



BHAGERIA INDUSTRIES LIMITED



PERFORMANCE-DRIVEN.  
CUSTOMER-CENTRIC.

Annual Report **2021-22**

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### Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forwardlooking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forwardlooking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

### Key financial numbers

₹ 605.3 Crore

Revenue in FY 2021-22

₹ 70.5 Crore

PAT

15%

5- year CAGR growth in PAT

₹ 125.0 Crore

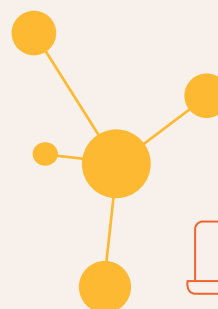
EBITDA

20.7%

EBITDA margin

₹ 84.9 Crore

Cash Flow from operations



For more additional information about the company log on to [www.bhageriagroup.com](http://www.bhageriagroup.com)



Scan QR code to see this annual report online

# CORPORATE INFORMATION

## Board of Directors & KMP

**Mr. Suresh Bhageria**  
Executive Chairman (WTD)

**Mr. Vinod Bhageria**  
Managing Director

**Mr. Vikas Bhageria**  
Jt. Managing Director (WTD)

**Mr. M. M. Chitale**  
Independent Non-Executive Director

**Mr. S. S. Gupta**  
Independent Non-Executive Director

**Prof. (Dr.) G. D. Yadav**  
Independent Non-Executive Director

**Ms. Ameya Jadhav**  
Independent Non-Executive Director

**Mr. Rakesh Kachhadiya**  
Chief Financial Officer

**Mr. Krunal Wala**  
Company Secretary

## Statutory Auditors:

**M/s MRB & Associates, Chartered Accountant**  
A-102, 1<sup>st</sup> Floor, Shraddha Height Telly Gully  
Cross Road,  
Andheri (East), Mumbai-400069

## Secretarial Auditors:

**M/s. GMJ & Associates, Company Secretaries**  
3<sup>rd</sup> & 4<sup>th</sup> Floor, Vaastu Darshan - B  
Above Central Bank of India, Azad Road,  
Andheri (East), Mumbai- 400 069.

## Registered Office:

Office No-1002, 10<sup>th</sup> Floor, Topiwala Center,  
Near Railway Station,  
Goregaon West, Mumbai, 400062  
**Tel:** (022)-4043 6666  
**Website:** [www.bhageriagroup.com](http://www.bhageriagroup.com)  
**Email:** [info@bhageriagroup.com](mailto:info@bhageriagroup.com)  
**CIN No:** L40300MH1989PLC052574

## Registrars and Transfer Agent ('RTA'):

**Link Intime India Private Limited**  
C-101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai – 400083  
**Tel:** (022)-4918 6270  
**Email Id:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## Bankers:

Yes Bank  
Axis Bank  
Kotak Bank



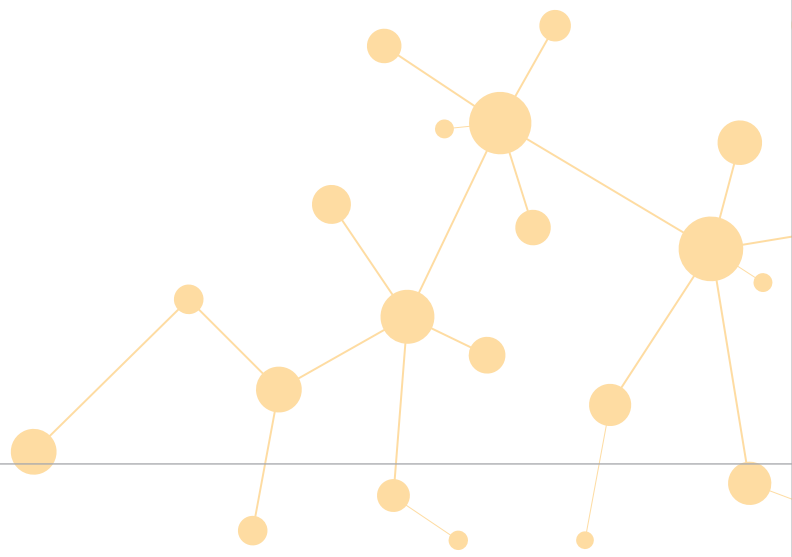


For Bhageria Industries, the coming years present several opportunities. First, the industry transformation continues to be encouraging. Second, our deep and rich insight chemistry allows us to expand and create synergies within our offerings. Third, our ability to de-risk our business and invest proactively to expand capacities, market presence and profitability year-on-year.

