinery, equipment and other assets as well as sale of goods. The finance and commercial functions have been structured to provide adequate support and controls for the business of the company.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT

The Company has cordial and harmonious industrial relations. Opportunities for individual growth, creativity and dedicated participation in the organizational development are being provided.

CORPORATE INFORMATION

Board of Directors

Mr. K.S. Raju - Chairman
Mr. S. Chandra Sekhar - Managing Director
Mr. D.Sadasivudu - Non-Executive Director
Mrs. S.Lalitha Sree - Non-Executive Director
Mr. Ketan Chamanlal Budh - Whole Time Director
Mr. Sudhakar Kudva - Non-Executive Independent Director
Mr. G.S.V Krishna Rao - Non-Executive Independent Director
Mrs. A. Lakshmi Sowjanya - Non-Executive Independent Director

Key Managerial Personnel

Mr. A.Arvind Kumar - Chief Executive Officer
Mr. B.Krishna Mohan Rao - Chief Financial Officer
Mrs. B.N.Suvarchala - Company Secretary

27th Annual General Meeting

Day: Friday
Date: 04th September, 2020
Time: 11.00 AM
Mode of participation: Video Conference

Bankers

State Bank of India

SME Branch, Saifabad, Hyderabad

IDFC First Bank Limited

Jubilee Town Branch, Hyderabad

Bank of India

Khairatabad Branch, Hyderabad

RBL Bank Limited

Madhapur, Branch, Hyderabad

Axis Bank Limited

Begumpet, Hyderabad Main Branch

Statutory Auditors

M/s. S. Singhvi & Co.
Chartered Accountants
405, Vamsi Paradise
7-1-69, Balkampet St No 1
Ameerpet, Hyderabad – 500 016

Internal Auditors

Sunesh Agarwal
Chartered Accountants
3-2-333, Chappal Bazar
Kachiguda, Hyderabad – 500 027

Cost Auditors

M/s. Sagar & Associates
Cost Accountants
205, 2nd Floor
Raghava Ratna Towers
Chirag Ali Lane, Abids
Hyderabad – 500 001

Secretarial Auditors

M/s. RPR & Associates
Company Secretaries
H.No.158/C, 2nd Floor
Vengalrao Nagar
Hyderabad -500 038

Registered Office

8-2-269/S/3/A, Plot No. 3
Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500 034
Tel. (040) 42221212
Fax (040) 23540444
Email: info@bhagirad.com

Factory

Cheruvukommupalem Village
Yerajarla Road, Ongole Mandal
Prakasam Dist, Andhra Pradesh 523 272

Registrar & Share Transfer Agent

M/s. XL Softech Systems Limited
Plot No. 3, Sagar Society,
Road No. 2, Banjara Hills,
Hyderabad - 500 034
Tel. (040) 23545913
Fax (040) 23553214
Email: xlfield@gmail.com

NOTICE OF THE ANNUAL GENERAL MEETING

To

The Members of

Bhagiradha Chemicals & Industries Limited

Notice is hereby given that the 27th Annual General Meeting (AGM) of the members of Bhagiradha Chemicals & Industries Limited ("the Company") will be held on Friday, September 04, 2020, at 11:00 A.M through Video Conferencing / Other Audio Visual Means to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2020 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mrs. S. Lalitha Sree (DIN:06957985) who retires by rotation at this Annual General Meeting and being eligible offers herself for reappointment.

Special Business:

3. **Reappointment of and revision in remuneration payable to Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director**

To consider and if thought fit, to pass the following resolution as **Special Resolution**

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 201 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to the provisions of the Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, approval of the Company be and is hereby accorded for the re-appointment of Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director of the Company, for a period of five years effective from June 01, 2020 to May 31, 2025 with revision in remuneration for a period of three years effective from June 01, 2020 to May 31, 2023 including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year on the following terms and conditions, with liberty to the Directors / Nomination and Remuneration Committee to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Directors and Mr. S. Chandra Sekhar.

Terms and conditions:

1.	Gross Salary : ₹ 7,50,000/- Per month
2.	Gratuity, Provident Fund, Leave as applicable to the employees of the Company
3.	Health Insurance cover of ₹ 20 Lakhs for self and family and reimbursement of hospitalization expenses exceeding the amount paid by the insurer.
4.	Chauffeur driven Car and telephone facility
5.	Commission of 3 % of net profit subject to a maximum amount of 50% of Annual Gross Salary.

"**FURTHER RESOLVED THAT** the overall managerial remuneration payable to Mr. S. Chandra Sekhar shall be such amount as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee but not exceeding the above mentioned limits at any point of time and that the terms and conditions of the aforesaid remuneration payable to the said Managing Director be varied/alterd/revised within said overall limit, in such manner during the aforesaid period of 3(three) years."

"**FURTHER RESOLVED THAT** where in any Financial Year during the aforesaid period of 3(three) years, the Company has no profits or profits are inadequate, the aforesaid remuneration or remuneration as may be approved by the Board of Directors of the Company from time to time shall be paid as minimum remuneration."

"**FURTHER RESOLVED THAT** any of the Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters or things and to take such steps as may be necessary, expedient or desirable in this regard."

4. **Continuation of Directorship of Mr. D.Sadasivudu**

To consider and if thought fit, to pass the following resolution as **Special Resolution**

"**RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 and relevant Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force, approval of the members of the Company be and is hereby granted to Mr. D. Sadasivudu who will be attaining the age of

75 years on the 20th April, 2021, to continue to be a Non-Executive, Non-Independent Director of the Company."

"**FURTHER RESOLVED THAT** any of the Directors and the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters or things and to take such steps as may be necessary, expedient or desirable in this regard."

5. Borrowing Powers of the Company and Creation of Charge / Providing Of Security up to ₹ 150 Cr

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

"**RESOLVED THAT** in supersession of the Ordinary Resolution passed by the shareholders at Annual General Meeting on 26.09.2017, the consent of the Company be and is hereby accorded to the Board of Directors of the Company under Section 180(1) (c) and all other applicable provisions if any, of the Companies Act, 2013 to borrow money for and on behalf of the Company from time to time as deemed by it to be requisite and proper for the business of the Company so that the moneys to be borrowed together with the moneys already borrowed by the Company shall not exceed ₹150 Crore (Rupees one hundred and fifty Crore Only) apart from temporary loans obtained from the Company's bankers in the ordinary course of business.

"**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded, in terms of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company to create charge / provide security for the sum borrowed on such terms and conditions and in such form and manner and with such ranking as to priority, as the Board in its absolute discretion thinks fit, on the assets of the Company,

as may be agreed to between the Company and the lenders so as to secure the borrowings by the Company, together with interest costs, charges, expenses and all other monies payable by the Company to the concerned Lenders / Institutions, under the respective arrangements entered into / to be entered by the Company and/or Board."

" **RESOLVED FURTHER THAT** the Securities to be created by the Company for its borrowing as aforesaid may rank with the security already created in the form of mortgage and / or charges already created or to be created in future by the Company as may be agreed to between the Board and concerned parties."

6. To ratify the remuneration of Cost Auditors for the financial year 2020-21

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and as set out in the Statement annexed to the Notice convening this Meeting to be paid to the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2020-21 be and is hereby ratified."

By order of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
B. N. Suvarchala
Company Secretary

Explanatory statement

Item No. 3.

To approve the reappointment and revision in remuneration payable to Mr. S. Chandra Sekhar (DIN: 00159543) as Managing Director

The tenure of Mr. S. Chandra Sekhar as a Managing Director will expire on May 31, 2020. It is proposed to reappoint him as a Managing Director for a period of 5(five) years effective from June 01, 2020 to May 31, 2025 with a revision in remuneration for a period of 3(three) years effective from June 01, 2020 to May 31, 2023.

Subject to the approval of the Shareholders of the Company, considering the contribution of Mr. S. Chandra Sekhar and the progress made by the Company under his leadership and guidance, the Nomination and Remuneration Committee and the Board of Directors (Board) of the Company had, vide resolutions passed on June 23, 2020, approved reappointment of Mr. S. Chandra Sekhar as a Managing Director of the Company for a period of 5(five)

years effective from June 01, 2020 to May 31, 2025 with a revision in remuneration for a period of 3(three) years effective from June 01, 2020 to May 31, 2023. A brief profile of Mr. S. Chandra Sekhar, in terms of the Listing Agreement, is provided elsewhere in the Notice.

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the revised remuneration of Mr. S. Chandra Sekhar as decided by the Board is required to be approved by the Members at their meeting due to inadequacy of profits.

It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding financial year and in the current financial year.

It is submitted that the overall managerial remuneration may exceed the limits specified in section 197 of the Companies Act, 2013 in future years also. The members are requested to consider the reappointment with revision in remuneration of Mr. S. Chandra Sekhar as Managing Director of the Company.

Statement Pursuant to clause (iv) of Section II of Schedule V of the Companies Act, 2013 is given below:

I. General Information										
1	Nature of Industry	Agro Chemicals Industry								
2	Date of commencement of commercial production	The Company is in operation since 1993.								
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable								
4	Financial performance based on given indicators	Performance for F.Y. 2019-20: Gross Revenue: ₹ 247.34 Cr Profit after Tax: ₹ 6.51 Cr EPS: ₹ 7.83								
5.	Foreign investments or collaborations, if any:	Nil								
II. Information about the appointee										
1.	Background details	Mr. S. Chandra Sekhar is an experienced professional with more than 18 years of experience in the industry								
2.	Past remuneration	The remuneration drawn by Mr. S. Chandra Sekhar during the past one year i.e. 2019-20 is as follows: <table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Gross Salary</td> <td>64.32 Lakhs</td> </tr> <tr> <td>Perquisites</td> <td>-</td> </tr> <tr> <td>Commission</td> <td>19.52 Lakhs</td> </tr> </tbody> </table>	Particulars	Amount	Gross Salary	64.32 Lakhs	Perquisites	-	Commission	19.52 Lakhs
Particulars	Amount									
Gross Salary	64.32 Lakhs									
Perquisites	-									
Commission	19.52 Lakhs									
3.	Recognition or awards:	Nil								
4.	Job profile and his suitability	He has been associated with the Company in various capacities for the last 18 years and has been instrumental for the successful growth of the business over the years.								
5.	Remuneration proposed	As mentioned in the Resolution stated above								
6.	Comparative remuneration profile with respect to industry, size of the company profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering his active involvement in product development and the responsibility shouldered by him for the business growth of the Company, proposed remuneration is commensurate with industry standards and Board level positions held in similar sized and similarly positioned businesses								
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Not Applicable								

Except Mr. S. Chandra Sekhar and Mrs. S. Lalitha Sree none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the special resolutions set out at Item No. 3 of the notice for approval by the members.

ITEM NO: 4

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), with effect from 01st April, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Mr. D.Sadasivudu fulfills all conditions specified by applicable laws for the position of a Non-Executive, Non-Independent Director of the Company. He has also confirmed that he is not disqualified from being continued as a Director under Section 164 of the Companies Act, 2013.

Profile of Mr. D. Sadasivudu and justification for continuing his directorship:

Mr. D. Sadasivudu, born on April 20, 1946, is a Non-Executive, Non-Independent Director of the Company. He holds a Post Graduate degree in Chemical Engineering from the University of Salford, England.

Mr. D. Sadasivudu is an expert in designing and setting up chemical plants. As an eminent Chemical engineer, he was associated with Indian Institute of Chemical Technology for more than two decades as a Scientist.

Mr. D. Sadasivudu co-promoted Bhagiradha Chemicals & Industries Limited in the year 1993 and also served as Executive Director of the Company for more than a decade before he demitted the office.

Mr. D. Sadasivudu has been an active member of the Board and the Board Committees of which he is also a member. His continued association will be valuable and enriching. With his expertise, skills and knowledge, particularly in the technical arena, the Company has benefited immensely. Mr. D. Sadasivudu is physically fit, mentally alert and is vocal at the Board and Committee meetings.

Mr. D. Sadasivudu holds 63,600 equity shares of the Company and he is not related to any other Director of the Company.

Except Mr.D.Sadasivudu, none of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the special resolutions set out at Item No. 4 of the notice for approval by the members.

Item No.5

The Members have, at the Annual General Meeting of the Company held on 26th September 2017 authorised

the Board of Directors to borrow monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and for creation of charge on movable and immovable properties of the Company as security in favour of lending agencies up to a limit of ₹ 120 crore (Rupees one hundred and twenty crore only). Keeping in view your Company's business requirements and growth plans, it is considered desirable to increase the said borrowing limits to ₹150 Crore (Rupees one hundred and fifty Crore only)' under the provisions of Section 180(1) (c) of the Companies Act, 2013 (the "Act").

The borrowings by a Company, in general, are required to be secured by mortgage or charge on all or any of the moveable or immovable properties of the Company in such form, manner and ranking as may be determined by the Board from time to time, in consultation with the lender(s).

Your consent is required under the provisions of Sections 180(1) (c) and 180(1)(a) of the Act to increase the borrowing limits and to mortgage and / or create a charge on any of the movable and / or immovable properties and / or the whole or any part of the undertaking(s) of your Company to secure its borrowings.

None of the other Directors or Key Managerial Personnel or their relatives, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the special resolutions set out at Item No. 5 of the notice for approval by the members.

Item No.6

The Board of Directors, on the recommendations of the Audit committee, at its meeting held on June 23rd 2020 has approved the re-appointment and remuneration of M/s. Sagar & Associates, Cost Accountants in practice, as Cost Auditors of the company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020 with a remuneration of ₹ 1, 00,000/- per annum (Rupees one lakh Only).

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021.

None of the other Directors are in any way concerned or interested financially or otherwise, in this resolution.

All the documents referred to in the accompanying Notice and Statement Annexed thereto would be available for inspection without any fee by the members at the Corporate Office of the Company during 10:00 A.M. to 1:00 P.M. on any working day (excluding Sunday) up to the date of the meeting.

ANNEXURE TO THE AGM NOTICE

Details of Directors seeking appointment & re-appointment

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of the Director	Mr.S.Chandra Sekhar	Mr.D.Sadasivudu	Mrs. S.Lalitha Sree
DIN	00159543	00017637	06957985
Date of Birth	19-12-1977	20-04-1946	03-01-1978
Date of first appointment	27-07-2010	07-07-1993	11-08-2014
Qualifications	Post Graduate in Chemical Engineering, University of Illinois, Chicago	Post Graduate in Chemical Engineering, University of Salford, U.K	Post Graduate in Commerce, Osmania University, Hyderabad
Brief Profile including expertise in specific functional areas	<p>He is a Chemical Engineer holding B.Tech degree with distinction from Osmania University and Master's Degree in Chemical Engineering from the University of Illinois, Chicago,USA. He has over 18 years of experience in the synthesis of specialty chemicals and design of chemical plants.</p> <p>He served as R&D Manager of the Company from 28-09-2002 to 31-03-2006. Sri S. Chandra Sekhar was appointed Director of Bhagiradha Chemicals & Industries Limited on 27-07-2010 and was appointed as the Managing Director of the Company w.e.f 1st June 2012</p>	<p>Post Graduate in Chemical Engineering from the University of Salford, England. He joined the Indian Institute of Chemical Technology in the year 1972 as an Assistant Director in the Design & Engineering Division. Sri. D. Sadasivudu co-promoted Bhagiradha Chemicals & Industries Limited in the year 1993 and is presently a Non- Executive, Non-Independent Director of the company.</p>	<p>She holds a post graduate degree in Commerce and has been on the Board of Bhagiradha Chemicals for almost six years. She hails from a business family and has the requisite business acumen to guide the Company.</p>
Terms and conditions of appointment/re-appointment	Managing Director	Non-Executive Director	Non-Executive Director
Details of remuneration last drawn during FY 2019-20	₹ 64.32 lakhs. Commission of 3% of net profits subject to a maximum amount of 50% Annual Gross Salary.	₹ 95,000/- by way of sitting fee.	₹ 95,000/- by way of sitting fee.
No. of Board Meetings attended during the year	4 out of 4 in the FY:2019-20	4 out of 4 in the FY:2019-20	4 out of 4 in the FY:2019-20
Relationship between Directors inter-se	He is related to Mrs. S.Lalitha Sree, Director	He is not related to any Director or Key Managerial Personnel of the Company.	She is related to Mr. S.Chandra Sekhar, Managing Director
No. of shares held in the Company	12,87,300	63,600	60,000
List of other companies in which directorship held as on 31 st March, 2020 (excluding Foreign, Private and Section 8 Companies)	Nil	Nil	Nil

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Seventh Annual Report of your Company together with the audited Financial Statements for the year ended 31st March, 2020.

Financial performance

The attached Financial Statements for the year ended 31.03.2020 have been prepared in accordance with Indian Accounting Standards ("Ind AS") consequent to the Notification of the Companies (Indian Accounting Standards) Rules, 2015 issued by The Ministry of Corporate Affairs.

Particulars	₹ in lakhs	
	Year ended 31.03.2020	Year ended 31.03.2019
Net Sales	24566.78	38398.24
Other income	167.44	59.41
PBDIT	1859.71	4189.02
Depreciation	(666.02)	(482.12)
Interest	(548.46)	(794.41)
Profit Before Exceptional Items and Tax	645.23	2912.49
Exceptional Items	247.04	-
Profit after Exceptional Items and before Tax	892.27	2912.49
Provision for tax (Incl. deferred tax)	(241.56)	(1083.83)
Profit after tax	650.71	1828.66
Earnings per share (EPS)	7.83	22.53
Diluted (EPS)	7.83	22.01

Performance review:

The sales revenue for the FY: 2019-20 was ₹ 245.67 Crore as against the previous year's sales revenue of ₹ 383.98 Crore in FY: 2018-19. The PAT attributable to shareholders for FY 2019-20 was ₹ 6.51 Crore as compared to the previous year's PAT of ₹ 18.29 Crore.

Transfer to reserves

The closing balance of the retained earnings of the Company for FY 2019-20, after all appropriation and adjustments is ₹ 123.91 Crore.

Share capital

The paid up capital of the company is ₹ 8,30,97,000/- divided into 83,09,700 equity shares of ₹ 10/- each. During the financial year, the Company has not raised any funds in the form of equity. During the year under review, your Company has not issued any further shares. The Company has paid listing fee for the financial year 2020-21, to Bombay Stock Exchange, where its shares are listed.

Dividend

Your Directors did not recommend any dividend for the financial year 2019-20.

Management Discussion and Analysis

Management discussion and analysis report, highlighting the performance and prospects of the Company's business is provided in a separate section.

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

Impact of COVID-19

During the financial year ended 31.03.2020, the production operations were shut down for a period of 7 days from the 25th March 2020 in terms of the orders of the district administration in the wake of the COVID-19 pandemic. The operations were restarted from the 2nd April 2020 after permission was received from the District Collector with instructions to follow the safety guidelines issued by the administration. However, in view of various restrictions in place due to the pandemic, the plant has been running at reduced capacity.

Even though, our original plans for production and dispatches as per the orders of our overseas customers received a setback due to reduced production levels and limited operations of shipping vessels, we could still manage to ship some consignments to our overseas customers in the months of April and May 2020. On the domestic front too our sales plan was impacted due to the fall in production levels and initial logistic issues. However, there is good demand for our Company's products in the domestic market and we expect to do better in the remaining quarters of the year.

Thus COVID is likely to have adverse financial implications on our Company's performance in Q1 of the current fiscal. Considering the fact that there are plenty of opportunities available for us in the domestic market, the outlook for the remaining quarters of the year appears favourable.

Subsidiaries, Associates and Joint Ventures

Our Company has no subsidiaries, associates or joint ventures.

Directors and Key Managerial Personnel

None of the directors of the company is disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Independent Directors have provided confirmations as provided under section 149(7) of the Act.

Change in Directors:

On the recommendations of the Nomination and Remuneration Committee, the Board appointed Mr. Ketan Chamanlal Budh as a Whole time Director of the Company for a period of three years with effect from 14th May, 2019.

During the year under review, Mr. G.S.V.Krishna Rao and Mrs. A. Lakshmi Sowjanya were appointed as Independent directors in the Annual General Meeting held on 09.08.2019.

Mr. S.Chandra Sekhar is being proposed for re-appointment as Managing Director for a period of five years.

Mr. D.Sadasivudu is being proposed to continue as a Director as he will be attaining the age of 75 years by 20th April 2021, in compliance with SEBI (LODR) Regulations, 2015 by way of Special resolution.

Key Managerial Personnel ('KMP'):

The Board, on the recommendation of the NRC, appointed Mr. A.Arvind Kumar as Chief Executive Officer of the Company with effect from 14th May, 2019.

In terms of Section 203 of the Act, the following are the KMPs of the Company:

Mr. S. Chandra Sekhar, Managing Director

Mr. Ketan Chamanlal Budh, Whole time Director
(w.e.f 14th May, 2019)

Mr. A. Arvind Kumar, Chief Executive Officer
(w.e.f 14th May, 2019)

Mr. B. Krishna Mohan Rao, Chief Financial Officer

Mrs. B.N.Suvarchala, Company Secretary

Meetings of the Board

During the year, four meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meeting and attendance by the directors are given in the Corporate Governance Report forming an integral part of this report.

The Company also adopted Governance Guidelines on Board Effectiveness which comprises the aspects relating to Composition of Board and Committees, Terms of Directors, Nomination, Appointment, Development of

Code of Conduct for Directors, Effectiveness of Board and Committees, review and their mandates.

Auditors and Auditors' Report

Statutory Auditors

M/s. S. Singhvi &Co., Chartered Accountants were appointed as the statutory auditors at the Annual General Meeting held on 27th September, 2017 for a term of five (5) years from the conclusion of the 24th Annual General Meeting till the conclusion of 29th Annual General Meeting.

The Auditors' report does not contain any qualification, reservation or adverse remark.

Cost Auditors

As per Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules as amended from time to time, the cost records are required to be audited. Based on the recommendation of the Audit Committee, your Board has appointed M/s. Sagar & Associates, Cost Accountants, Hyderabad as cost auditors for the financial year 2020-21. Necessary resolution for ratification of their remuneration is being placed for members' approval.

Secretarial Auditors

Pursuant to Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. RPR & Associates, Company Secretaries to undertake the secretarial audit of the Company for the financial year 2019-20. The Secretarial Audit Report in Form MR-3 and Annual Secretarial Compliance Report under Regulation 20A of SEBI(LODR) Regulations, 2015 received from them is annexed herewith as **Annexure-I**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board of Directors approved the appointment of M/s. RPR & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2020-21.

Directors' Responsibility Statement

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

- I. In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same.
- II. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of

your Company at the end of the financial year ended 31st March, 2020 and the Profit of the Company for the year under review.

- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the annual accounts on a 'going concern' basis.
- V. The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- VI. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Extract of the Annual Return

The extract of the Annual Return pursuant to Section 134(3) (a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014 in the prescribed form MGT-9 is annexed herewith as **Annexure-II**.

Committees of the Board

In compliance with the provisions of Sections 135, 177, 178 of the Act, the Board constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee. The details of composition of the Committees, their meeting and attendance of the members are given in the Corporate Governance Report forming an integral part of this report.

Nomination and Remuneration Policy

The Board has, on the recommendation of Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Nomination and Remuneration Policy adopted by the Board is available on the Company's website at

<http://www.bhagirad.com/reports/policy/Nominationandremunerationpolicy.pdf>

Evaluation of the Board

Pursuant to the provisions of the Act, and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had carried out an annual evaluation of the Directors individually and of the committees of the Board.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering

aspects of the Board's functioning such as adequacy of the composition of the Board and its committees, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board. The performance of the Directors was evaluated on parameters such as level of engagement and contribution in safeguarding the interest of the Company etc.

The performance evaluation of all Directors including the Independent Directors was carried out by the entire Board. Further, the performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors.

Familiarization Programme for Directors

A handbook covering the role, functions, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Act, and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were given and explained to the new Directors.

The newly appointed Directors are given induction and orientation with respect to Company's Vision, Core purpose, Core Values and Business operations. In addition, detailed presentations are made by Senior Management Personnel on business environment, performance of the Company at every Board Meeting.

The above initiatives help the Directors to understand the Company, its business and the regulatory framework in which the Company operates and enables the Directors to fulfill their role/responsibility.

Particulars of loans, guarantees and investments

The Company has not given any loans, guarantees or security in connection with loans or made any investments falling within the ambit of Section 186 of the Act.

Transactions with the Related Parties

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in **Annexure-III** in Form No. AOC-2 and the same forms part of this report.

Transfer of unclaimed shares to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more upto and including the financial year 2006-07

were transferred by the Company in the name of Investor Education and Protection Fund during the financial year 2019-20 and the statement containing such details as prescribed is placed on the website of the Company.

Internal Controls

The Company has put in place adequate system of internal controls commensurate with its size and the nature of its operations. The Company's internal control system covers the following aspects:

- Financial propriety of business transactions.
- Safeguarding the assets of the Company.
- Compliance with prevalent statutes, regulations, management authorization, policies and procedures.

The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time.

Risk Management

During the year, the risk assessment parameters were reviewed and modified. The audit committee reviewed the element of risks and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which have the potential of threatening the existence of the Company.

Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no outstanding deposits as on 31st March, 2020.

Particulars of Remuneration

The information required pursuant to Section 197(12) of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as **Annexure-IV**

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

The particulars as required to be disclosed pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, are given to the extent applicable in the Annexure forming part of this Report enclosed as **Annexure-V**.

Corporate Social Responsibility (CSR)

A brief outline of the Corporate Social responsibility (CSR) policy of the Company and the initiatives taken

by the Company on CSR activities during the year under review are set out in **Annexure-VI** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) rules, 2014., the Company's CSR efforts included COVID-19 relief activities.

Business Responsibility Report

Pursuant to regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 listed companies by market capitalization, calculated as on March 31 of every financial year, are required to include in their Annual Report a Business Responsibility Report, describing therein the initiatives taken by them from environmental, social and governance perspectives in the format prescribed by SEBI. Since the company, for the very first time from its inception, entered into the category of top 1000 listed companies of India by way of its market capitalization for the financial year ended 31-03-2020, the same is annexed as **Annexure-VII**

Corporate Governance

The report on corporate governance for the year ended 31st March, 2020 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto as **Annexure-VIII**. The certificate from practicing Chartered Accountant regarding the compliance of conditions of corporate governance is attached to the report on corporate governance.

Regulatory Orders

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

Prevention of the Sexual Harassment of Women at workplace

The company has a policy on prohibition, prevention and redressal of Sexual Harassment of Women at workplace and matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at workplace (Prohibition, Prevention and Redressal) Act, 2013".

During the financial year 2019-20, no complaint was received in this regard.

Research & Development

The Company lays great emphasis on R&D and intellectual property development which forms the core of the business development strategy. All the process technologies implemented by the company have been developed in-house in the DSIR recognized R&D centre. The R&D has developed and mastered a library of reactions over a period of time which forms the crux for future developments. The swiftness in development and implementation of new

technologies have brought and will continue to bring good business for the company.

Health, Safety and Environment protection

The Company is committed to excellence in safety, health, environment and quality management. It accords highest priority to the health and safety of its employees, customers and other stakeholders as well as to the protection of the environment. The management of your Company is focused on continuous improvement in these areas which are fundamental to the sustainable growth of the Company. During the year, the Company provided family health insurance cover of up to ₹ 2 lakhs to its employees from Bharthi Axa General Insurance Company.

Industrial relations

During the year under review, industrial relations remained cordial and stable. The directors wish to place on record their sincere appreciation of the co-operation received from employees at all levels.

Acknowledgement

The Board of Directors takes this opportunity to place on record their appreciation for the unstinted co-operation, commitment and dedication of all the employees of the Company, and the support extended by the channel partners, customers, vendors, business associates, banks, government authorities and all concerned. The Directors are thankful to the shareholders for their continued patronage.

For and on behalf of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
K.S. Raju
Chairman
(DIN:00008177)

Annexures to the Directors' Report

ANNEXURE-I

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial Year ended 31st March, 2020

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2020**, (i.e. from 1st April, 2019 to 31st March, 2020) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company to the applicable extent for the financial year ended on 31st March, 2020 according to the provisions of:

- A. The Companies Act, 2013 (the "Act") and the rules made there under;
- B. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- C. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- D. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- E. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the financial year);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the financial year) ;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 (Not applicable to the Company during the financial year) ;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the financial year).
- F. The Memorandum and Articles of Association.

G. The Company has identified and confirmed the following laws as specifically applicable to the Company.

- (a) The Insecticides Act, 1968 and the Insecticides Rules, 1971
- (b) Factories Act, 1948 and Rules made there under
- (c) The Indian Boilers Act, 1923 & The Indian Boilers Regulations 1950
- (d) Petroleum Act, 1934, Rules, 1976
- (e) Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
- (f) The States Shops and Establishments Act
- (g) Payment of Bonus Act 1965, & Rules, 1965
- (h) Maternity Benefit Act 1961 & Rules
- (i) Employees Compensation Act, 1923 & Rules.
- (j) Minimum Wages Act, 1948, M.W(C) Rules, 1950
- (k) Child Labour (P&R) Act 1986 & Rules.
- (l) Air (Prevention and Control of Pollution) Act 1981
- (m) Water (Prevention and Control of Pollution) Act 1974
- (n) The Noise (Regulation and Control) Rules 2000
- (o) Ozone Depleting Substances (Regulation & Control) Rules 2000
- (p) The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules 1996
- (q) Payment of Wages Act 1936
- (r) Employees State Insurance Act 1948 and Rules and Regulations
- (s) Contract Labour (Regulation & Abolition) Act 1970
- (t) Legal Metrology Act, 2009
- (u) Industrial Disputes Act, 1947 and Rules made there under
- (v) Indian Contract Act, 1872
- (w) Environment Protection Act, 1986 and other environmental laws
- (x) Payment of Gratuity Act, 1972
- (y) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

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

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

We further report that:

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

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

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

The Company has received a show-cause notice dated 20th May, 2019 from Investor Education and Protection Fund (IEPF) for non-transfer of unclaimed shares to IEPF and there upon the Company transferred the said unclaimed shares to IEPF on 26th June, 2019.

A Stop production order dated 12th September, 2019 was served by Andhra Pradesh Pollution Control Board (APPCB) asking the Company to comply with certain directives. The APPCB has issued revocation order dated 14th November, 2019 after ensuring satisfactory compliance of its directives and the Company resumed the production operations on 15th November, 2019.

**For RPR & ASSOCIATES
Company Secretaries**

Sd/-

Y Ravi Prasada Reddy
Proprietor

Place: Hyderabad
Date: 23rd June, 2020

FCS No. 5783, C P No. 5360
UDIN: F005783B000367947

ANNEXURE TO SECRETARIAL AUDIT REPORT

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

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

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

For RPR & ASSOCIATES
Company Secretaries

Place: Hyderabad
Date: 23rd June, 2020

Sd/-
Y Ravi Prasada Reddy
Proprietor
FCS No. 5783, C P No. 5360

Annual Secretarial Compliance Report

for the year ended 31.03.2020

(Pursuant to Regulation 24(A) of the SEBI(LODR) Regulations, 2015)

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

- (a) all the documents and records made available to us and explanation provided by M/s. Bhagiradha Chemicals and Industries Limited (CIN: L24219TG1993PLC015963) having its registered office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034, ("the listed entity");
- (b) The filings/ submissions made by the listed entity to the stock exchange(s);
- (c) Website of the listed entity; and
- (d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification/report,

For the year ended 31st March, 2020 ("Review Period") in respect of compliance with the provisions of :

- (a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made there under and the Regulations, circulars, Guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - *Not applicable during the period under review*;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - *Not applicable during the period under review*;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – *Not applicable during the period under review*;

- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - *Not applicable during the period under review*;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 - *Not applicable during the period under review*;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations, 2018 regarding the Companies Act and dealing with client and circulars/ guidelines issued there under;

and based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under:
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued there under insofar as it appears from our examination of those records;
- (c) During the Review Period, no actions has been taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under.
- (d) The listed entity has taken the following actions to comply with the observations made in previous reports - *Not applicable*.
- (e) The listed entity has revised the terms of appointment of the Statutory Auditors in accordance with the requirements specified in the SEBI Circular No. CIR/CFD/CMD1/ 114/2019 dated 18th October, 2019.

For RPR & ASSOCIATES
Company Secretaries

Sd/-

Y Ravi Prasada Reddy

Proprietor

Place: Hyderabad
Date: 23rd June, 2020

FCS No. 5783, C P No. 5360
UDIN: F005783B000368024

ANNEXURE-II

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

For the financial year ended on 31.03.2020

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

I. REGISTRATION AND OTHER DETAILS:

I	CIN	:	L242191993TGPLC015963
	Registration Date	:	07.07.1993
ii	Name of the Company	:	BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED
iv	Category/Sub-category of the Company	:	Company having Share Capital
V	Address of the Registered office & contact details	:	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills Hyderabad - 500 034, Telangana Ph: 040-42221212. Fax: 040-23540444
Vi	Whether listed company	:	Yes (Listed in BSE)
Vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	XI Softech Systems Limited 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034 Phone No: 040 - 2354 5913 Email:xlfield@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Agro Chemicals	20211	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	-	-	-	-	-

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16,83,183	-	16,83,183	20.25	16,83,183	-	16,83,183	20.25	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	3,86,000	-	3,86,000	4.64	3,86,000	-	3,86,000	4.64	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	20,69,183	-	20,69,183	24.90	20,69,183	-	20,69,183	24.90	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Promoter Shareholding (A)= (A)(1)+(A)(2)	20,69,183	-	20,69,183	24.90	20,69,183	-	20,69,183	24.90	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (FPI)	2,00,000	-	2,00,000	2.41	2,00,000	-	2,00,000	2.41	-
SUB TOTAL (B)(1):	2,00,000	-	2,00,000	2.41	2,00,000	-	2,00,000	2.41	-
2. Non Institutions									
a) Bodies corporate(India)	21,74,692	8,900	21,83,592	26.28	22,47,463	-	22,47,463	27.05	0.77
Bodies corporate(overseas)	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	8,21,242	20,631	8,41,873	10.13	8,30,253	8,031	8,38,284	10.09	-0.04
(ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	29,91,956	-	29,91,956	36.01	28,68,620	-	28,68,620	34.52	1.49
c) Any other (Specify) NRIs	23,096	-	23,096	0.28	86,150	-	86,150	1.04	0.76
SUB TOTAL (B)(2):	60,10,986	29,531	60,40,517	72.69	60,32,486	8,031	60,40,517	72.69	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	62,10,986	29,531	62,40,517	75.10	62,32,486	8,031	62,40,517	75.10	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	82,80,169	29,531	83,09,700	100	83,01,669	8,031	83,09,700	100	-

ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	S. Chandra Sekhar	12,87,300	15.49	8.01	12,87,300	15.49	8.01	-
2.	Greenpath Energy Private Limited	3,86,000	4.64	-	3,86,000	4.64	-	-
3	E. Jayalaxmi	2,00,213	2.41	-	2,00,213	2.41	-	-
4	D. Sadasivudu	63,600	0.77	-	63,600	0.77	-	-
5	S. Lalitha Sree	60,000	0.72	-	60,000	0.72	-	-
6	K. Rama Krishna	25,000	0.30	-	25,000	0.30	-	-
7	K. Sri Lakshmi	24,500	0.29	-	24,500	0.29	-	-
8	T. Kalyan Chakravarthi	10,000	0.12	-	10,000	0.12	-	-
9	K. Baby	10,000	0.12	-	10,000	0.12	-	-
10	P. Vijayalakshmi	2,570	0.03	-	2,570	0.03	-	-
		20,69,183	24.90	8.01	20,69,183	24.90	8.01	-

(iii) Change in Promoters Shareholding during the financial year: Nil

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

Sl.No	Name Of The Shareholder	Shareholding At The Beginning Of The Year		Cumulative Shareholding During The Year	
		No. Of Shares	% Of Total Shares Of The Company	No. Of Shares	% Of Total Shares Of The Company
1.	Ratnabali Investment Private Limited	11,25,000	13.54	11,59,140	13.95
2.	R Venkata Narayana	6,00,000	7.22	6,08,087	7.32
3.	Rajasthan Gum Private Limited	-	-	5,00,000 Shares acquired in lieu of pledge on 24.03.2020	6.02
4.	Mukul Mahavir Agrawal	-	-	4,25,178	5.12
5.	Chetan Shantilal Shah	3,82,000	4.60	3,81,971	4.60
6.	Siddharth Iyer	4,00,000	4.81	3,50,375	4.22
7.	Dipesh Kantisen Shroff	2,37,760	2.86	2,37,760	2.86
8.	Polus Global Fund	2,00,000	2.41	2,00,000	2.41
9.	Angel Holdings Pvt Ltd	1,12,834	1.36	1,12,799	1.36
10.	Genesis Advertising Private Limited	8,079	0.10	1,12,582	1.35

(v) Shareholding of Directors and KMP

Sl No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Net Change during the year
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1.	S.Chandra Sekhar, Managing Director	12,87,300	15.49	12,87,300	15.49	-
2.	D. Sadasivudu, Promoter, Non-Executive Director	63,600	0.77	63,600	0.77	-
3.	S. Lalitha Sree, Promoter Group, Non Executive Director	60,000	0.72	60,000	0.72	-