We continue to overlook conventional odds and expand our business with prudent strategies. While we are strengthening and expanding our market presence for existing business with a deep focus on

ensuring sustainability, we are also expanding our offerings and capacities to build a robust tomorrow. Our future growth trajectory will be the outcome of progressive investments in people, equipment and processes.

**With a customer-centric approach at our core, we remain confident to deliver sustainable value for all stakeholders.**





# ABOUT BHAGERIA INDUSTRIES

**Bhageria Industries Limited (BIL) is one of the leading companies that deals in manufacturing of dyes and dye intermediates and generation & distribution of Solar Power. Our Company has a strong global presence and 30% of our products are exported worldwide.**

With experience of over 3 decades we specialize in manufacturing of chemicals, dyes and dye intermediates. We have manufacturing facilities equipped with the latest equipments for efficient manufacturing of products which are used in textile, leather, paper and other sectors that require specialty chemicals. With the goal of creating a sustainable business we have established multiple solar power plants to reduce the carbon footprint of our Company.

Our R&D and timely delivery of our products have resulted in strong relationship with our customers and partners. This has helped us to keep our international presence strong and further widen our clientele.



## Key Strengths



### 01 Healthy Financials

The leverage levels of our Company has remained low paired with the healthy Net-worth levels and strong debt protection metrics. The debt profile of the company is mainly made up of working capital loans. Our Company has a strong capital structure owing to the increasing Net-worth levels and absence of debt fundings for expenditure. BIL entered the solar power generation market in 2015 and it has been a steady stream of revenues and profit for our Company.



### 02 Well-established backward integrated manufacturing operations

The operations at BIL are backward completely integrated with manufacturing of most of its key dyes & dye intermediates taking place in-house. In dyes & dye intermediates segment, manufacturing capacity is mainly involved in manufacturing of Vinyl Sulphone (VS), H-acid and as a further step in backward integration,, BIL has setup a capacity to manufacture Sulphuric Acid.



### 03 Experienced management and strong relationship with clients

The promoter of our Company have more than 30 years of experience in the dyes & dye intermediates industry. The management team comprises of qualified personnel with extensive experience in the industry.



### 04 Research & Development

At Bhageria the products are developed with the backing of strong R&D. The products go through multiple innovations to enhance their quality. More efficient technologies are being undertaken to enhance the product mix.



### 05 Export Presence

We have a strong presence globally with over 10 countries as our export partners. We have a well built relationship with our export partners owing to the diverse product mix and superior quality of the products.

# OUR OFFERINGS

## Vision

To be the preferred, trusted and successful long-term partner to our stakeholders, clients, associates and our employees. For this to happen, we will stay viable and relevant through practical innovation and a continuous focus on efficient and consistent execution.

## Mission

### A Customer Driven Company

We will continuously improve the services rendered to customers, meet customers' needs in the shortest lead time, develop new dyes & dye intermediates for newer application areas and will continue to enjoy privileged status as a preferred supplier.

### A Shareholder Driven Company

We will remain focused in the areas of its Core Competency, Emphasis on the Quality of Business rather than the size of the business, Maintain Profit Related Growth Policy, Implement Corporate Governance, Regard Shareholder wealth Creation to be the key driver of all actions and policies of the Company and its people.

### A Brand Driven Company

We will maintain and improve upon BHAGERIA Brand name, and will Create BHAGERIA Brand awareness in International Markets through export of Quality Products.

### A People Driven Company

We will Train, Empower and create a superior pool of an intellect capable of leading its Innovation Drive.

### An Environment Friendly Company

We will continue to adhere to environment friendly manufacturing process and set new standards in fighting pollution.

The chemical industry in India has grown as a result of increased urbanisation, technological advancements, and opportunities for employment.

We have a large share in chemicals and dyes & dye intermediates which is due to the increasing needs of downstream industries. We continue to broaden our market presence and drive sustainable growth by leveraging our innovative capabilities and operational efficiencies.



Electronics and IT



Food



Textile and Leather



Paints & Coatings Industry



Construction Industry



Healthcare

DYES & DYE INTERMEDIATES

20%  
Revenue from  
International  
Market

88%  
Contribution  
in revenues

80%  
Revenue from  
Domestic  
Market

At Bhageria, we continue to master the manufacturing of dyes & dye intermediates with R&D and state-of-art. The products manufactured are benchmarked at international standard and the quality is sustained with the help of adoption of newer and more efficient technology.