(vi) Indebtedness of the Company including interest outstanding / accrued but not due for payment (in ₹)

PARTICULARS	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year.				
i) Principal Amount	99,990,731	33,936,660	-	133,927,391
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	99,990,731	33,936,660	-	133,927,391
Change in Indebtedness during the financial year				
Addition	-	56,000,000	-	56,000,000
Reduction	45,852,397	19,641,986	-	65,494,383
Net Change	(45,852,397)	36,358,014	-	(9,494,383)
Indebtedness at the end of the financial year				
i) Principal Amount	54,138,334	70,294,674	-	124,433,008
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	1,584,438	-	1,584,438
Total (i+ii+iii)	54,138,334	71,879,112	-	126,017,446

(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

(in ₹)

Sl. No.	Particulars of Remuneration	Name of Managing Director	Name of Whole Time Director	Total Amount
		S. Chandra Sekhar	* Ketan Chamanlal Budh	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64,32,000	31,27,928	95,59,928
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary u/s 17(3) of Income Tax At, 1961	-	-	-
2.	Stock option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profits	19,52,123	-	19,52,123
	- others	-	-	-
5.	Others	-	-	-
	Total A	83,84,123	31,27,928	1,15,12,051
	Ceiling as per the Act	₹ 120 Lakhs/- per Managerial Person (Section 196 & 197 read with schedule V)		

* Mr.Ketan Chamanlal Budh has-been appointed as Whole time Director of the Company w.e.f 14.05.2019

B. REMUNERATION TO OTHER DIRECTORS

(in ₹)

Sl. No.	Particulars of Remuneration	Names of the Independent Directors			Total Amount
		Sudhakar Kudva	A. Lakshmi Sowjanya	G.S.V. Krishna Rao	
1.	1. Independent Directors				
	o Fee for attending board / committee meetings	1,55,000	25,000	1,45,000	3,25,000
	o Commission	-	-	-	-
	o Others	-	-	-	-
	Total (1)	1,55,000	25,000	1,45,000	3,25,000
Sl. No.	Particulars of Remuneration	Names of other Non-Executive Directors			Total Amount
		K.S Raju	D. Sadasivudu	S. Lalitha Sree	
2.	Other Non-Executive Directors				
	o Fee for attending board / committee meetings	70,000	95,000	95,000	2,60,000
	o Commission	-	-	-	-
	o Others	-	-	-	-
	Total (2)	70,000	95,000	95,000	2,60,000
	Total (B) = (1)+(2)				5,85,000

C. Remuneration to Key Managerial Persons other than Directors

(in ₹)

Sl No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		** A. Arvind Kumar	B. Krishna Mohan Rao	B.N. Suvarchala	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,802,280	2,709,198	896,136	8,407,614
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-	-	-	-
	(c) Profit in lieu of salary u/s 17(3) of Income Tax At, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profits	650,708	-	-	650,708
	- others	-	-	-	-
5.	Others	-	-	-	-
	Total	5,452,988	2,709,198	896,136	9,058,322

** Mr. A.Arvind Kumar has-been appointed as Chief Executive Officer of the Company w.e.f 14.05.2019

(viii) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Nil

For and on behalf of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
K.S. Raju
Chairman
(DIN:00008177)

ANNEXURE-III

FORM NO. AOC-2

Details of Related party Transactions

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

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis.

Particulars	Details	
Name (s) of the related party	VNA Express And Logistics Solutions	Agnova Chemicals Pvt Ltd
Nature of Relation ship	Mr. Ketan Chamanlal Budh, Whole time Director of the Company, is interested	Mr. Ketan Chamanlal Budh, Whole time Director of the Company, is interested
Nature of contracts / arrangements /transaction	Service	sale of goods
Duration of the contracts/ arrangements /transaction	NA	NA
Salient terms of the contracts or arrangements or transaction	Mutual consent by the parties	Mutual consent by the parties
Justification for entering into such contracts or arrangements or transactions	Business Requirements on regular basis.	Business Requirements on regular basis.
Date of approval by the Board	14 th May, 2019.	14 th May, 2019.
Amount incurred during the year	Service: ₹ 3.26 Crore	Sales: ₹ 1.39 Crore

For and on behalf of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
K.S. Raju
Chairman
(DIN:00008177)

ANNEXURE-IV

Statement of particulars of Employees as required under Section 197(12) of the Companies Act, 2013

- i. The Ratio of the remuneration of each director to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any for the financial year 2019-20:

Name of the Director/ Key Managerial Personnel	Ratio of the remuneration to the median remuneration of the employees	% increase/ (decrease) in remuneration
S. Chandra Sekhar, Managing Director	28.57	47.40
*Ketan Chamanlal Budh, Whole time Director	14.28	68.71
Sudhakar Kudva, Non-Executive Independent Director	0.73	-
K.S.Raju, Non-Independent Non-Executive Chairman	0.33	-
D. Sadasivudu Non-Independent Non-Executive Director	0.45	-
S. Lalitha Sree, Non-Independent Non-Executive Director	0.45	-
A. Lakshmi Sowjanya, Independent Non-Executive Director	0.11	-
G.S.V. Krishna Rao, Independent Non-Executive Director	0.69	-
#A. Arvind Kumar, Chief Operating Officer	20.00	63.46
@B.Krishna Mohan Rao, Chief Financial Officer	10.28	17.00
B.N. Suvarchala, Company Secretary	3.71	34.31

* Appointed as Whole time Director of the Company w. e. f. 14.05.2019

Appointed as Chief Executive officer of the Company w.e.f 14.05.2019

@ % calculated on annualized basis

- iii. The percentage increase in the median remuneration of employees in the financial year: 11.43%
- iv. There were 354 permanent employees on the rolls of the Company as on 31st March, 2020.
- v. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - Not Applicable
- vi. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
K.S. Raju
Chairman
(DIN:00008177)

ANNEXURE-V

Information required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 2014.

A) Conservation of Energy

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

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

FORM – A

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
I. ENERGY CONSERVATION POWER & FUEL CONSUMPTION		
1. Electricity		
(i) purchased units (kwh)	12,407,170	16,941,880
Total amount (₹) (including demand charges)	87,362,921	113,629,330
Unit Rate (₹)	7.04	6.71
(ii) Own generation (on diesel)		
a) Diesel consumption (Ltrs)	44,600	55,200
No of units	133,800	165,600
Units/ Liter of Diesel	3.000	3.000
Total amount (₹)	3,146,542	4,052,582
unit cost (₹)	23.52	24.47
b) Steam Turbine Generation		
No of units	Nil	Nil
Units/ton of Steam	Nil	Nil
Cost/Unit (₹)	Nil	Nil
2. 'C' Grade coal used in Boiler		
Quantity (MT)	12,690	20,547
Total Cost (₹)	87,985,056	141,204,206
Average Rate/MT	6,933	6,872
3. Furnace oil		
Quantity (Ltrs)	90,000	43,110
Total cost (₹)	3,253,974	1,546,416
Average Rate/Ltr	36.16	35.87
4. Others /Internal Generation		
Quantity (MT)	Nil	Nil
Total cost (₹)	Nil	Nil
Average Rate/MT	Nil	Nil
II. CONSUMPTION PER UNIT OF PRODUCTION (MT)		
Electricity purchased & own Generation (units)	6,491	6,559
Furnace Oil (Ltr)	46.58	16.52
Coal Quality 'C' Grade	6.57	7.88

FORM – B

(See Rule - 2)

Form for disclosure of particulars with respect to technology absorption

B) Research and Development

Bhagiradha is distinguished globally as an R&D driven Agrochemical Company. Through its strengths in innovation and agile development practices, the Company has adapted itself in meeting the expectation of its customers amidst changing regulatory environments. Evolutionary development, adaptive learning, continual improvements and perseverance form the core around which Bhagiradha has modelled its R&D. In doing so, it has succeeded in being recognized as a credible global agrochemical player.

During the F.Y 2019-20, the R&D Dept has successfully completed the process development for Fipronil at pilot plant stage. Bhagiradha would be only the second company in India after Gharda Chemicals to have developed completely backward integrated process. The product was taken up for commercial production from March 2020 onwards. The company is expected to generate ₹ 80-100 cr of revenue on this product for the current financial year.

- 1) Specific areas in which R&D is carried out by the company
 - Optimization of existing process technologies
 - Development of process technologies for generic pesticides, herbicides and intermediates
 - Scale up and optimization of process technologies
- 2) Benefits derived as a result of the above efforts:
During Financial Year 2020- 2021 the company has
 - Continued Optimization of the existing process.
 - Commercialized new herbicide intermediate.
 - Completed laboratory development of process technology for products proposed for exports which are expected to be commercialized in FY 2020-21.
- 3) Future plan of action
 - The company has plans to launch two generic products every year for domestic /

export market. The R&D team is actively working on development of process technologies.

- 4) Expenditure on R&D for the year 2019-2020

₹ In Lakhs

Capital	26.66
Recurring	115.15
Total	141.81

R&D expenditure as a % of total turnover: 0.57

C) Technology, absorption, adaptation and innovation

- 1) Efforts, in brief, made towards technology absorption, adaptation and innovation
All process technologies are developed in-house at the R&D. The R&D facility is equipped with instruments and equipment to generate products from gram scale to kilo scale. After completely studying the process in pilot plant, standard operating procedures are developed for implementation in the plant.
- 2) Benefit derived as a result of above efforts
 - Improvement in the quality of products.
 - Reduction in cost of manufacture.
 - Commercialization of new product.
- 3) In case of imported technology (imported during last 5 years), give details of Technology imported, year of import, whether technology fully absorbed.
 - No technology has been imported by the company

Foreign exchange earnings and outgo:

₹ In crore

Earnings	190.76
Outgo	80.53

For and on behalf of the Board of Directors

Sd/-

K.S. Raju

Chairman

(DIN:00008177)

Date: 23.06.2020

Place: Hyderabad

ANNEXURE-VI

CSR REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

<p>1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs</p>	<p>Social and environmental responsibility has always been at the forefront of our company. The Company has been regularly and voluntarily spending for social welfare and philanthropic activities in the communities in which it is operating, even though it did not come under CSR obligation earlier. As per the provisions of the Act, based on the profitability for the year 2018-19, the Company has come under the purview of CSR obligation. Accordingly, The CSR Committee was constituted and the CSR Policy was framed in alignment with the provisions of the Companies Act, 2013. The activities proposed to be undertaken include projects in urban and rural development, welfare activities, women empowerment, eradicating hunger, promoting health care and education in the areas surrounding the factory location. The CSR policy is available on the website of the Company, www.bhagirad.com.</p>
<p>2. The Composition of the CSR Committee.</p>	<p>Shri Sudhakar Kudva (Chairman) Shri S. Chandra Sekhar Smt S. Lalitha Sree</p>
<p>3. Average net profit of the Company for last three financial years</p>	<p>₹ 8,67,43,615/-</p>
<p>4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above</p>	<p>₹ 17,34,872/-</p>
<p>5. Details of CSR spent for the financial year:</p> <p>a) Total amount to be spent for the financial year</p> <p>b) Amount unspent, if any:</p> <p>c) Manner in which the amount spent during the financial year</p>	<p>₹ 17,34,872/- (actually spent ₹ 20,84,224/-)</p> <p>Nil</p> <p>The manner in which the amount is spent is annexed herewith</p>
<p>6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof the Company shall provide the reasons for not spending the amount in its Board report.</p>	<p>Not Applicable</p>
<p>7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR Objectives and policy of the Company</p>	<p>The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company</p>

ANNEXURE TO CSR REPORT (POINT 5(C) OF THE CSR REPORT)

SL No	CSR Project or activity identified	Projects or programs Local areas or other specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period
1.	COVID-19 relief measures	Prakasam District, Andhra Pradesh	₹ 20,00,000/-	₹ 20,00,000/-	₹ 20,00,000/-
2	Plantation alongside the roads in the surrounding villages of the factory	1.Vengamukkapalem 2.Chervukommupalem 3.Yerajarla	₹ 84,224/-	₹ 84,224/-	₹ 84,224/-
	Total				₹ 20,84,224/-

For and on behalf of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
K.S. Raju
Chairman
(DIN:00008177)

ANNEXURE-VII

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	CIN	:	L242191993TGPLC015963
2	Name of the Company	:	BHAGIRADHA CHEMICALS & INDUSTRIES LIMITED
3	Address of the Registered office & contact details	:	8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad - 500 034, Telangana Ph: 040-42221212. Fax: 040-23540444
4	Website	:	www.bhagirad.com
5	Email Id	:	info@bhagirad.com
6	Financial year reported	:	31 st March, 2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	20211-Agro Chemicals Manufacturing
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	:	The Company is a leading Agro Chemical Company in India involved in the manufacturing of insecticides, fungicides, herbicides etc. like Azoxystrobin, Triclopyr, Chloropyriphos
9.	Total Number of locations where business activity is undertaken by the Company	:	Only one. Located at Cheruvukommupalem (Village) Ongole, Prakasam Dist, Andhra Pradesh.
10	Markets served by the Company- Local/State/ National/ International	:	National & International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

	Disclosures/Requirements	:	Information
1	Paid up Capital (₹)	:	8,30,97,000/-
2	Total Turnover (₹)	:	24566.78 lakhs
3	Total Profit after taxes(₹)	:	650.71 lakhs
4	Total Spending on Corporate Social Responsibility (CSR) as a percentage of profit after tax	:	The Company's total spending on CSR for the year ended March 31, 2020 was ₹ 20.84 lakhs which is 3.20% of the profit after tax.
5	List of activities in which expenditure in 4 above has been incurred	:	Please refer Annexure VI to Directors' Report for CSR related information and also CSR section in the annual report.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies	:	NO
2	Do the Subsidiary Company/Companies participate in The Company does not have any Subsidiary Company. the Business Responsibility (BR) Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary Company(s)	:	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	:	NO

SECTION D: BR INFORMATION

1. Details of Director(s) responsible for BR

Details of Director/Directors responsible for BR	Details of the BR head
DIN Number : 00159543	DIN Number : NA
Name : Mr. S.Chandra Sekhar	Name : Mr. A.Arvind Kumar
Designation : Managing Director	Designation : Chief Executive Officer
	Telephone No : 040-23608083
	e-mail id : arvind.a@bhagirad.com

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/Policies

Principles to assess compliance with environmental, social and governance norms are provided as under:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect and make efforts to restore the environment.
Principle 7 (P7)	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Questions	P1	P2	P3	P4	P5	P6	*P7	P8	P9
1. Do you have a policy(s) for the principles?	Y	Y	Y	Y	Y	Y	NA	Y	Y
2. Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3. Does the policy conform to any national/international standards? If Yes, Specify?	Policies are prepared considering the relevant provisions of applicable laws as deemed appropriate at the time of formulation of policies								
4. Has the policy been approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director?	Y	N	Y	Y	Y	Y	NA	Y	Y
5. Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6. Indicate the link for the policy to be viewed online?	Following policies are displayed on the Company's website, www.bhagirad.com/investors 1. Code of Conduct and Ethics 2. Corporate Social Responsibility Policy 3. Policy on Human Rights and Employee Well Being								

Questions	P1	P2	P3	P4	P5	P6	*P7	P8	P9
7. Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8. Does the company have in-house structure to implement the policy/ policies	Y	Y	Y	Y	Y	Y	NA	Y	Y
9. Does the Company have a grievance redressal mechanism to address stakeholder's grievance related to the policy (ies)?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10. Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Independent audit has not been carried out by any external agency. However, the policies, if required, are evaluated in-house, from time to time and updated whenever necessary								

* Presently, the Company is not actively engaged in influencing any public and regulatory policy.

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Questions	P1	P2	P3	P4	P5	P6	*P7	P8	P9
1. The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2. The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3. The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4. It is planned to be done within next 6 months -	-	-	--	-	-	-	-	-	-
5. It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6. Any other reason (please specify)	-	-	-	-	-	-	Presently, the Company is not engaged in influencing public and regulatory policy.		-

3. Governance related to BR

a. Frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company	Annually (As per the policy)
b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this Report? How frequently it is published?	Yes. The Company will publish BR report annually and the same forms part of annual report, which can be accessed in the Company's website i.e www.bhagirad.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability

Policy governing Principle 1: Ethics, Transparency and Accountability Policy

The above policy has been hosted on Company's website under the hyperlink <http://bhagirad.com>

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?

The Company is committed towards professionalism, fairness and integrity in all its dealings. The Company has adopted the Code of Conduct as laid down under the Ethics, Transparency and Accountability Policy and strives to promote practices and structures that ensure transparent communication with all its stakeholders and ethical conduct of business at all levels. The Code of Conduct is prescribed for all employees, including directors of the Company.

It has also laid down Vigil Mechanism/Whistle Blower Policy, which sets forth the obligations of every employee for prevention, detection and reporting of any improper and unethical act(s) or practice(s) being conducted in the Company.

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

The Company has in place a mechanism for dealing with complaints received from various stakeholders. The details of shareholders complaints received, resolved and pending during the financial year 2019-20 are furnished in the Corporate Governance Report.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is committed to efficient use of energy, water, chemicals; & waste reduction in order to accomplish environmental and economic benefits. Among a basket of products which the Company manufactures these three products viz Azoxystrobin, Fipronil and Triclopyr are trusted fungicide, insecticide and herbicide respectively benefiting the farming community in the domestic as well as international

geographies. The Company endeavors & strives to fulfill all applicable compliance requirements related to products, environment, health & safety.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

The Company is committed to environment sustainability. For this, the Company constantly works to adapt new techniques & ideas towards efficient and optimal utilization of resources, energy, water, raw material etc.

b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Primarily the products are supplied on B2B basis. The formulation of the end product used by the consumer is done by the formulators.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

Yes

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

The Company constantly emphasizes on cost effectiveness while procuring any raw material or inputs. The key raw material(s) are procured from reputed manufacturers to ensure consistency in quality and delivery timelines. Adequate steps are followed by the Company to ensure safety & optimization during transportation which, in a way, contributes towards minimizing the impact on environment.

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

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

Yes, the Company encourages procurement of goods and services from local producers in proximity to the Company's plant wherever feasible. Knowledge sharing, on job training & initiatives like periodic visits of vendors to plants and Plant personnel visits to vendors are taken by the Plant(s) towards skill development of personnel. As far as possible, skilled and unskilled personnel are recruited/engaged from local sources.

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

Yes, the Company has a mechanism to recycle waste water and is operating a Zero liquid discharge plant. The waste waters are processed in effluent treatment plant consisting of equipment for water distillation and its treatment, to ensure that right quality is recycled back into the system. The wastes generated during the process are securely disposed in accordance with the relevant rules and acts related to waste management.

Principle 3: Businesses should promote the wellbeing of all employees (As on March 31, 2020)

1. Please indicate the Total number of employees – 354
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis. – 140
3. Please indicate the Number of permanent women employees. - 19
4. Please indicate the Number of permanent employees with disabilities - Nil
5. Do you have an employee association that is recognized by management? – No
6. What percentage of your permanent employees is members of this recognized employee association? NA
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year. –

Sr No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ Forced labour/ Inventory labour	Nil	NA
2	Sexual harassment	Nil	NA
3	Discriminatory employment	Nil	NA

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? Following is the respective percentage (rounded-off) for these employees:

- (a) Permanent Employees – 88%
- (b) Permanent Women Employees – 98%
- (c) Casual/Temporary/Contractual Employees – 75%
- (d) Employees with Disabilities – Nil

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes, the Company has mapped its stakeholders as part of its stakeholder engagement process.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company has identified the communities which are disadvantaged, vulnerable and require focused intervention. Proper mechanism is in place to address the concerns of these stakeholders.

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

The Company has undertaken various CSR activities for the benefit of the communities in which it is operating the details of which are provided in Annexure VIII to the Board's report.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company believes that its employees shall live with social & economic dignity & freedom, and treated equally regardless of nationality, gender, race, economic status or religion. The said human rights practices are followed by the Company in respect of its vendors, contractors and all other stakeholders. The Company's support for the fundamental principles of human rights is reflected in the Company's policies and actions towards its employees, suppliers, clients and communities.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No stakeholders' complaint in relation to human rights was received by the Company in the financial year 2019-20.

Principle 6: Business should respect, protect, and make efforts to restore the environment

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

Your Company has established Preservation of Environment Policy. Your Company places highest corporate priority in ensuring and adhering to best practices relating to environment protection striving for performance that does not merely comply with regulations but reduces environmental impacts.

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

The policies of the Company require that the operations shall be conducted in a manner, to ensure (i) safety of employees, local people and all concerned; (ii) compliances of applicable environmental regulations; and (iii) minimum utilization & preservation of natural resources. The Company strives to improve energy efficiency through innovative techniques & ideas and thereby reduce wastage and optimize consumption.

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

Yes, The Company identifies and assesses potential environmental risks and based on the same, the Company takes necessary steps to reduce the negative impact of the Company's activities on the environment.

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

The Company has not initiated any projects under the Clean Development Mechanism.

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

The company has taken a number of initiative related continuous improvement of process technology to ensure minimization on the quantity of raw material used for manufacture of the product. As an internal policy matter, the goal of the company is to ensure

that reaction yields are always in excess of 90% to minimize the waste generation. The Company has not taken the initiatives on renewable energy, during the year under review.

6. Are the Emissions/Waste generated by the company within the permissible limits given by Centre Pollution Control Board (CPCB) / State Pollution Control Board (SPCB) for the financial year being reported?

Yes, the Emissions/Waste generated by the Company was within the permissible limits given by CPCB / SPCB for the financial year being reported.

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

Nil

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

The Company is not directly engaged in influencing public and regulatory policies.

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

BCIL is a member of the following.

1. Pesticide Manufacturers and Formulators Association of India(PMFAI)
2. The Federation of Telangana Chambers of Commerce and Industry.
3. CHEMEXCIL

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, from time to time, the Company takes up the matters of public interest through these Associations/ Bodies

Principle 8: Businesses should support inclusive growth and equitable development.

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

The Company has a Corporate Social Responsibility (CSR) policy in line with the requirement of the Companies Act, 2013 and rules made there under. The Company has taken various CSR initiatives for

support and development of society. The details of the CSR initiatives of the Company are provided in the Annexure III to the Board's Report.

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

The CSR programmes are undertaken directly by the Company.

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

The Company has not carried out any impact assessment of CSR initiative so far.

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

For the financial year 2019-20, the Company has spent 20.84 lakhs for the CSR activities. The details of the CSR activities and the amount contributed thereon are provided in Annual Report on CSR activities forming part of the Board's Report (Annexure III).

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

Yes. The Company has contributed in a timely manner for the benefit of the communities in fighting COVID-19.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

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

As on 31st March, 2020, there were no customer complaints/consumer cases, which were pending.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Company adheres to the applicable laws & regulations regarding the display of the product label and the information related thereto.

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

As of 31st March, 2020 there were no pending cases, filed by any stakeholder, against the Company, pertaining to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company believes that stakeholder engagement is an integral part of the business and constantly strives to reach out and seek feedback at every stage in a structured manner from its key stakeholders including distributors, vendors, employees, investors, industry associations etc.

For and on behalf of the Board of Directors

Sd/-

K.S. Raju

Chairman

(DIN:00008177)

Date: 23.06.2020

Place: Hyderabad

ANNEXURE-VIII

CORPORATE GOVERNANCE REPORT

Company's philosophy on code of governance:

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company has adopted a Code of Conduct for its employees including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). The Company's corporate governance philosophy has been further strengthened through the BCIL Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable to corporates.

Board of Directors:

- i. As on 31st March, 2020 the Company has eight Directors. Out of the eight Directors six (i.e. 75 percent) are Non-Executive Directors out of which 3 (i.e. 37.50 percent) are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii. None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2020 have been made by the Directors. None of the Directors is related

to each other except Mrs. S. Lalitha Sree and Mr. S. Chandra Sekhar.

- iii. Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, declarations were received from the Independent Directors and the Board of Directors has confirmed that all the independent Directors meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.
- iv. Four Board Meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: 14th May, 2019; 09th August, 2019; 05th November, 2019; and 11th February, 2020. The necessary quorum was present for all the meetings.
- v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2020 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, Chairpersonships and memberships of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1) (b) of SEBI Listing Regulations.

Name of Director	Category	Attendance at Board Meetings		No of Directorships in listed entities including this listed entity	Number of memberships / chairmanships in Audit / Stakeholder Committee(s) including this listed entity		Whether present at the previous AGM
		Held	Attended		Chairman	Member	
K.S. Raju	Chairman Non-Independent Non-Executive	4	3	2	-	2	Yes
S. Chandra Sekhar	Promoter, Managing Director	4	4	1	-	-	Yes
* Ketan Chamanlal Budh	Whole time Director	4	3	1	-	-	Yes
Sudhakar Kudva	Independent Non-Executive	4	4	2	2	1	Yes
D. Sadasivudu	Promoter Non Executive	4	4	1	-	1	Yes
S. Lalitha Sree	PAC, Non-Executive	4	4	1	-	-	Yes
A. Lakshmi Sowjanya	Independent Non-Executive	4	1	1	-	-	No
G.S.V. Krishna Rao	Independent Non-Executive	4	4	1	1	1	Yes

* Appointed as a Whole time Director W.e.f. 14.05.2019

Details of directorships of the aforesaid Directors in other listed entities are given below.

Sl No	Name of the Director	Name of the listed entity	Category
1.	K.S Raju	Nagarjuna Oil Refinery Ltd	Non Executive, Non-Independent
2.	Sudhakar Kudva	NACL Industries Ltd	Non Executive, Independent

- vi. During FY 2019-20, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. During FY 2019-20, one meeting of the Independent Directors was held on 11th February, 2020. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- viii. The Board periodically reviews the compliance reports of all laws applicable to the Company.
- ix. Details of equity shares of the Company held by the Directors as on 31st March, 2020 are given below

Name	Category	No of equity shares
S. Chandra Sekhar	Promoter Executive	12,87,300
D. Sadasivudu	Promoter Non-Executive	63,600
S. Lalitha Sree	Promoter Group Non-Executive	60,000

- x. The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Global Business	Understanding of global business dynamics across various geographical markets, industry verticals and regulatory jurisdictions
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values

Committees of the Board

There are three statutory Board Committees as on 31st March, 2020 details of which are as follows.

Name of the Committee	Extract of the terms of reference	Category and Composition		Other details
Audit Committee	<p>Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act.</p> <ul style="list-style-type: none"> Oversight of financial reporting process. Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval. Evaluation of internal financial controls and risk management systems. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company. Approve policies in relation to the related party transactions and to supervise implementation of the same. 	Name	Category	<ul style="list-style-type: none"> Four meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. Committee invites such of the executives (particularly the head of the finance function), representatives of the statutory auditors and internal auditors, as it considers appropriate, to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee. Quarterly Reports are sent to the members of the Committee on matters subject to the compliance of Insider Trading Code. The previous AGM of the Company was held on 09th August, 2019 and was attended by Sudhakar Kudva, Chairman of the Audit Committee.
		Sudhakar Kudva(Chairman)	Independent Non-Executive	
		S. Chandra Sekhar	Executive Director	
		G.S.V Krishna Rao	Independent Non-Executive	
Nomination and Remuneration Committee	<p>Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act.</p> <ul style="list-style-type: none"> Recommend to the Board the setup and composition of the Board and its committees Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel. Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees. Oversee familiarization programs for Director 	Name	Category	<ul style="list-style-type: none"> One Nomination and Remuneration Committee meeting was held during the year under review. The Company does not have any Employee Stock Option Scheme.
		Sudhakar Kudva (Chairman)	Independent Non-Executive	
		K.S.Raju	Non-Executive Non-Independent	
		G.S.V Krishna Rao	Independent Non-Executive	

Name of the Committee	Extract of the terms of reference	Category and Composition		Other details
Stake Holder's Relationship Committee	<p>Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act.</p> <ul style="list-style-type: none"> Consider and resolve the grievances of security holders. Consider and take note on the issue of share certificates, transfer and transmission of securities, etc. 	Name	Category	<p>One meeting of the Stakeholders' Relationship Committee was held during the year under review.</p> <ul style="list-style-type: none"> The Company has always valued its customer relationships. This philosophy has been extended to investor relationship, focusing on servicing the needs of various stakeholders viz. investors, analysts, brokers and the general public. Details of Investor complaints and Compliance Officer are provided herein below.
		Sudhakar Kudva (Chairman)	Independent Non-Executive	
		D. Sadasivudu	Non-Executive Non-Independent	
Corporate Social Responsibility Committee	<p>The Committee's composition and terms of reference are in compliance with the provisions of section 135 of the Companies Act, 2013.</p> <ul style="list-style-type: none"> To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013. To recommend the amount of expenditure to be incurred on the activities for the above said purpose. To monitor the Corporate Social Responsibility Policy of the Company from time to time. 	Name	Category	<ul style="list-style-type: none"> One Corporate Social Responsibility Committee meeting was held during the year under review.
		Sudhakar Kudva (Chairman)	Independent Non-Executive	
		S. Chandra Sekhar	Promoter Executive	
		S. Lalitha Sree	Non-Independent Non-Executive	

Stakeholders Relationship Committee - other details:

a. Name, designation and address of Compliance Officer:

B.N. Suvarchala
Company Secretary
Bhagiradha Chemicals & Industries Limited
8-2-269/S/3/A, Plot No:3, Sagar Society, Road No:2, Banjara Hills, Hyderabad - 500 034, Telangana
Ph: 040-42221212.
Fax: 040-23540444

b. Details of investor complaints received and redressed during FY 2019-2020 are Nil.

Nomination and Remuneration Committee - other details

Performance Evaluation Criteria for Independent Directors: The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Nomination/Remuneration Policy: The compensation of the Executive Directors comprises of fixed component, perquisites and performance based incentive and is determined based on the remuneration prevailing in the industry and the performance of the Company. The remuneration of the Executive Directors is periodically reviewed and suitable revision is recommended to the Board by the Nomination and Remuneration Committee. The Board shall recommend the same for the approval of the Shareholders. The nomination and remuneration policy as adopted by the Board is placed on the Company's website. <http://www.bhagirad.com/reports/policy/Nominationandremunerationpolicy.pdf>

Details of the Remuneration for the year ended 31st March, 2020:

a. Non-Executive Directors

(in ₹)

Sl No	Name	Sitting Fee
1.	K.S. Raju	70,000
2.	Sudhakar Kudva	1,55,000
3.	D. Sadasivudu	95,000
4.	S. Lalitha Sree	95,000
5.	A. Lakshmi Sowjanya	25,000
6.	G.S.V. Krishna Rao	1,45,000

b. Executive Directors

(₹ In lakh)

Name	S. Chandra Sekhar	Ketan Chamanlal Budh
Salary	64.32	31.27
Benefits, Perquisites and Allowances	-	-
Commission	19.52	-
Total	83.84	31.27

Number of committee meetings held and attendance records

Particulars	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee
No of Meetings held	4	1	1	1
Date of Meetings	May 14, 2019; August 09, 2019; November 05, 2019 and February 11, 2020	May 14, 2019	May 14, 2019	August 09, 2019
No. of Meetings Attended				
Name of the Member				
Sudhakar Kudva	4	1	1	1
S. Chandra Sekhar	4	-	-	1
D. Sadasivudu	-	-	1	-
K.S.Raju	-	1	-	-
G.S.V. Krishna Rao	4	1	1	-
S. Lalitha Sree	-	-	-	1
Whether quorum was present for all the meetings	The necessary quorum was present for all the above committee meetings			

General Body Meetings

Annual General Meetings (AGM)

Financial Year	Date	Time	Venue	Special Resolutions passed during last 3 FYs
2016-2017	26.09.2017	11.00A.M	Hotel Green Park, Ameerpet, Hyderabad	1. Adoption of MOA as per Companies Act 2013
2017-2018	14.08.2018			2. To approve the increase in borrowing limits
2018-2019	09.08.2019			Nil
				1. Re-appointment of Sri. Sudhakar Kudva as an Independent Non-Executive Director
				2. Appointment of Sri Ketan Chamanlal Budh as whole time Director
				3. Revision of Remuneration and other terms & conditions of the appointment of Mr. S. Chandra Sekhar, Managing Director of the Company

There was no Extra Ordinary General Meeting and postal ballot during the year.

Means of Communication: Quarterly results approved by the Board are usually published in Business Standard (English) and Praja Shakti/Andhra Prabha/Nava Telangana /Mana Telangana (Telugu) newspapers. In addition to this, the Company is communicating its results to Bombay Stock Exchange where the shares are listed. Further, the quarterly results are also placed on the company's website, www.bhagirad.com. No presentations have been made to institutional investors or to analysts.

The Annual General Meeting is the principal forum for face to face communication with shareholders, where the Directors / Senior Management personnel / Auditors / CFO respond to the specific queries of the shareholders.

General shareholder information

Day, Date, time and venue of the Annual General Meeting	4th September, 2020 at 11.00 a.m. through video conference/ other audio visual means
Financial year	April to March
Listing of shares on stock exchanges	BSE Limited (BSE) Listing Fees as applicable has been paid
Book Closure	28 th August, 2020 to 4 th September, 2020 (Both days inclusive)
Scrip Code	531719
Corporate Identification Number(CIN)	L24219TG1993PLC015963
International Securities Identification Number (ISIN) for equity shares of ₹ 10/- each under Depository System	INE414D01019
Market Price Data High, Low during each month in last Financial year	Please refer Annexure A
Performance of the Company's share price vis-à-vis-Sensex	Please refer Annexure A
Registrar and Share Transfer Agents (RTA)	For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address XL Softech Systems Limited 8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034 Phone: 91-40-23545913/5 Fax : 91-40-23553214 E-mail : xlfield@gmail.com
Share Transfer System	All the valid transfers received are processed and approved by the Share Transfer Agent
Distribution of Shareholding and Shareholding Pattern as on March 31, 2020	Please refer Annexure B
Dematerialization of Shares	99.91% of the equity shares of the Company were dematerialized as on 31 st March, 2020
Outstanding GDRs/ADRs/Warrants or any convertible instruments.	Nil
Plant Location	Cheruvukommupalem (Village) Ongole (Mandal) Prakasam (District) Andhra Pradesh-523272
Address for Correspondence	Bhagiradha Chemicals & Industries Limited 8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2 Banjara Hills, Hyderabad - 500 034, Tel. (040) 42221212, Fax (040) 23540444, Email : info@bhagirad.com

Other Disclosures

Disclosure of related party transactions: All transactions entered into with related parties during the financial year were on arm's length basis and in the ordinary course of business. The transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 and Regulation 23 of the Regulations.

There were no materially significant transactions entered into by the Company with the related parties which might be deemed to have had a potential material conflict with the interests of the Company at large. The details of the related party transactions entered during the year and disclosures as required by the Indian Accounting Standards (IND AS 24) are disclosed in the note 46 of notes forming part of the financial statements. The policy lays down the criteria for determining the materiality of transactions. The said policy has been posted on the Company's website at the following link <https://www.bseindia.com/bseplus/AnnualReport/531719/5317190319.pdf>

Compliance(s) of matters relating to Capital Market: The Company has complied with all applicable rules and regulations prescribed by stock exchange (BSE), Securities and Exchange Board of India (SEBI) or any other statutory authority relating to the capital markets.

Whistle Blower Policy/Vigil Mechanism: The Company has established a whistle blower policy/vigil mechanism to provide an avenue to raise concerns. The mechanism provides for adequate safeguards against victimization of employees who avail of it. The policy also lays down the process to be followed for dealing with complaints. The said policy has been posted on the Company's website at the following link <http://www.bhagirad.com/reports/policy/WhistleBlowerPolicy.pdf>

Code of conduct for prevention of insider trading The Company has adopted a code of conduct for prevention of Insider Trading (Insider Trading Code) in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading code which is applicable to all directors and designated employees lays down guidelines and procedures to be followed and disclosures to be made while dealing in the securities of the Company.

Disclosure of commodity price risks and commodity hedging activities: As the Company is not engaged in commodity business, commodity risk is not applicable. The foreign exchange risk is being managed/hedged to the extent considered necessary. The Company had entered into one forward contract with RBL Bank Ltd for hedging forex risk during the year under review.

The Company has complied with the requirements of sub-paras (2) to (10) of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of compliance with mandatory requirements and adoption of Discretionary Requirements

The Company has complied with the mandatory requirements of the Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. With regard to the non-mandatory requirements, the Company has complied to the extent stated below:

a	Shareholder rights	Quarterly financial results are published in leading newspapers, viz. The Business Line, Business Standard, Financial Express and vernacular—Nava Telangana, Mana Telangana and Andhra Prabha. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
b	Modified opinion(s) in Annual Report	The financial statements for the financial year ended 31 st March, 2020 were with unmodified audit opinion
c	Separate post of Chairman	The Company has a separate post of Chairman
d	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status(Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance Requirements with respect to subsidiaries of listed entity	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management Personnel	Yes
27	Other Corporate Governance Requirements	Yes
46 (2)(b) to (i)	Disclosures on website	Yes

Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013.