# 85%

Capacity utilisation

Our main products in this segment include important dye intermediates such as the ones listed below.

- H-acid • Gamma acid • Vinyl sulphone

The Solar Energy sector is a budding sector, with India's sector ranking 4<sup>th</sup> in the world. We started our journey in solar energy in 2015 and have been progressing ever since. We are continuously investing in this segment to make the business more sustainable and profitable for the stakeholders.

# 8

Number of solar power plants

# 5%

Contribution in revenues

1,46,42,824 Kg  
Co2 Saving

62,807 MWh  
Unit's Energy Generated

6,72,541  
No. of Trees Saved

## Certifications

CARE A+:  
Stable/CARE  
A1+ (Single A  
plus; Outlook:  
Stable/A One  
plus)<sup>1</sup>

Company rating





# GLOBAL PRESENCE

## 20% Revenue from Exports

1.51 % Brazil	7.69 % Indonesia	2.42 % Japan	1.84 % Mexico	0.02 % Nigeria
24.29 % South Korea	5.49 % Spain	29.74 % Taiwan	5.01 % Thailand	
12.52 % Turkey	0.17 % USA	8.77 % China	0.53 % UAE	



We have export presence  
in more than

**15** countries

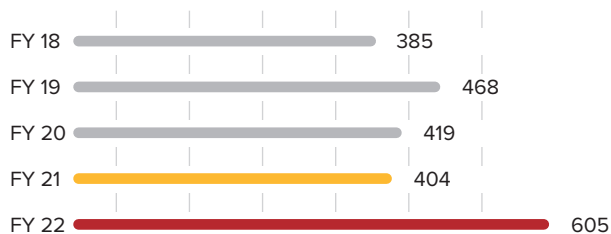




# FINANCIAL PERFORMANCE

## Total Income

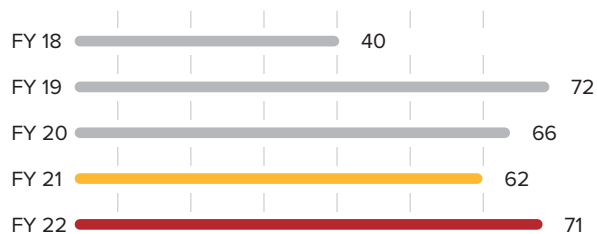
(₹ in crores)



CAGR **12%**

## PAT

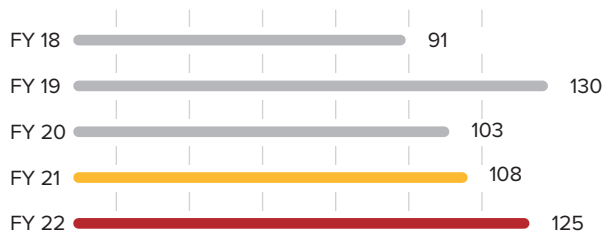
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CAGR **15%**

## EBITDA

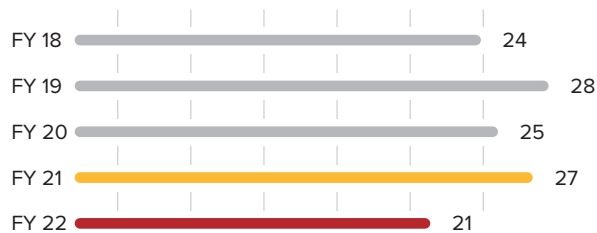
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CAGR **8%**

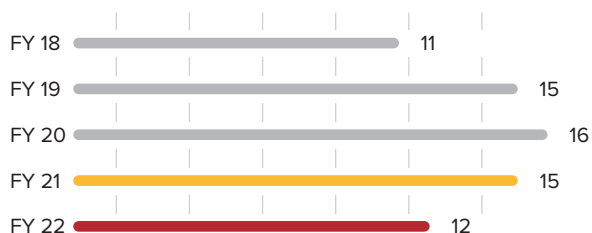
## EBITDA margin

(%)



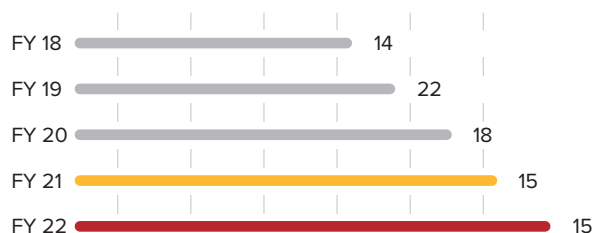
## PAT margin

(%)



## Return on Net worth

(%)



# CHAIRMAN'S MESSAGE



**Suresh Bhageria**  
Chairman



## DEAR SHAREHOLDERS,

The fiscal year 2021-22 has been another year dominated by COVID -19 and its consequential impacts. Following multiple waves of the pandemic, when the world felt it was done with its share of challenges, The Russia-Ukraine war drove up commodity prices weighing on the global supply chain and aggravating inflation.

Talking about the Indian economy, with the right set of fiscal and monetary policies as well as a widespread vaccination coverage, India has shown its agility in dealing with challenges. However, it became a subject to external shock when Russia invaded Ukraine. India, not different from the world, is now threatened with the headwinds from exacerbating inflation and mounting supply chain disruptions.

On the brighter side, having registered the highest GDP growth rate among major economies, India has proved its strong position as against other major economies. Even if the global headwinds are posing short term threats, India with its strong macroeconomic fundamentals is poised to sustain in the long term. Policies like the production linked incentives, Make in India as well as the government's thrust on infrastructure expansion will produce a



OUR EBITDA FOR THE FINANCIAL YEAR 2021-22 STOOD AT ₹ **125.69 CRORES** AT A MARGIN OF **20.58%**. OUR PAT FOR THE FINANCIAL YEAR 2021-22 STOOD AT ₹ **70.60 CRORES** AS COMPARED TO PREVIOUS YEAR OF ₹ 62.66 CRORES.



strong multiplier effect on jobs and higher productivity, all of which will boost the economy.

### Financial Performance

During the year under review, we achieved a Total Income of ₹ 610.58 Crores as against ₹ 406.45 Crores in the previous financial year. Our EBITDA for the financial year 2021-22 stood at ₹ 125.69 Crores at a margin of 20.58%. Our PAT for the financial year 2021-22 stood at ₹ 70.60 Crores as compared to the previous year of ₹ 62.66 Crores.

We have maintained a sturdy track record of rewarding our shareholders with a generous dividend pay-out. In view of the strong financial performance, during the year under review, we have recommended a dividend of ₹ 4/- per share.

### Operational highlights

During the year under review, despite challenges, we were able to achieve healthy profitability margins. We also successfully completed the launch of new products (i.e. J-Acid/ Tobias Acid). We have commissioned 9.5 MW Solar Power Project out of which 4 MW is being used by the Company for self-captive consumption.

### Going forward

Among all our growth strategies, diversifying our product profile with the inclusion of more specialty chemical products is one of our strategic initiatives that would propel our growth forward. Besides, we will also focus on diversifying our geographical presence by growing our exports orders.

Moving forward, with the rebound in consumer confidence and consumer demand, there will be a rise in consumption demand which will drive the growth of consumption driven industries. With the robust demand in both domestic and international market, we believe we are well positioned to move forward.

### Gratitude

To conclude, I would like to express my heartfelt gratitude to our team members for their commitment and hard work. I would also like to convey my gratitude to our shareholders for their confidence in us. We will keep taking efforts to justify your faith in us.

We have continued with our strong growth trajectory and are optimistic in our prospects for future growth and cash generation.

Regards

**Suresh Bhageria**  
Chairman

# ESG COMMITMENTS

## Environment



We at Bhageria Industries recognises that environmental issues are on a global scale and are long-term concerns that will affect future generations. As a responsible organisation we strive for sustainable development through sound business practises that promote environment

preservation along with development of economic metrics.

We are focusing on development of sustainable technologies, which will reduce the environmental impact of the Company. The manufacturing plants are equipped