Risk Management

During the year, the risk assessment parameters were reviewed and modified, wherever needed. The audit committee reviewed the element of risks and the steps taken to mitigate the risks. In the opinion of the Board, there are no major elements of risk which have the potential to harm the interests of the Company.

During the year under review, the Company has not raised any money from public issue, rights issue, preferential issue or any other issues.

CREDIT RATING

CARE Rating has revised the credit rating to BBB-Under Credit Watch with Negative Implications for long term and CARE A3 under Credit Watch with Negative Implications for short term borrowings of the Company from banks.

Confirmation by the Board of Directors regarding acceptance of recommendations of all Committees:

In terms of the amendments made to the Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from all its Committees.

PCS Certificate

A certificate has been received from RPR & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Statutory Auditor Remuneration

S. Singhvi & Co., Chartered Accountants (Firm Registration No. 003872S) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis are given below:

Particulars	Amount In ₹
Statutory Audit fee	6,00,000 (Excluding GST)
Tax Audit	-
GST Audit	-

Notice for shareholders/investors for unpaid dividends

Members who have not yet encashed their final dividend from the financial year 2013-14 onwards are requested to make their claims without any delay to M/s. XL Softech Systems Limited Registrar and Share Transfer Agents (RTA) of the Company for claiming the unclaimed/unpaid dividends.

Following table gives information relating to due dates for transfer of unclaimed/unpaid dividends to IEPF:

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2020 (In ₹)	Due Date for transfer to IEPF
2013-14	11-08-2014	81,386	09-09-2021
2014-15	08-08-2015	98,820	06-09-2022
2018-19	09-08-2019	62,246	07-09-2026

All shareholders, whose dividend remains unpaid/ unclaimed, are requested to verify the same on the Company's website and lodge their claim to RTA by submitting an application in writing supported by a deed of indemnity immediately.

Market price data Annexure-A

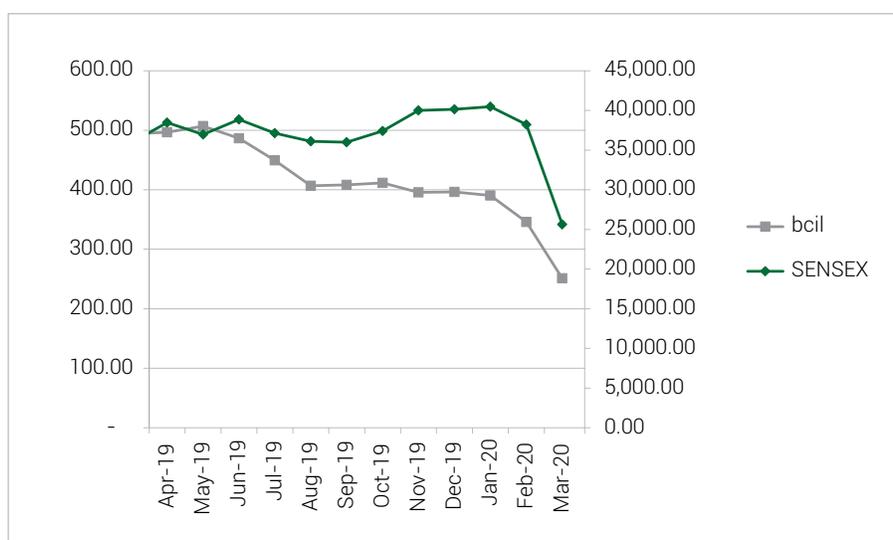
The monthly high and low price quotations of the company's shares at the Bombay Stock Exchange Limited during the period from 01st April, 2019 to 31st March, 2020

Month	High	Low	Close	Volume
April 2019	525.00	471.00	496.70	41,996
May 2019	540.00	465.00	506.95	57,328
June 2019	520.00	445.25	486.55	66,930
July 2019	484.00	417.00	449.55	68,281
August 2019	450.00	378.25	406.65	92,261
September 2019	438.90	351.10	408.20	1,78,872
October 2019	429.70	386.10	411.40	74,452
November 2019	430.00	381.25	395.55	87,638
December 2019	404.90	367.05	396.45	28,084
January 2020	405.00	351.15	390.45	71,753
February 2020	428.40	315.00	346.00	2,25,865
March 2020	378.40	192.10	251.10	6,81,035

Performance of the share price of the company in comparison to BSE SENSEX for the period 1st April, 2019 to 31st March, 2020 is given below:

Month	Close	BSE SENSEX Close	Relative index for Comparison purpose	
			BCIL Share	BSE SENSEX
April 2019	496.70	38,460.25	100.57	107.05
May 2019	506.95	36,956.10	102.64	102.86
June 2019	486.55	38,870.96	98.51	108.19
July 2019	449.55	37,128.26	91.02	103.34
August 2019	406.65	36,102.35	82.33	100.49
September 2019	408.20	35,987.80	82.65	100.17
October 2019	411.40	37,415.83	83.30	104.14
November 2019	395.55	40,014.23	80.09	111.38
December 2019	396.45	40,135.37	80.27	111.70
January 2020	390.45	40,476.55	79.05	112.66
February 2020	346.00	38,219.97	70.05	106.38
March 2020	251.10	25,638.90	50.84	71.36

Source: bseindia.com



Annexure-B

Distribution of shareholding as on 31st March, 2020

Sl. No.	Shareholding of nominal value	Number of shareholders	percentage of shareholders	Amount of shareholding (₹)	percentage of shares held
1	up to 5000	1499	78.94	17,22,040	2.07
2	5001-10000	140	7.37	11,13,530	1.34
3	10001-20000	88	4.63	12,92,290	1.56
4	20001-30000	39	2.05	10,22,350	1.23
5	30001-40000	15	0.79	53,02,080	0.64
6	40001-50000	31	1.63	14,57,500	1.75
7	50001-100000	32	1.69	24,83,510	2.99
8	Above 100000	55	2.90	7,34,73,700	88.42
	Total	1899	100.00	83,097,000	100.00

Details of Shareholding in physical mode and electronic mode as on 31st March, 2020

Sl.No	Description	No of shares	% of equity
1	Physical	8031	0.09
2	NSDL	57,35,760	69.02
3	CDSL	25,65,909	30.87
	Total	83,09,700	100.00

Categories of Shareholding as on 31st March 2020

Category	No. of shares held	No. of shareholders	% to Equity
Promoters & PAC	20,69,183	10	24.90
Body Corporate	22,45,915	60	27.03
Indian Public	36,90,958	1793	44.42
Non Resident Indian	86,150	28	1.04
Clearing Members	1,548	6	0.02
FPI	2,00,000	1	2.41
IEPF	15,946	1	0.19
Total	83,09,700	1,899	100.00

*49100 shares have been forfeited, hence not included in the total shareholding

Top ten equity shareholders of the Company as on March 31, 2020

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	S.Chandra Sekhar	12,87,300	15.49
2	Ratnabali Investment Private Limited	11,59,140	13.95
3	R.Venkata Narayana	6,08,087	7.32
4	Rajasthan Gum Private Limited	5,00,000	6.02
5	Mukul Mahavir Agarwal	4,25,178	5.12
6	Chetan Shantilal Shah	3,81,971	4.60
7	Siddarth Iyer	3,50,375	4.22
8	Dipesh Kantisen Shroff	2,37,760	2.86
9	Polus Global Fund	2,00,000	2.40
10	Angel Holdings Pvt Ltd	1,12,799	1.36

For and on behalf of the Board of Directors

Date: 23.06.2020
Place: Hyderabad

Sd/-
K.S. Raju
Chairman
(DIN: 00008177)

DECLARATION ON CODE OF CONDUCT

Pursuant to the schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. I hereby confirm that the company has received affirmations on compliance with code of conduct for the financial year ended 31st March, 2020 from all the Board Members and Senior Management Personnel.

For and on behalf of the Board

Place: Hyderabad
Date: 23.06.2020

Sd/-
S. Chandra Sekhar
Managing Director

THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

We, S. Chandra Sekhar, Managing Director and B.Krishna Mohan Rao, Chief Financial officer of Bhagiradha Chemicals & Industries Limited, to the best of our knowledge and belief, certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year under review and certify that:
 - i. These statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee that
 - i. There are no significant changes in internal control over financial reporting during the year
 - ii. There are no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - iii. There are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal controls system.

Place : Hyderabad
Date : 23.06.2020

Sd/-
S. Chandra Sekhar
Managing Director

Sd/-
B. Krishna Mohan Rao
Chief Financial Officer

PRACTICING CHARTERED ACCOUNTANT CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Bhagiradha Chemicals & Industries Limited

We have examined the compliance of the conditions of Corporate Governance by Bhagiradha Chemicals & Industries Limited ('the Company') for the year ended on March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2020.

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

For S. Singhvi & Co

Chartered Accountants
Firm Regi No.003872S

Sd/-

Shailendra Singhvi
Proprietor

M.No.023125

UDIN: 20023125AAAAA17606

Place: Hyderabad
Date: 23.06.2020

CERTIFICATE

*(Pursuant to Regulation 34(3) read with Schedule V of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

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

We have examined and verified the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Bhagiradha Chemicals and Industries Limited** (hereinafter referred to as the "Company") having its registered office at 8-2-269/S/3/A, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Telangana – 500034 and the information provided by the Company and its directors and also based on the information available at the websites of Ministry of Corporate Affairs (i.e. www.mca.gov.in) and Securities and Exchange Board of India (i.e. www.sebi.gov.in), we hereby certify that as on the date of this certificate, none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

For RPR & ASSOCIATES

Company Secretaries

Sd/-

Y Ravi Prasada Reddy

Proprietor

FCS No.5783, C P No. 5360

UDIN: F005783B000368035

Place: Hyderabad

Date: 23.06. 2020

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Bhagiradha Chemicals & Industries Limited

Opinion

We have audited the financial statements of **Bhagiradha Chemicals & Industries Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2020, and the statement of Profit and Loss (including other comprehensive income), cash flows statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, 2020, the profit and other 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 (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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.

Sl.No	Key Audit Matter	Auditor's Response
1	<p>Net Realisable value of Finished Goods</p> <p>Finished goods inventory are valued at lower of cost or net realizable value. Considering that there is always a volatility in the Selling price of the Agro-Chemicals, which is dependent upon various market conditions, determination of net realizable value for these chemicals involves significant management judgement and therefore has been considered as a key audit matter.</p> <p>The total value of finished goods (Agro chemicals) as at 31st March, 2020 is ₹ 25,42,20,025/- which is in accordance with the accounting policies referred to in Note no. 2.10(c).</p>	<ol style="list-style-type: none"> 1. Evaluated the design of internal controls relating to the management judgments and estimates relating to quantity, purity, fair value less costs to sell and also tested the operating effectiveness of the aforesaid controls. 2. Obtained an understanding of the significant management judgements applied in determination of the quantity, purity and their fair value and assessed and tested the reasonableness of these judgements. 3. Obtained the market information for the fair values and compare them with the rates considered by the management in determining the fair values. 4. Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholders' 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 or conclusion thereon.

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

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

Management's Responsibility for the 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, 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 are 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify

our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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.

Other Matters

On account of the COVID-19 related lockdown restrictions, management was able to perform year end physical verification of inventories, subsequent to the year end. Also, we were not able to physically observe the stock verification, carried out by management. But subsequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA-501 "Audit Evidence" – Specific Considerations for the selected items" and have obtained sufficient appropriate

audit evidence to issue our unmodified opinion on the financial results.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss 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 Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 31st March, 2020.

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

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI
UDIN No. : 20023125AAAAAG5767

Place: Hyderabad
Date: 23-06-2020

ANNEXURE "A" TO THE AUDITOR'S REPORT

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

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. All the Fixed assets have been physically verified by the management during the year according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. As per the documents verified by us and explanation given to us, the Title Deeds of immovable properties are held in the name of the company.
- ii). The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). The company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iia),(ii b) and (ii c) of Paragraph 3 of the Order are not applicable.
- iv) According to the information and explanations given to us, the Company has not granted any loans, guarantees and security and made investments, as per section 185 & 186 of the Companies Act, 2013
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) The Company has maintained cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, IncomeTax, Custom Duty, Goods & Service Tax, Cess and any other material Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.
- b. According to the information & explanations given to us, there are no dues in respect of disputed amount to be deposited in respect of Custom Duty, Goods and Service Tax, Cess and other material Statutory dues as on 31st March,2020.

- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to the financial institutions, banks, government or dues to debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, the company has not raised money by way of term loans or initial public offer or further public offer (including debt instruments) and hence reporting under clause (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.
- xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, reporting requirement under paragraph 3(xiv) of the Order are not applicable to the company.
- xv) According to the information and explanations given to us, the company has not entered into Non Cash Transactions with directors or persons connected with him during the year.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India.

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

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI
UDIN No. : 20023125AAAAG5767

Place: Hyderabad
Date: 23-06-2020

Annexure “B” to the Independent Auditor's Report of even date on the Financial Statements of Bhagiradha Chemicals & Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of

Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Bhagiradha Chemicals & Industries Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (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, 2020, 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. : 20023125AAAAAG5767**

**Place: Hyderabad
Date: 23-06-2020**

BALANCE SHEET

AS AT 31ST MARCH, 2020

(in ₹)

PARTICULARS	NOTE	AS AT 31-03-2020	AS AT 31-03-2019
ASSETS			
Non-current assets			
Property, Plant & Equipment	3	1,382,362,705	1,058,143,727
Capital Work in Progress	4	31,045,526	33,852,552
Intangible Assets	5	464,521	728,787
Intangible Assets under development	6	5,128,076	4,578,076
Financial Assets			
Loans	7	22,442,624	21,404,125
Deposits & Others	8	4,750,816	8,295,115
Deferred tax assets (Net)	9	16,452,853	23,191,807
Other Non Current Assets	10	4,299,012	12,937,054
Total Non Current Assets		1,466,946,133	1,163,131,242
Current assets			
Inventories	11	562,541,183	575,144,461
Financial Assets			
Trade receivables	12	114,925,818	842,307,302
Cash and cash equivalents	13	27,489,321	23,056,811
Other bank balances	14	9,724,515	7,504,654
Deposits & Others	15	1,817,767	1,995,925
Current Tax Assets (Net)	16	1,533,815	255,014
Other Current Assets	17	67,667,990	122,814,736
Total Current Assets		785,700,409	1,573,078,903
Total Assets		2,252,646,541	2,736,210,145
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	18	83,342,500	83,342,500
Other Equity	19	1,239,107,069	1,197,629,527
Total Equity		1,322,449,569	1,280,972,027
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	20	74,271,938	66,649,059
Other Financial Liabilities	21	15,247,154	16,771,870
Provisions	22	9,648,490	570,417
Total Non Current Liabilities		99,167,582	83,991,346
Current Liabilities			
Financial Liabilities			
Borrowings	23	315,766,480	354,574,121
Trade payables	24	241,672,059	825,015,737
Other Financial Liabilities	25	269,988,611	171,792,920
Other current liabilities	26	3,602,240	4,853,158
Current Tax Liabilities	27	-	15,010,836
Total Current Liabilities		831,029,390	1,371,246,772
Total Liabilities		930,196,972	1,455,238,118
Total Equity & Liabilities		2,252,646,541	2,736,210,145
Summary of Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the standalone financial statements 3 to 50

As per our report of even date

For S Singhvi & Co.,

Chartered Accountants

Firm Regi. No.: 003872S

Shailendra Singhvi

Proprietor

Membership No. : 023125/ICAI

Place : Hyderabad

Date : 23.06.2020

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited

K S Raju

Chairman

DIN NO. 00008177

A Arvind Kumar

Chief Executive Officer

S Chandra Sekhar

Managing Director

DIN NO. 00159543

B Krishna Mohan Rao

Chief Financial Officer

B N Suvarchala

Company Secretary

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

(in ₹)

Sl. No	PARTICULARS	NOTE	For The Year Ended Mar 31, 2020	For The Year Ended Mar 31, 2019
I.	Income:			
	Revenue from Operations	28	2,456,677,543	3,839,824,372
	Other Income	29	16,744,044	5,940,931
	Total Revenue (I)		2,473,421,587	3,845,765,303
II	Expenses:			
	Cost of Materials Consumed	30	1,517,236,097	2,571,010,617
	Change in inventories of finished goods	31	78,841,819	185,572,088
	Employee benefits expense	32	188,935,196	158,371,881
	Financial costs	33	54,846,209	79,441,302
	Depreciation expense	3	66,601,877	48,211,610
	Other expenses	34	502,437,368	511,909,128
	Total Expenses (II)		2,408,898,566	3,554,516,626
III	Profit Before Exceptional Items and Tax (I-II)		64,523,021	291,248,677
	Exceptional Items	36	24,704,216	-
IV	Profit/(Loss) After Exceptional Items and Tax		89,227,237	291,248,677
V	Tax expense:			
	Current tax		14,071,085	52,733,749
	MAT Credit Entitlement		(14,071,085)	(52,733,749)
	Deferred tax charge/ (credit)		22,181,249	108,382,895
	Earlier years Tax		1,975,224	-
			24,156,473	108,382,895
VI	Profit/(Loss) for the period		65,070,765	182,865,783
	Other Comprehensive Income	38		
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
	Remeasurement on employees defined benefit plan		(4,928,863)	13,723,682
	Deferred tax credit on above		1,371,210	(3,996,336)
	Total other Comprehensive Income, net of tax		(3,557,653)	9,727,346
	Total Comprehensive Income, net of tax		61,513,112	192,593,129
	Earning per equity share of ₹ 10/- each fully paid:	39		
	Basic (₹)		7.83	22.53
	Diluted (₹)		7.83	22.01
	Summary of Significant Accounting Policies	1 to 2		

The accompanying notes are an integral part of the standalone financial statements 3 to 50

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 23.06.2020

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

B N Suvarchala
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 ST MARCH, 2020