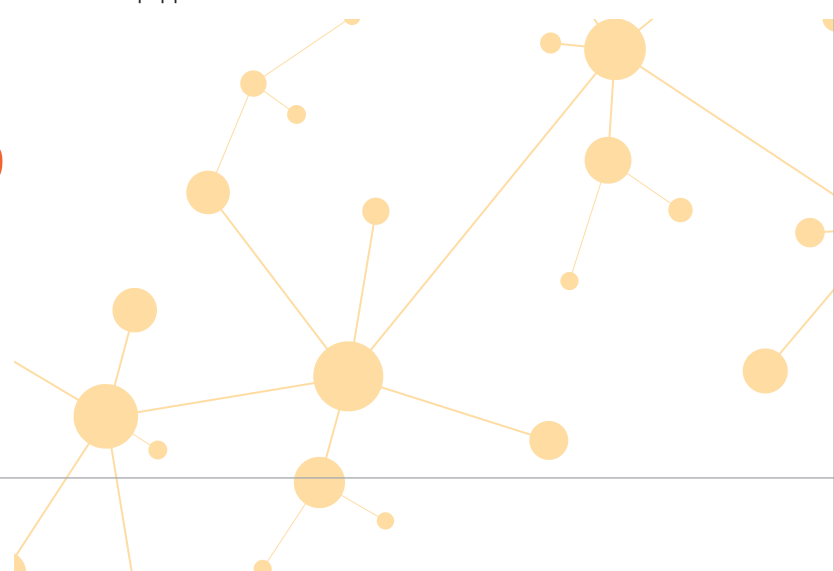
with high technology machines for pollution control and managing the issues with affluent waste generated. Furthermore, our solar energy segment is aimed to reduce the net carbon emission of our organisation.

**22,029**<sub>MWh</sub>  
Units Energy Consumed

**985**<sub>KLD</sub>  
Water consumed

**9%**  
Energy sourced from renewable sources

**7%**  
Water recycled





## Social



Bhageria Industries strives to become an organization that contributes enormously to the society and considers respect of an individual to be of utmost importance. To fulfil our Corporate Social Responsibility and pursue sustainable growth with society, we are investing in multiple projects and causes to facilitate the growth of our people and the communities we interact with.



₹24.58 lakhs

Spent on promoting education & livelihood enhancement projects

₹24.63 lakhs

Spent on healthcare activities

₹21.00 lakhs

Spent on rural development projects

₹25.00 lakhs

Spent for establishment of shelters

₹75.00 lakhs

Spent for Protection of national heritage, art and culture

## Governance



Corporate Governance refers to the laws, procedures, practises, and implicit rules that governs a company's ability to make sound decisions in relation to all of its stakeholders, particularly its shareholders, creditors, employees, and the government.

As a result, our leaders rely on transparency, accountability, and ethical behaviour to strengthen relationships with internal and external stakeholders – laying the groundwork for a long-term organisation. We draw strength from the multi-faceted diversity of our workforce across region, grade, education, age, ethnicity, experience and gender.

# NOTICE

**NOTICE** is hereby given that the 33<sup>rd</sup> Annual General Meeting (AGM) of the Members of Bhageria Industries Limited (CIN: L40300MH1989PLC052574) will be held on Saturday, July 30, 2022 at 12:30 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact, with or without modification(s) the following business:

## ORDINARY BUSINESS:

### 1. To receive, consider and adopt;

- a. the Audited Standalone Financial Statements of the Company for the year ended March 31, 2022, including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss & Cash Flow Statement for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- b. the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2022, including the Audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss & Cash Flow Statement for the year ended on that date together with the Report of the Auditors thereon.

2. To declare Dividend on Equity Shares for the year ended March 31, 2022.

3. To appoint a Director in place of Mr. Vikas Bhageria (DIN: 02976966) who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Statutory Auditors, M/s. Sarda & Pareek LLP, Chartered Accountants in place of M/s. M R B & Associates, Chartered Accountants, who retire at the ensuing Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Sarda & Pareek LLP, Chartered

Accountants (ICAI Registration No.: 109262W/W100673), be and is hereby appointed as the Statutory Auditors of the Company, [in place of the retiring Statutory Auditors, M/s. M R B & Associates, Chartered Accountants] to hold office for a term of five consecutive years from the conclusion of 33<sup>rd</sup> Annual General Meeting till the conclusion of 38<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

## SPECIAL BUSINESS:

### 5. To approve payment of Remuneration to M/s Poddar & Co., Cost Accountants (Firm Registration No. 101734), the Cost Auditors of the Company for the Financial Year 2022-23:

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Poddar & Co., Cost Accountants (Firm Registration No. 101734) appointed by the Board of Directors to conduct the audit of the cost records of the Company, be paid a remuneration for the Financial Year ending March 31, 2023 of ₹ 1,05,000/- plus GST as applicable and out of pocket expenses as may be incurred by them in connection with the aforesaid audit."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