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit Before Tax	89,227,237	291,248,677
Adjustments for :		
Depreciation	66,601,877	48,211,610
Loss on sale of fixed assets / Loss of fixed assets due to fire - Exceptional Items (net)	-	1,629,490
Interest Paid	41,917,327	58,154,347
Interest income & Notional Income	(3,823,443)	(3,808,070)
Provision for bad & Doubtful Debts	57,348	102,653
Exchange Differences on translation of assets & liabilities	(4,886,457)	9,864,117
Gratuity & Compensated absence	4,217,620	5,602,697
Operating profit before working capital changes	193,311,510	411,005,521
Adjustments for movement in working capital :		
(Increase)/Decrease in Inventories	12,603,279	391,588,820
(Increase)/Decrease in Trade Receivable	727,381,484	(486,562,920)
(Increase)/Decrease in Other Financial & Non Financial Assets	64,248,884	43,993,271
Increase/(Decrease) in Trade Payable	(583,343,678)	169,685,524
Increase/(Decrease) in Other Financial, non financial liabilities & provisions	99,569,267	(3,887,981)
Cash generated from operations	513,770,745	525,822,236
Direct taxes paid (Net of refund)	(32,170,126)	(37,168,336)
Net cash flow from operating activities (A)	481,600,619	488,653,900
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant & equipments, capital work in progress & capital advances	(388,299,563)	(378,203,089)
Proceeds from sale of property, plant & equipments	-	1,983,475
Interest received	2,298,727	2,283,354
Net cash flow used in investing activities (B)	(386,000,836)	(376,219,614)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of equity shares (including share premium)	-	70,047,000
Proceeds/(Repayment) of long term borrowings (Net)	7,622,880	(51,153,155)
Proceeds/(Repayment) of short term borrowings (Net)	(38,807,641)	(86,675,264)
Dividend Paid	(20,035,569)	(51,906)
Interest paid	(40,004,688)	(55,919,445)
Net cash used in financing activities (C)	(91,225,019)	(123,752,770)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	4,374,764	(11,318,483)
Cash and cash equivalents at the beginning of the year	22,876,605	34,195,088
cash and cash equivalents at end of the year	27,251,369	22,876,605

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

As per our report of even date

For S Singhvi & Co.,

Chartered Accountants

Firm Regi. No.: 003872S

Shailendra Singhvi

Proprietor

Membership No. : 023125/ICAI

Place : Hyderabad

Date : 23.06.2020

For and on behalf of the Board of Directors

Bhagiradha Chemicals & Industries Limited

K S Raju

Chairman

DIN NO. 00008177

A Arvind Kumar

Chief Executive Officer

S Chandra Sekhar

Managing Director

DIN NO. 00159543

B Krishna Mohan Rao

Chief Financial Officer

B N Suvarchala

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2020

a Equity Share Capital

PARTICULARS	As At 31.03.2020		As At 31.03.2019	
	Number of shares	Amount in ₹	Number of shares	Amount in ₹
As at April 01, 2019	8,309,700	83,097,000	7,793,700	77,937,000
Add: Forfeited Shares (amount originally paid up)	-	245,500	-	245,500
Add: Issued during the year	-	-	516,000	5,160,000
As at March 31, 2020	8,309,700	83,342,500	8,309,700	83,342,500

b Other Equity

(in ₹)

PARTICULARS	Security Premium Reserve	Share Warrants Reserve	General Reserve	Retained Earnings	Total
As at April 01, 2018	464,240,000	23,349,000	90,273,859	362,286,539	940,149,398
Add: Profit for the year	-	-	-	182,865,783	182,865,783
Add: Issued during the year	88,236,000	(23,349,000)	-	-	64,887,000
Add: Other Comprehensive Income for the year :					
Remeasurement of employees defined benefit plans	-	-	-	13,723,682	13,723,682
Deferred tax on above	-	-	-	(3,996,336)	(3,996,336)
As at March 31, 2019	552,476,000	-	90,273,859	554,879,668	1,197,629,527
As at April 01, 2019	552,476,000	-	90,273,859	554,879,668	1,197,629,527
Add: Profit for the year	-	-	-	65,070,765	65,070,765
Add: Issued during the year	-	-	-	-	-
Less : Equity Dividend (₹ 2/ per equity Share)				(16,619,400)	(16,619,400)
Less : Corporate Tax on Equity Dividend				(3,416,169)	(3,416,169)
Add: Other Comprehensive Income for the year :					
Remeasurement of employees defined benefit plans	-	-	-	(4,928,863)	(4,928,863)
Deferred tax on above	-	-	-	1,371,210	1,371,210
As at March 31, 2020	552,476,000	-	90,273,859	596,357,210	1,239,107,069

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 23.06.2020

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

B N Suvarchala
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. Overview of the Company

Bhagiradha Chemicals & Industries Limited was incorporated on 7th July, 1993 in Hyderabad (Telangana). The Company is a public limited company incorporated and domiciled in India and has its registered office at 8-2-269/3/A, Plot No 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad - 500 034 (TS). It is incorporated under the Companies Act and its shares are listed on the Bombay Stock Exchange. It has got its manufacturing facility in Ongole, Prakasam District of Andhra Pradesh and is engaged in manufacture of Agro Chemicals.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial Statements. 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 Accounting Principles (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 (Refer accounting policy on financial instruments)
- Defined benefit and other long term Employee Benefits.
- **Current versus non current classification:** All the assets and liabilities have been classified as current and non current as per the Company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

2.2 Uses of Estimates & judgments

The preparation of Financial Statements in conformity with the generally accepted accounting

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

2.3 Measurement of Fair Values

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

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

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

If the inputs used to measure the fair value of an asset or a liability falls into different levels of the fair

value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Property Plant and Equipment and Depreciation

- a) Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost includes taxes, duties, freight and other incidental expenses directly related to acquisition/construction and installation of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.
- b) Subsequent expenditure related to an item of fixed asset is added to its book value only, if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) Capital work-in-progress includes fixed assets not ready for their intended use and related incidental expenses and attributable interest.
- d) The estimated useful life of assets are as follows:

Building	30 - 60 Years
Plant and equipment	20 - 25 Years
Plant and equipment - R & D	10 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computer and data processing equipment	3 Years

- e) Depreciation on tangible fixed assets (property, plant and equipment) has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.
- f) Items of fixed assets that are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately under other current assets in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.
- g) An item of property, plant and equipment is eliminated from the financial statements on

disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal are recognised in the Statement of Profit and Loss.

2.5 Intangible Assets

- a) Intangible assets are stated at cost of acquisition less accumulated amortisation and accumulated impairment losses, if any.
- b) Subsequent expenditure related to an item of intangible assets is added to its book value, only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.
- c) In respect of Intangible fixed assets amortised on straight line basis - Technical know how @ 5.28 % p.a., computer software over a period of useful life of 3 years and product development expenses are to be amortised over a period of their useful life of 4 years.
- d) An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of fixed assets carried at cost are recognised in the Statement of Profit and Loss.

2.6 Impairment of Property, Plant and Equipment

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

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 Cost incurred (other than cost of fixed assets acquired) is charged as an expense in the year in which it is incurred and is reflected under the appropriate head of account.

2.9 Non Current Assets held for Sale

Non-current assets classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell.

Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held-for-sale they are no longer amortised or depreciated.

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 weighted average basis.
- c) Cost of Finished goods and work in progress: Cost includes cost of direct materials, labour and other related costs incurred in bringing the inventories to their present condition & location.
- d) Goods in transit are valued at cost which represents the cost incurred up to the stage at which the goods are in transit.

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 leases, with payments recognised as expenses in the statement of profit and loss on a straight line basis over the lease term.

Transition:

Effective April 1, 2019 company has to adopt Ind AS 116 "Leases". However company has applied the exemption not to recognize right to use assets and liabilities for leases with less than 12 months of lease terms on the date of initial application.

2.14 Revenue Recognition

- a) Sale of goods is recognized as revenue when the significant risks and rewards of ownership of the goods have been passed on to the buyer. Revenues are recognized when collectability of the resulting receivable is reasonably assured. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
- 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) Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of exports made.
- d) 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 provided using the liability method on temporary differences between

the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

c) Minimum Alternate Tax

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the statement of profit & loss and is considered as (MAT credit entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period. MAT credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.16 Employees Benefits

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.

I. 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 which 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 (LIC) and the contribution is charged to Statement of profit and loss, when the contribution to the Fund is due.

II. 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 comprises 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 and compensated absences scheme is funded with the Life Insurance Corporation of India (LIC). The short term provision for compensated absences has been calculated on undiscounted basis, based on the balance of leave available over and above the maximum accumulation allowed as per the company's policy.

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 relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2.20 Earnings per Shares

Basic EPS is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted EPS, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.21 Operating Cycles

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

2.22 Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's board of directors.

2.23 Financial Instruments

a) Financial Assets

i) Recognition and initial measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value through profit and loss. Financial assets carried at fair value through profit

or loss are initially recognised at fair value, and transaction costs are expensed in the statement of profit and loss.

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

ii) Subsequent measurement

Financial liabilities are classified and measured at amortised cost or FVTPL.

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

iii) Derecognition

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

iv) Setting off financial instruments

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

c) Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its interest rate risk. Such derivative financial instruments are initially recognised at fair value on the date on which a 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.

3. PROPERTY, PLANT & EQUIPMENT

(in ₹)

Particulars	Freehold land	Buildings	Plant and equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property, plant and equipment
Gross carrying value									
Balance as at April 01, 2018	7,601,317	161,035,348	901,061,777	94,054,341	2,691,974	3,910,109	3,191,689	6,316,249	1,179,862,804
Additions	19,581,600	23,763,254	278,374,106	19,628,505	688,212	722,280	495,503	-	343,253,461
Deductions / Adjustments	-	-	5,328,327	-	-	-	-	-	5,328,327
Balance as at March 31, 2019	27,182,917	184,798,602	1,174,107,557	113,682,846	3,380,186	4,632,389	3,687,192	6,316,249	1,517,787,938
Accumulated Depreciation									
Opening Accumulated depreciation	-	42,746,628	300,746,146	56,334,211	2,329,100	3,316,471	2,586,621	5,362,596	413,421,773
Depreciation charge during the year	-	4,822,320	35,652,778	6,706,992	51,826	221,331	129,644	352,909	47,937,800
Disposal/Adjustments	-	-	1,715,362	-	-	-	-	-	1,715,362
Closing Accumulated depreciation	-	47,568,948	334,683,562	63,041,203	2,380,926	3,537,802	2,716,265	5,715,505	459,644,211
Net Carrying amount as at 31.03.2019	27,182,917	137,229,654	839,423,994	50,641,644	999,260	1,094,587	970,927	600,744	1,058,143,727
Gross carrying value									
Balance as at April 01, 2019	27,182,917	184,798,602	1,174,107,557	113,682,846	3,380,186	4,632,389	3,687,192	6,316,249	1,517,787,938
Additions	19,405,070	14,714,957	317,431,943	35,685,726	465,625	832,886	1,215,012	805,371	390,556,589
Deductions / Adjustments	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	46,587,987	199,513,559	1,491,539,499	149,368,572	3,845,811	5,465,275	4,902,204	7,121,620	1,908,344,527
Accumulated Depreciation									
Opening Accumulated depreciation	-	47,568,948	334,683,562	63,041,203	2,380,926	3,537,802	2,716,265	5,715,505	459,644,211
Depreciation charge during the year	-	5,764,426	49,593,239	9,438,830	145,282	402,065	565,054	428,715	66,337,611
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation	-	53,333,374	384,276,801	72,480,033	2,526,208	3,939,867	3,281,319	6,144,220	525,981,822
Net Carrying amount as at 31.03.2020	46,587,987	146,180,185	1,107,262,698	76,888,539	1,319,603	1,525,408	1,620,885	977,400	1,382,362,705

4. CAPITAL WORK IN PROGRESS (Assets under installation)

(in ₹)

Particulars	Buildings	Plant and equipment	Electrical Installations	Preoperative Expenses	Total Capital Work in progress
As at April 01, 2018	-	-	-	-	-
Additions	27,374,604	308,615,308	-	-	335,999,912
Deductions / Capitalised	23,763,254	278,374,106	-	-	302,137,360
As at March 31, 2019	3,611,350	30,241,202	-	-	33,852,552
As at April 01, 2019	3,611,350	30,241,202	-	-	33,852,552
Additions	11,103,607	347,567,213	-	-	358,670,820
Deductions / Capitalised	14,714,957	346,762,889	-	-	361,477,846
As at March 31, 2020	-	31,045,526	-	-	31,045,526

5. INTANGIBLE ASSETS

(in ₹)

Particulars	Computer Software Purchased	Technical Know How	Product Registration	Total Intangible Assets
Gross carrying value				
Balance as at April 01, 2018	178,715	4,070,000	-	4,248,715
Additions	-	-	914,800	914,800
Disposals	-	-	-	-
As at March 31, 2019	178,715	4,070,000	914,800	5,163,515
Amortisation				
As at April 01, 2018	90,918	4,070,000	-	4,160,918
Charge for the year	45,110	-	228,700	273,810
Disposal	-	-	-	-
As at March 31, 2019	136,028	4,070,000	228,700	4,434,728
Net Carrying amount as at 31.03.2019	42,687	-	686,100	728,787
Gross carrying value				
Balance as at April 01, 2019	178,715	4,070,000	914,800	5,163,515
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2020	178,715	4,070,000	914,800	5,163,515
Amortisation				
As at April 01, 2019	136,028	4,070,000	228,700	4,434,728
Charge for the year	35,566	-	228,700	264,266
Disposal	-	-	-	-
As at March 31, 2020	171,594	4,070,000	457,400	4,698,994
Net Carrying amount as at 31.03.2020	7,121	-	457,400	464,521

6. INTANGIBLE ASSETS UNDER DEVELOPMENT

(in ₹)

Intangible Assets under development	Product Registration	Total Capital Work in progress
As at April 01, 2018	4,395,800	4,395,800
Additions	1,097,076	1,097,076
Deductions	914,800	914,800
As at March 31, 2019	4,578,076	4,578,076
As at April 01, 2019	4,578,076	4,578,076
Additions	550,000	550,000
Deductions	-	-
As at March 31, 2020	5,128,076	5,128,076

7. FINANCIAL ASSETS - LOANS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Non Current		
(Unsecured-considered good unless otherwise stated)		
Security Deposit	22,442,624	21,404,125
Total	22,442,624	21,404,125

8. OTHER FINANCIAL ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Non Current		
Balances with Banks:		
On term deposits with original maturity of more than 12 months	3,507,247	6,616,484
Interest accrued on deposits	1,243,569	1,678,631
Total	4,750,816	8,295,115

9. DEFERRED TAX ASSETS (NET)

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Deferred tax assets relating to:		
Unused tax losses/depreciation	57,295,065	47,827,481
Expenses allowable on payment basis	5,371,513	4,394,347
Relating to Ind AS adjustments	-	-
Total deferred tax assets	62,666,577	52,221,828
Deferred tax liabilities relating to:		
Accumulated depreciation for tax purposes	134,210,920	101,406,514
Relating to Ind AS adjustments	3,801,049	5,350,666
Total deferred tax liabilities	138,011,969	106,757,180
Deferred tax assets (Net)	(75,345,392)	(54,535,353)
Add: MAT credit entitlement	91,798,244	77,727,159
Total deferred tax assets (net)	16,452,853	23,191,807

9.1 DEFERRED TAX ASSETS/(LIABILITIES)

a) For the year ended March 31, 2020

(in ₹)

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(101,406,515)	(32,804,406)	-	(134,210,920)
MAT credit Entitlement	77,727,159	14,071,085	-	91,798,244
Unused tax losses/depreciation	47,827,481	9,467,584	-	57,295,065
Expenses allowed on payment basis	4,394,347	977,166	-	5,371,512
Other items giving rise to temporary differences	(5,350,666)	178,408	1,371,210	(3,801,049)
	23,191,807	(8,110,163)	1,371,210	16,452,853

b) For the year ended March 31, 2019

(in ₹)

PARTICULARS	Opening Balance	Recognised In Profit & Loss	Recognised In Other Comprehensive Income	Closing Balance
Accelerated depreciation for tax purpose	(62,372,415)	(39,034,100)	-	(101,406,515)
MAT credit Entitlement	25,011,819	52,715,340	-	77,727,159
Unused tax losses/depreciation	117,876,935	(70,049,454)	-	47,827,481
Expenses allowed on payment basis	3,675,279	719,068	-	4,394,347
Other items giving rise to temporary differences	(1,354,330)	-	(3,996,336)	(5,350,666)
	82,837,288	(55,649,145)	(3,996,336)	23,191,807

9.2 Note on virtual certainty

The Company has accounted for deferred tax assets (net) of ₹ 1,64,52,853/- (March 31, 2019 ₹ 2,31,91,807/). Based on the past experience and future estimates, Management is of the opinion that there is a certainty with convincing evidence that there would be sufficient future taxable income against which the carried forward business loss and unabsorbed depreciation can be set-off and hence management has recognised deferred tax assets in respect of carried forward business loss and unabsorbed depreciation and MAT credit entitlement.

10. OTHER NON CURRENT ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Unsecured - considered good unless otherwise stated		
Capital Advances	4,299,012	12,937,054
Total	4,299,012	12,937,054

11. INVENTORIES

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Cost or net realisable value whichever is lower		
Raw Material	181,960,347	130,571,128
Raw Material in bonded ware house	3,176,558	6,549,330
Work in progress	89,494,277	120,972,227
Finished Goods	254,220,025	301,583,894
Packing Materials	1,663,059	2,799,685
Coal & Fuel	29,746,079	10,019,254
Stores, spares & consumables	2,280,838	2,648,943
Total	562,541,183	575,144,461

12. TRADE RECEIVABLE

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Unsecured - Considered good	114,925,818	842,307,302
Unsecured - Considered doubtful	57,348	102,653
	114,983,166	842,409,955
Less: Bad debts Written off	57,348	102,653
Total	114,925,818	842,307,302

12.1 No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor from firms or Private companies in which a director is interested.

13. CASH & CASH EQUIVALENTS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Balances with banks in current accounts	24,055,524	21,068,621
Balances with banks in EEFC accounts	592,897	845,829
Balances with banks in unclaimed dividend accounts	237,952	180,206
Deposits with original maturity of less than three months	2,433,547	715,058
Cash in hand	169,401	247,097
Total	27,489,321	23,056,811

14. OTHER BANK BALANCES

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Deposits with original maturity of more than 3 months but less than 12 months	9,724,515	7,504,654
Total	9,724,515	7,504,654

15. FINANCIAL ASSETS - DEPOSITS & OTHERS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Current (Unsecured - considered good unless otherwise stated)		
Advances recoverable in cash	737,700	737,700
Insurance claim receivable	-	16,128
Accrued Interest	1,080,067	1,242,097
Total	1,817,767	1,995,925

16. CURRENT TAX ASSETS (NET)

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Income tax paid (Net of provision)	1,533,815	255,014
Total	1,533,815	255,014

17. OTHER CURRENT ASSETS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Current (Unsecured - considered good unless otherwise stated)		
Advances recoverable in kind	11,039,915	13,005,666
Payable towards expenses	1,496,548	2,165,588
Prepaid Expenses	2,830,593	3,255,638
Balance with statutory/Government Authorities	52,300,935	104,387,844
Total	67,667,990	122,814,736

18 EQUITY SHARE CAPITAL

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Authorised		
10,000,000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
Total	100,000,000	100,000,000
Issued & Subscribed		
83,58,800 Equity Shares of ₹ 10/- each,		
Fully Paid up	83,588,000	83,588,000
	83,588,000	83,588,000
Paid up		
83,09,700 (Previous Year 83,09,700) Equity Shares of ₹ 10/- each with Voting Rights		
Fully Paid up	83,097,000	83,097,000
Less: Forfeited shares (amount originally paid up)	245,500	245,500
Total	83,342,500	83,342,500

18.1 RECONCILIATION OF NUMBER OF SHARES:

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Number of Equity Shares at the beginning of the year	8,309,700	7,793,700
Add: Number of shares issued during the year	-	516,000
Number of Equity Shares at the end of the year	8,309,700	8,309,700

18.2 Allotment of Shares

In the year 2017-18, the Company has allotted 5,16,000 equity shares of ₹ 10/- each at a price of ₹ 181/- (including premium of ₹ 171/- per share) by way of conversion on 14/08/2018 of share warrants into share capital as per the terms of issue of share warrants. The purpose of issue is to expand its operations and to meet the working capital and corporate requirements of the Company.

18.3 RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share at the general meetings of the Company. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

18.4.DETAILS OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES

PARTICULARS	AS AT 31-03-2020		AS AT 31-03-2019	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity shares of ₹ 10/- each held by:				
S Chandra Sekhar	1,287,300	15.49%	1,287,300	15.49%
Ratnabali Investment Private Limited	1,159,140	13.95%	1,125,000	13.54%
R Venkata Narayana	608,087	7.32%	600,000	7.22%
Rajasthan Gum Private Limited	500,000	6.02%	-	-
Mukul Mahavir Agarwal	425,178	5.12%	500,000	6.02%
IL And FS Securities Services Limited	-	-	500,750	6.03%

18.5 The Company has not allotted any equity shares as fully paid up without receiving cash or as bonus shares or bought back any equity shares.

18.6 Proposed Dividend

The Board of Directors has not recommended payment of any Dividend for the financial year ended March 31, 2020 (March 31, 2019 ₹ 2 per share).

19. OTHER EQUITY

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Share Warrants		
Opening Balance	-	23,349,000
Add: amount received on issue of share warrants	-	-
Less: conversion of share warrants into share capital	-	23,349,000
	-	-
Securities Premium		
Opening Balance	552,476,000	464,240,000
Add: received on shares issued during the year	-	88,236,000
Less: Utilised during the year	-	-
	552,476,000	552,476,000
General Reserve		
Opening Balance	90,273,859	90,273,859
Surplus in the Statement of Profit & Loss		
Opening Balance	554,879,668	362,286,539
Less : Equity Dividend (₹ 2/ per equity Share)	16,619,400	-
Less : Corporate Tax on Equity Dividend	3,416,169	-
Add: Profit for the year	65,070,765	182,865,783
Other Comprehensive Income net of tax	(3,557,653)	9,727,346
Closing Balance	596,357,210	554,879,668
Total	1,239,107,069	1,197,629,527

19.1 Securities Premium Reserve

Securities premium is on account of issue of shares by conversion of share warrants during the previous year.

20. FINANCIAL LIABILITIES - BORROWINGS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Non Current Borrowings		
Term Loan (Secured)		
From Bank of India	54,138,334	99,990,731
Other Loans		
Sales tax deferment (Unsecured)	16,748,933	19,126,390
Loan from Intercorporates	1,543,643	-
Loan from directors	40,530,460	-
	112,961,371	119,117,122
Current Maturities of non current borrowings		
Term Loan (Secured)		
From Bank of India	31,794,868	43,750,000
Other Loans		
Sales tax deferment (Unsecured)	5,615,611	8,718,063
Loan from Intercorporates	48,493	-
Loan from directors	1,230,460	-
	38,689,432	52,468,063
Total	74,271,938	66,649,059

20.1 Details of Indian Rupee Term Loan from banks are as under:

(in ₹)

Bank of India	Outstanding as on 31.03.2020	Outstanding as on 31.03.2019	Sanction Amount	Number of Installments	Commencement of Installments	Effective Interest Rate
Term Loan	13,044,868	39,425,249	10,00,00,000	20 Structured stepped up quarterly installments First 4 - 0.25 Cr. each, next 12 - 0.50 Cr. Each & last 4 - 0.75 Cr. Each	December 2015	As on 31.03.2020 MCLR of 8.20% plus spread 3.50% p.a. (March 31, 2019: MCLR of 8.60 plus spread 3.50%)
Term Loan	41,093,466	60,565,482	7,50,00,000	16 Quarterly installments of 0.4687 Cr. Each	October 2018	As on 31.03.2020 MCLR of 8.20% plus spread 3.50% p.a. (March 31, 2019: MCLR of 8.60 plus spread 3.50%)

20.2 All Term loans are secured by exclusive first charge on fixed assets created out of the term loans extended by the term lender, Bank Of India and second charge, on the remaining fixed assets of the company (both present & future) by way of hypothecation of movable fixed assets and also equitable mortgage of immovable fixed assets of the Company and personal guarantee of Sri S Chandra Sekhar, Managing Director of the Company & Smt. S Lalitha Sree, Director of the Company.

20.3 Government of Andhra Pradesh vide letter No.20/2/6/1369/ID dated 08-10-1996 and letter No.30/1/2002/0300/0300/ FD dated 10-04-2002 had sanctioned sales tax deferment for an amount of ₹9,18,54,000/- and ₹5,14,50,510/- respectively for a period of 14 years to the Company in respect of Chlorpyrifos plant. The sanction of ₹ 9,18,54,000/- under letter No.20/2/6/1369/ID dated 08-10-1996 has expired its utilization on 28th February, 2010 and sanction of ₹ 5,14,50,510/- under letter No.30/1/2002/0300/0300/FD dated 10-04-2002 has expired its utilisation on 14th February, 2016. The Company has availed an aggregate deferment loan of ₹ 5,63,16,735/- under the above sanctions. The repayment has commenced and an amount of ₹ 2,66,70,167/- has been paid.

21. OTHER FINANCIAL LIABILITIES

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Other non current liabilities		
Deferred income on government grants	15,247,154	16,771,870
Total	15,247,154	16,771,870

22. PROVISIONS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Non current provisions		
For Gratuity & Compensated Absence	9,648,490	570,417
Total	9,648,490	570,417

23. FINANCIAL LIABILITIES - BORROWINGS

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Current Borrowings		
Working capital loans (Secured)		
From State Bank of India - 1	162,745,222	165,904,881
From IDFC First Bank Ltd - 1	114,434,230	163,467,527
From IDFC First Bank Ltd - 2	-	25,201,712
Bill discounting facilities from banks (Unsecured)		
From Shinhan Bank	10,321,288	-
From RBL Bank Ltd (Foreign Bill Discounting)	23,189,040	-
HDFC PGSI CARD	5,076,700	-
Total	315,766,480	354,574,121

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

(in ₹)

Name of the Bank	Balance		Effective Interest Rate	
	AS AT 31-03-2020	AS AT 31-03-2019	AS AT 31-03-2020	AS AT 31-03-2019
Loans repayable on demand - Secured				
From State Bank of India - 1	162,745,222	165,904,881	9.80%	10.30%
From IDFC First Bank Ltd - 1	114,434,230	163,467,527	10.00%	9.95%
From IDFC First Bank Ltd - 2	-	25,201,712	-	9.55%
Loans repayable on demand - Unsecured				
From Shinhan Bank	10,321,288	-	ILC - 7.70% FLC - 2.40%	-
From RBL Bank Ltd (Foreign Bill Discounting)	23,189,040	-	5.11%	-
HDFC PGSI CARD	5,076,700	-	10.30%	-

23.2 Working Capital Facilities :

Working capital facilities extended by State Bank of India and IDFC First Bank Ltd are secured as mentioned below.

i) Primary Security:

Pari Passu first charge on current assets of the Company is available to State Bank Of India & IDFC First Bank Ltd.

ii) Collateral Security :

Paripassu first charge on movable fixed assets of the Company (both present and future) except vehicles and assets created out of term loans from Bank of India and equitable mortgage of the company's factory land and buildings in an extent of 33.11 acres situated at Cheruvukommupalem, Ongole and on the Company's agricultural land to the extent of 6.52 acres situated at Cheruvukommupalem, Ongole.

Pari Passu Second charge is available to SBI & IDFC First Bank Ltd by way of hypothecation on the movable fixed assets of the Company financed by Bank of India.

Personal Guarantee of Sri. S Chandra Sekhar, Managing Director and Smt. S Lalitha Sree Director of the Company.

24 TRADE PAYABLE

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Unsecured-considered good:		
Outstanding due to Micro, small & medium enterprises	994,150	13,976,924
Others	240,677,909	811,038,813
Total	241,672,059	825,015,737

24.1 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	994,150	13,976,924
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.	-	-
Total	994,150	13,976,924

24.2 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 2020 has been made in the financial statements based on information received and available with the Company.**25. OTHER FINANCIAL LIABILITIES**

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Current Maturities of long term debts		
Term Loan (Secured)		
From Bank of India	31,794,868	43,750,000
Other Loans		
Sales tax deferment (Unsecured)	5,615,611	8,718,063
Loan from Intercorporates	48,493	-
Loan from directors	1,230,460	-
Capital Creditors	219,833,018	109,140,351
Deferred income on government grants	1,524,716	1,524,716
Unpaid dividends	237,952	180,206
Other Payables - Expenses	9,703,493	8,479,584
Total	269,988,611	171,792,920

25.1 Unpaid dividends will be credited to investors education and protection fund as and when due.

26. OTHER CURRENT LIABILITIES

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Advance from Customers	-	1,569,818
Statutory Dues	3,602,240	3,283,340
Total	3,602,240	4,853,158

27. CURRENT TAX LIABILITIES

(in ₹)

PARTICULARS	AS AT 31-03-2020	AS AT 31-03-2019
Provision for Income tax (Net of Advance tax and TDS)	-	15,010,836
Total	-	15,010,836

28. REVENUE FROM OPERATIONS

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Sale of products		
Manufactured products - Domestic	996,472,194	1,851,625,357
Manufactured products - Export	1,355,734,295	1,961,114,858
Traded Goods - Export	64,115,467	-
Sale of Services		
Export Incentives	40,355,587	27,084,157
Total Revenue from operations	2,456,677,543	3,839,824,372

28.1 Export and other incentives have been recognized in the form of duty credit scrip upon sale of exports under Merchandise Exports from India scheme under Foreign Trade Policy of India.

29. OTHER INCOME

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Interest Income on		
Deposits and Margin money held	2,298,727	2,283,354
Gain on foreign currency transactions & translations	4,886,457	-
Government Grant amortised	1,524,716	1,524,716
Miscellaneous Income	8,034,144	2,132,861
Total	16,744,044	5,940,931

30. COST OF MATERIAL CONSUMED

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Raw Material Consumption		
Opening Stock	130,571,128	325,431,582
Add: Purchases	1,472,443,408	2,345,088,835
	1,603,014,536	2,670,520,417
Less: Closing Stock	181,960,347	130,571,128
	1,421,054,189	2,539,949,289
Trading Goods Purchases	72,307,585	-
Packing Material Consumption		
Opening Stock	2,799,685	2,133,848
Add: Purchases	22,737,697	31,727,165
	25,537,382	33,861,013
Less: Closing Stock	1,663,059	2,799,685
	23,874,323	31,061,328
Total	1,517,236,097	2,571,010,617

31. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Opening Stock of inventories		
Work-In-Progress	120,972,227	80,512,784
Finished goods	301,583,894	527,615,425
	422,556,121	608,128,209
Closing Stock of inventories		
Work-In-Progress	89,494,277	120,972,227
Finished goods	254,220,025	301,583,894
	343,714,302	422,556,121
Increase/(Decrease) in inventories of finished goods and work-in-progress	78,841,819	185,572,088

32. EMPLOYEE BENEFITS EXPENSES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Salaries & Wages	150,912,223	124,965,355
Directors' Remuneration & Commission	10,702,123	5,428,658
CEO Commission	650,708	-
Contribution to provident fund & other funds	10,689,019	9,747,656
Gratuity Expenses	2,471,650	1,848,745
Compensated absence	1,745,970	3,753,952
Staff Welfare Expenses	11,763,503	12,627,515
Total	188,935,196	158,371,881

33. FINANCE COST

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Interest on term loan	9,853,728	16,357,434
Interest on working capital loan	19,874,101	23,426,104
Interest to others	10,276,860	16,135,908
Interest on financial liabilities recognised on amortised cost	1,912,639	2,234,902
Bank Charges & Processing Fee	6,318,104	6,062,558
Cash Discount	6,610,778	5,360,280
Net Loss on foreign currency transaction & translations	-	9,864,117
Total	54,846,209	79,441,302

34. OTHER EXPENSES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Manufacturing Expenses		
Consumption of stores, spares & consumables	73,252,206	42,458,198
Power and Fuel	181,748,493	260,432,534
Insurance	13,920,601	7,683,590
Effluent treatment expenses	36,540,975	60,040,750
Freight Inwards	670,004	1,229,494
Water Transport Charges	6,615,000	6,003,000
Factory maintenance	14,941,289	16,520,364
Repairs & maintenance		
Plant and machinery	19,287,150	11,691,638
Buildings	16,537,076	8,014,050
Others	1,467,371	668,285
Testing and Lab charges	399,108	1,398,010
	365,379,273	416,139,913
Administration, Selling and Other Expenses		
Rent	1,800,000	1,800,000
Rates and taxes	2,027,829	1,938,479
Research & Development expenses	11,514,922	8,690,940
Printing and stationery	1,406,937	1,109,199
Consultancy and other professional charges	11,048,258	8,809,213
Remuneration to auditors		
- Audit Fee	600,000	600,000
- Other services	-	-
- Out of pocket expenses	-	-
Tax audit fee	100,000	50,000
Remuneration to cost auditors	100,000	75,000
Remuneration to Internal Auditors	200,000	200,000
Travelling and conveyance	3,169,278	3,896,531
Communication expenses	1,345,152	1,262,364
Vehicle Maintenance	3,396,713	3,635,658
Other selling expenses	84,967,972	52,424,961
Miscellaneous Expenses	15,381,034	11,276,870
	137,058,095	95,769,215
Total	502,437,368	511,909,128

35. Details of Expenses on Corporate Social Responsibility Activities

As Per section 135 of the Companies Act, 2013, amount required to be spent by the Company during the year ended March 31, 2020 is ₹ 17,34,872/- Computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate Social Responsibility (CSR). The Company spent an amount of ₹ 20,84,224/- against this obligation for promotion of Healthcare and Environmental Sustainability.

36. Exceptional Item - Insurance Claim :

During the course of operations, a fire accident occurred in one of the production blocks on 20-05-2017. Part of the Civil structures, Plant and Electrical Equipment worth ₹ 9.71 crores got damaged. The Company has lodged a claim under the reinstatement policy for ₹ 12.41 crores towards the damages and the insurance company has paid ₹ 5.18 crores on adhoc basis in the year 2017-18. The Company has accounted loss as per Ind AS 16, ("Property, Plant and Equipment") Ind AS 36 ("Impairment of Assets"), net of adhoc amount released by the insurance company. An amount of ₹ 0.65 crores has been received by the Company through the sale proceeds of salvage material in the year 2019-20. Further, a claim amount of ₹ 1.82 crores has been settled by the insurer and received by the Company on 22-01-2020 against its claim under consequential loss policy. The claim under the reinstatement policy for Civil structures, Plant and Electrical Equipment is pending with the insurance Company for final settlement.

37. TAXES

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
a. Income Tax Expense recognised in the Statement of Profit & Loss:		
Current Tax	14,071,085	52,733,749
Adjustment for MAT	(14,071,085)	(52,733,749)
Deferred tax Charge/(Credit)	22,181,249	108,382,895
Earlier years Tax	1,975,224	-
Total Income tax Expenses recognised in statement of profit & loss	24,156,473	108,382,895
Net (gain)/ loss on Measurement of Defined Benefit plan net of Deferred tax Charged/(Credit) to OCI	(3,557,653)	9,727,346
b. Reconciliation of effective tax rate:		
Profit before tax (A)	89,227,237	291,248,677
Enacted tax rate in India (B)	27.82%	29.12%
Expected Tax Expenses (C=A*B)	24,823,017	84,811,615
Adjustments for permanent difference:		
Weighted deduction U/s 35 (2AB) under the Income Tax Act,1961	(9,756,053)	(5,351,729)
Expenses not deductible for tax purpose	4,603,870	5,005,517
Tax due to change in tax rate	(3,756,821)	(2,270,242)
Others	(1,000,555)	83,561,782
Total	(2,395,918)	80,945,329
Profit after adjusting permanent difference	86,831,319	372,194,006
Expected Tax expenses	24,156,473	108,382,895
Total Tax expense	24,156,473	108,382,895

38. Other Comprehensive Income (OCI)

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

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Retained Earnings:		
Remeasurement costs on net defined benefit liability	(4,928,863)	13,723,682
Deferred tax effect on remeasurement costs on net defined benefit liability	1,371,210	(3,996,336)
Total	(3,557,653)	9,727,346

39. EARNINGS PER SHARES

39.1 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.

39.2 The Basic and diluted EPS per share is given hereunder

(in ₹)

PARTICULARS		FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
Profit / (Loss) as per Profit and Loss Account	₹	65,070,765	182,865,783
Net Profit / (Loss) attributable to Equity Share holders	₹	65,070,765	182,865,783
Equity Shares outstanding at the beginning of the year	Nos.	8,309,700	7,793,700
Equity Shares outstanding at the close of the year	Nos.	8,309,700	8,309,700
Weighted average No of equity shares in computing basic EPS	Nos.	8,309,700	8,117,437
Add : Share Warrants	Nos.	-	192,263
Weighted Average number of Equity Shares in computing diluted earnings per share *	Nos.	8,309,700	8,309,700
Face value of each equity share	₹	10	10
Earnings per share			
- Basic (₹)	₹	7.83	22.53
- Diluted (₹)	₹	7.83	22.01

40. Employee benefits

40.1 Gratuity

Defined Benefit Plans

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

(in ₹)

PARTICULARS	March 31, 2020	March 31, 2019
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	2,486,856	2,002,723
Interest cost	(15,206)	(153,978)
Expected return on plan assets	-	-

PARTICULARS	March 31, 2020	March 31, 2019
Net actuarial(gain) / loss recognised in the period/ year	1,256,731	1,593,372
Benefits paid	128,698	(1,406,777)
Net employee benefit expenses	3,857,079	2,035,340
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	25,710,706	19,070,505
Fair value of plan assets	20,252,013	19,269,274
	5,458,693	(198,769)
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	19,070,505	15,497,475
Current service cost	2,486,856	2,002,723
Interest cost	1,445,533	1,171,075
Benefits paid	(349,302)	(1,718,077)
Remeasurement due to financial assumptions	1,800,383	523,937
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	1,256,731	1,593,372
Closing defined benefit obligation	25,710,706	19,070,505
D) Change in the fair value of plan assets		
Opening fair value of plan assets	19,269,275	18,104,452
Interest Income on Planned assets	1,460,739	1,325,053
Contributions	-	151,070
Benefits paid	(349,302)	(1,718,077)
Actuarial gain/(loss) on plan assets	(128,698)	1,406,777
Closing fair value of plan assets	20,252,014	19,269,275
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
E) Remeasurement adjustments:		
Experience loss/ (gain) on plan liabilities	1,256,731	1,593,372
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	1,256,731	1,593,372
i) The principal assumptions used in determining gratuity for the Company's plans are shown below:		
Discount rate	6.75%	7.65%
Expected rate of return on assets	0.00%	0.00%
Salary rise	4.00%	4.00%
Attrition Rate	3.00%	3.00%
The estimates of future salary increases considered in the actuarial valuation, take in to account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
ii) The overall expected rate of return on assets is determined based on the actual rate of return during the current year.		
Amounts for the current and previous year are as follows:		
Defined benefit obligation	25,710,706	19,070,505
Plan assets	20,252,014	19,269,275
Surplus / (deficit)	5,458,692	(198,770)

40.2 Leave Encashment

Defined Benefit Plans

(in ₹)

PARTICULARS	March 31, 2020	March 31, 2019
A) Net employee benefit expense (recognised in Employee benefits expenses)		
Current service cost	1,689,744	3,679,781
Interest cost	994,070	972,670
Expected return on plan assets	-	-
Net actuarial(gain) / loss recognised in the period/ year	584,669	(3,687,825)
Benefits paid	220,539	(587,330)
Net employee benefit expenses	3,489,022	377,296
Actual return on plan asset	-	-
B) Amount recognised in the Balance Sheet		
Defined benefit obligation	17,153,289	13,177,850
Fair value of plan assets	12,963,491	12,408,663
	4,189,798	769,187
C) Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	13,177,851	12,428,222
Current service cost	1,689,744	3,679,781
Interest cost	994,070	972,670
Benefits paid	(366,935)	(539,691)
Remeasurement due to financial assumptions	1,073,890	324,694
Net Actuarial (gains) / losses on obligation for the year recognised under OCI	584,669	(3,687,825)
Closing defined benefit obligation	17,153,289	13,177,851
D) Change in the fair value of plan assets		
Opening fair value of plan assets	12,408,663	11,993,529
Expected return on plan assets	(84,493)	13,525
Contributions	1,006,255	941,300
Benefits paid	(366,934)	(539,691)
Actuarial gain/(loss) on plan assets	-	-
Closing fair value of plan assets	12,963,491	12,408,663
The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investments with Life Insurance Corporation of India	100.00%	100.00%
E) Remeasurement adjustments:		
Experience loss/ (gain) on plan liabilities	584,669	(3,687,825)
Experience loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
Remeasurement gains/(losses) recognised in other comprehensive income:	584,669	(3,687,825)

- i) The principal assumptions used in determining Leave Encashment for the Company's plans are shown below:

Discount rate	6.75%	7.65%
Expected rate of return on assets	0.00%	0.00%
Salary rise	4.00%	4.00%
Attrition Rate	3.00%	3.00%

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

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

40.3 Defined Contribution Plan

(in ₹)

PARTICULARS	March 31, 2020	March 31, 2019
Contribution to Provident Fund	9,282,233	7,738,116
Contribution to Superannuation Fund	-	-

41. COMMITMENTS & CONTINGENCIES

(in ₹)

PARTICULARS	For The Year Ended Mar 31, 2020	For The Year Ended Mar 31, 2019
a. Commitments:		
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	8,890,563	7,541,129
	8,890,563	7,541,129
b. Contingent Liabilities:		
i) Outstanding bank guarantees	10,000,000	85,083,487
ii) Letters of Credit	36,706,782	39,957,759
Total	46,706,782	125,041,246

42. During the previous year, Company has paid an amount of ₹ 39,92,050 on account of CVD and SAD towards shortfall quantity of their export obligation. The Company has filed for a refund of CVD & SAD as per the provisions of Sec. 142(3) of CGST Act. Refund application of the Company has been rejected by the Asst. Commissioner of Central Taxes, CGST Division vide its order dated 14.05.2020. The Company is in process of filing the appeal and hopeful to get refund. Hence, no provision is made in the books of the Company.

43. SEGMENT REPORTING :

There are no separate reportable segments as per Indian Accounting Standard (Ind AS) 108 on operating segments as the entire operations of the Company relate to one segment viz. agro chemicals.

44. PAYMENTS TO AUDITORS (excluding GST & Service Tax)

(in ₹)

PARTICULARS	For The Year Ended Mar 31, 2020	For The Year Ended Mar 31, 2019
A) Statutory auditors		
Statutory audit	600,000	600,000
Tax audit fees	-	-
Others	-	-
Reimbursement of expenses	-	-
	600,000	600,000
B) Cost auditors		
Audit fee	100,000	75,000
Filing fee	5,000	3,000
Reimbursement of expenses	1,500	1,500
	106,500	79,500

45. RESEARCH AND DEVELOPMENT

(in ₹)

PARTICULARS	For The Year Ended Mar 31, 2020	For The Year Ended Mar 31, 2019
Details of expenditure on R & D		
i) Details of Revenue expenditure		
Cost of Materials Consumed		
Laboratory Expenses and Consumables	4,972,241	4,412,807
Employee Benefits Expenses		
Salaries, Wages and Bonuses	6,505,226	4,243,718
Other Expenses		
Repairs and Maintenance	37,455	34,415
ii) Capital Expenditure		
Plant & Machinery	2,665,728	670,839
Building related material	-	-
	14,180,650	9,361,779

46 Related party disclosures

Names of related parties and description of relationship

Name of the related party	Relationship
Enterprises under the significant influence of persons having significant influence over this company	
Agnova Chemicals Pvt Ltd	Mr.Ketan Chamanlal Budh, Whole Time Director, is interested.
VNA Express & Logistic Solutions	Mr.Ketan Chamanlal Budh, Whole Time Director, is interested.
Enterprises under the control of persons having significant influence over this company	
Greenpath Energy Private Limited	Mr.S.Chandra Sekhar & Mrs.S.Lalitha Sree Directors, are interested.
Key Management Personnel	
K S Raju	Chairman
S Chandra Sekhar	Managing Director
Sudhakar Kudva	Independent Director
D Sada Sivudu	Independent Director
S Lalitha Sree	Director
G S V Krishna Rao	Independent Director
A Lakshmi Sowjanya	Independent Director
Ketan Chamanlal Budh	Whole Time Director (w.e.f 14-05-2019)
A Arvind Kumar	Chief Executive Officer (w.e.f 14-05-2019)
B Krishna Mohan Rao	Chief Financial Officer
B N Suvarchala	Company Secretary

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

Transactions during the year:

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
a) Enterprises under the significant influence of persons having significant influence over this company		
Sales of Finished Goods (Including duties and taxes)		
Agnova Chemicals Pvt Ltd	13,876,800	11,918,000
Purchase of Goods / Services (Including duties and taxes)		
VNA Express & Logistic Solutions	32,599,986	24,924,506
b) Enterprises under the Control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Loans taken during the year from the enterprise	1,500,000	-
Loans repaid during the year to the enterprise	4,850	89,015,203
Interest on Loans paid to the enterprise	48,493	3,875,737
c) Key Management Personnel		
i) S Chandra Sekhar		
Remuneration including commission	8,384,123	5,687,858
Unsecured loans taken from him	54,500,000	18,500,000
Unsecured loans Repaid to him	15,505,485	30,892,244
Interest on Unsecured loans paid to him	1,535,945	544,856
ii) D Ranga Raju		
Sitting Fees	-	30,000
iii) K S Raju		
Sitting Fees	70,000	50,000
iv) Sudhakar Kudva		
Sitting Fees	155,000	100,000
v) D Sadasivudu		
Sitting Fee	95,000	30,000
vi) S Lalitha Sree		
Sitting Fee	95,000	40,000
vii) G S V Krishna Rao		
Sitting Fee	145,000	30,000
viii) A Lakshmi Sowjanya		
Sitting Fee	25,000	70,000
ix) Ketan Chamanlal Budh		
Remuneration	3,127,928	1,853,978
x) A Arvind Kumar		
Remuneration (Including commission)	5,452,988	3,335,952
xi) B Krishna Mohan Rao		
Remuneration	2,709,198	1,462,761
xii) B N Suvarchala		
Remuneration	896,136	667,190
xiii) B Murali		
Remuneration	-	493,120

Closing Balances

(in ₹)

PARTICULARS	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
a) Enterprises under the Control of persons having significant influence over this company		
Greenpath Energy Private Limited		
Unsecured loans payable	1,543,643	-
b) Key Management Personnel		
i) S Chandra Sekhar		
Unsecured loans payable	40,530,460	-
Remuneration payable	-	-
Commission Payable	1,952,123	1,828,658
Guarantee given for borrowings	369,904,814	454,564,852
ii) A Arvind Kumar		
Commission Payable	650,708	-
iii) Agnova Chemicals Pvt Ltd	8,622,800	-
iv) VNA Express & Logistic Solutions	1,675,553	-

47 FAIR VALUES

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

(in ₹)

Particulars	Carrying value		Fair value	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Financial assets at fair value through profit & loss				
Investments	-	-	-	-
Financial Assets at amortised cost				
Loans	22,442,624	21,404,125	-	-
Deposits & Others	6,568,583	10,291,040	-	-
Trade Receivables	114,925,818	842,307,302	-	-
Cash & Cash Equivalents	27,489,321	23,056,811	-	-
Bank Balances other than above	9,724,515	7,504,654	-	-
Financial Liabilities at amortised cost				
Borrowings (Non Current & Current)	427,448,897	473,691,242	16,748,933	19,126,390
Interest accrued	1,524,716	1,524,716	-	-
Trade Payables	241,672,059	825,015,737	-	-
Capital Creditors & Others	219,833,018	109,140,351	-	-

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

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

48 RISK MANAGEMENT

Financial Risk Management objectives & Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity exposes it to market risk, commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company evaluates various options and may enter into derivative financial instruments like foreign exchange forward contracts, foreign currency option contracts in order to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives, if entered into, are used exclusively for hedging purposes and not as trading or speculative instruments.

The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rate, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

48.1 Credit Risk

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

a) Trade and other receivables

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

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

	(in ₹)	
Particulars	March 31, 2020	March 31, 2019
Not Due		
0 - 90 Days	89,153,591	588,929,380
90 - 180 Days	4,177,396	81,925,736
180 - 270 Days	14,544,367	161,499,803
270 - 365 Days	521,872	1,879,352
More than 360 Days	6,528,682	8,073,031
	114,925,908	842,307,302

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgment. Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

b) Cash and Cash Equivalents

The Company held cash and cash equivalents of ₹ 2,74,89,321 at March 31, 2020 (March 31, 2019: ₹ 2,30,56,811). This includes the cash and cash equivalents held with the bank and the cash on hand with the Company.

48.2 Liquidity Risk

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

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

Exposure to liquidity risk:

- a) The following are the remaining contractual maturities of financial liabilities at the reporting date.

The amounts are gross and undiscounted :

(in ₹)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-20					
Non Current Borrowings (Including current maturities)	38,689,432	69,898,951	1,366,855	15,903,767	125,859,005
Current Borrowings	315,766,480	-	-	-	315,766,480
Interest Payable	1,524,716	-	-	-	1,524,716
Trade Payables	241,672,059	-	-	-	241,672,059
Other Payables	219,833,018	-	-	-	219,833,018
	817,485,705	69,898,951	1,366,855	15,903,767	904,655,278

(in ₹)

Particulars	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
31-Mar-19					
Non Current Borrowings (Including current maturities)	52,468,063	54,144,451	10,843,744	18,912,927	136,369,185
Current Borrowings	354,574,121	-	-	-	354,574,121
Interest Payable	1,524,716	-	-	-	1,524,716
Trade Payables	825,015,737	-	-	-	825,015,737
Other Payables	109,140,351	-	-	-	109,140,351
	1,342,722,988	54,144,451	10,843,744	18,912,927	1,426,624,110

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.

(in ₹)

Particulars	March 31, 2020	March 31, 2019
Floating rate instruments		
Financial Liabilities - measured at amortised cost		
Term loan from banks	54,138,334	99,990,731
Working capital facilities from bank	277,179,452	354,574,121
Bills Discounting	33,510,328	-
Credit Card Dues	5,076,700	-
Fixed rate instruments		
Loan from intercorporates (Unsecured)	1,543,643	-
Loan from Directors (Unsecured)	40,530,460	-
Total	411,978,917	454,564,852

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.

(in ₹)

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
31-Mar-20		
Variable rate loan instruments	1,029,947	(1,029,947)
31-Mar-19		
Variable rate loan instruments	1,136,412	(1,136,412)

48.3 a) Market Risk

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

b) Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in US Dollar against the functional currencies of the Company. The Company, as per its risk management policy, uses natural hedge technique of adjusting foreign currency receivables against currency payables. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Exposure to all other foreign currencies other than US Dollar is not material.

c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2020 & March 31, 2019 is in Indian Rupees.

(in ₹)

PARTICULARS	March 31, 2020	March 31, 2019
	USD	USD
Financial Assets		
Cash & Cash equivalents	592,895	845,829
Trade & Other Receivables	70,755,552	529,597,012
	71,348,447	530,442,841
Financial Liabilities		
Trade & Other Payables	35,986,274	342,250,723
Advance from Customers	-	1,569,819
	35,986,274	343,820,541
Net Exposure	35,362,173	186,622,299

(in ₹)

PARTICULARS	March 31, 2020	March 31, 2019
	GBP	GBP
Financial Assets		
Cash & Cash equivalents	-	-
Trade & Other Receivables	-	-
	-	-
Financial Liabilities		
Trade & Other Payables	15,661,669	-
Advance from Customers	-	-
	15,661,669	-
Net Exposure	(15,661,669)	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against US dollars and Pounds at March 31 would have affected the measurement of financial instruments denominated in US dollars and Pounds and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant and ignores any impact of forecast sales and purchases.

31-Mar-20

(in ₹)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	353,622	(353,622)	-	-
GBP	(156,617)	156,617	-	-
	197,005	(197,005)	-	-

31-Mar-19

(in ₹)

Effect in INR	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% movement				
USD	1,866,223	(1,866,223)	-	-
GBP	-	-	-	-
	1,866,223	(1,866,223)	-	-

D) Credit risk

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

49. CAPITAL RISK MANAGEMENT

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

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

(in ₹)

Particulars	March 31, 2020	March 31, 2019
Non Current borrowings	74,271,938	66,649,059
Current borrowings	315,766,480	354,574,121
Current maturities of long term debts	40,214,148	53,992,779
Total Debts	430,252,566	475,215,958
Less: Cash & Cash equivalents	27,489,321	23,056,811
Other bank deposits	9,724,515	7,504,654
Adjusted net debts	393,038,730	444,654,494
Equity	83,342,500	83,342,500
Other Equity	1,239,107,069	1,197,629,527
Total Equity	1,322,449,569	1,280,972,027
Adjusted net debt to equity ratio	0.30	0.35

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

As per our report of even date

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

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

Shailendra Singhvi
Proprietor
Membership No. : 023125/ICAI

K S Raju
Chairman
DIN NO. 00008177

S Chandra Sekhar
Managing Director
DIN NO. 00159543

Place : Hyderabad
Date : 23.06.2020

A Arvind Kumar
Chief Executive Officer

B Krishna Mohan Rao
Chief Financial Officer

B N Suvarchala
Company Secretary

Notes for Members:

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

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
3. Statement as required under section 102 of the Companies Act, 2013, in respect of items of special business is annexed hereto.
4. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to your addresses, email id, ECS mandate etc.

In case you are holding Company's shares in physical form, please inform Company's RTA viz. M/s. XL Softech Systems Limited, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034 by enclosing a photocopy of blank cancelled cheque of your bank account.
5. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. XL Softech Systems Limited, Plot No.3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company
7. The Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares
9. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
10. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref. no.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
11. Members may also note that the Notice of the 27th Annual General Meeting is available on the Company's website: www.bhagirad.com All

documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at cs@bhagirad.com.

In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2019-20 will also be available on the Company's website at www.bhagirad.com on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL www.evotingindia.com.

To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.

E-VOTING

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

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 30 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 atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM is being uploaded on the website of the Company at www.bhagirad.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also hosted on the website of CDSL (agency for providing the e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 01st September, 2020 at 10.00 A.M and ends on 03rd September, 2020 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) of 28th August, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Board of Directors has appointed Mr.Y.Ravi Prasada Reddy, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website www.evotingindia.com.
- (v) Click on "Shareholders" module.
- (vi) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number communicated through email

Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
(x)	After entering these details appropriately, click on "SUBMIT" tab.
(xi)	Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.
(xii)	For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
(xiii)	Click on the EVSN for the relevant <Company Name> on which you choose to vote.
(xiv)	On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
(xv)	Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
(xvi)	After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
(xvii)	Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
(xviii)	You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
(xix)	If a demat account holder has forgotten the login password then Enter the User ID and the image

verification code and click on Forgot Password & enter the details as prompted by the system.

- (xx) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.
3. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register

themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company email id cs@bhagirad.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company email id cs@bhagirad.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:

1. The procedure for e-Voting on the day of the AGM same as per the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xxi) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@bhagirad.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh

Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

C. General Instructions:

- The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on **August 28, 2020**.
- The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.bhagirad.com and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchange.
- The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM

Notice for shareholders/investors for unpaid dividends

- Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the amount of dividend remaining unclaimed for a period of seven years is to be transferred to Investor Education and Protection Fund. Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2020 (In ₹)	Due Date for transfer to IEPF
2013-14	11-08-2014	81,386	09-09-2021
2014-15	08-08-2015	98,820	06-09-2022
2018-19	09-08-2019	62,246	07-09-2026

- Members who have not encashed the dividend warrants so far in respect of the aforesaid periods are requested to send their claims, if any, to the company well in advance of the above due dates. Once the amounts in the unpaid dividend are transferred to the IEPF, no claim shall lie against IEPF or the company in respect thereof and the Members will lose their right to claim such dividend.



Bhagiradha Chemicals & Industries Limited

CIN : L24219TG1993PLC015963

Registered Office

8-2-269/3/A, Plot No. 3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad - 500 034
Email: info@bhagirad.com

Factory

Cheruvukommupalem Village, Yerajarla Road, Ongole Mandal
Prakasam District, Andhra Pradesh