### Registered Office:

1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

For and on behalf of the Board of Directors  
**BHAGERIA INDUSTRIES LIMITED**

**SURESH BHAGERIA**  
CHAIRMAN  
(DIN: 00540285)

Date: May 7, 2022

**NOTES:**

1. In view of the ongoing COVID-19 pandemic and pursuant to General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2022 dated May 5, 2022 and all other relevant circulars issued by the Ministry of Corporate Affairs ('MCA Circulars'), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is convening the 33<sup>rd</sup> Annual General Meeting ('AGM') through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members. The deemed venue for the 33<sup>rd</sup> AGM shall be the Registered Office of the Company.
2. **SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH AND THERE IS NO PROVISION FOR THE APPOINTMENT OF PROXIES. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars.
4. Institutional/corporate shareholders (i.e. other than individuals, HUF, NRI, etc.), are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorisation etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent by e-mail at [info@bhageriagroup.com](mailto:info@bhageriagroup.com) or uploaded on the VC portal/e-voting portal.
5. The Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended ('Act') setting out material facts concerning the business with respect to Item Nos. 4 & 5 forms part of this Notice. Additional information, pursuant to Regulation 36(3) and 36(5) of the **SEBI Listing Regulations** and Secretarial Standard - 2 on General Meetings/issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this AGM is furnished as an Annexure to the Notice.
7. In case of joint holders, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote at the meeting.
8. In accordance with the aforesaid MCA Circulars, the Notice of the AGM along with the Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. The Company shall send the physical copy of Annual Report 2021-22 to those Members who request the same at [info@bhageriagroup.com](mailto:info@bhageriagroup.com) or [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) mentioning their Folio No./DP ID and Client ID. The Notice convening the 33<sup>rd</sup> AGM along with the Annual Report 2021-22 will also be available on the website of the Company at [www.bhageriagroup.com](http://www.bhageriagroup.com), websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the website of CDSL i.e., [www.evotingindia.com](http://www.evotingindia.com).
9. **BOOK CLOSURE AND DIVIDEND:**  
The Register of Members and the Share Transfer Books of the Company will remain closed from **July 24, 2022 to July 30, 2022** (both days inclusive) for the purpose of payment of dividend and AGM for FY 2021-22.  
The dividend on Equity Shares, if approved by the Members at the AGM, will be paid subject to deduction of income-tax at source ('TDS') on and from **August 4, 2022** as under:
  - **In respect of Shares held in physical form:** To all the members, whose names appear as members in the Register of Members of the Company after giving effect to valid share transmissions and transposition request lodged with the Company / Registrar and Transfer Agent, as on close of business hours of **July 23, 2022**.
  - **In respect of Shares held in electronic form:** To all the Beneficial Owners of the shares as of end of the day on **July 23, 2022** as details furnished by Depositories for this purpose. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

Pursuant to the amendments introduced in the Income Tax Act, 1961 ('the IT Act') vide Finance Act, 2020, w.e.f. April 1, 2020, dividend declared, paid or distributed by a Company on or after April 1, 2020, is taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct TDS at the time of payment of dividend at the applicable tax rates. The rates of TDS would depend upon the category and residential status of the shareholder. Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company/Registrars and Transfer Agents at <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> by as on close of business hours of **July 23, 2022**. For the detailed process, please visit website of the Company and go through "**Instructions on TDS for Dividend**" at <https://www.bhageriagroup.com/redressal-contact-details/>.

**Updation of mandate for receiving dividend directly in bank account through Electronic Clearing System or any other means in a timely manner:**

**Shares held in physical form:** Members are requested to send the following details/documents to the Company's Registrars and Transfer Agent ('RTA'), viz. LINK INTIME INDIA PRIVATE LIMITED at C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083, latest by **July 23, 2022**:

- a. **Form ISR-1** along with supporting documents. The said form is available on the website of the Company at <https://www.bhageriagroup.com/redressal-contact-details/> and on the website of the RTA at <https://web.linkintime.co.in/KYC-downloads.html>
- b. Cancelled cheque in original, bearing the name of the Member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the following documents:
  - Cancelled cheque in original;
  - Bank attested legible copy of the first page of the Bank Passbook/Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch;
- c. Self-attested copy of the PAN Card of all the holders; and
- d. Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

**Shares held in electronic form:** Members may please note that their bank details as furnished by the respective DPs to the Company will be considered for remittance of dividend as per the applicable regulations of the DPs and the Company will not

be able to accede to any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to ensure that their Electronic Bank Mandate is updated with their respective DPs, latest by **July 23, 2022**.

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form.

The Members who are unable to receive the dividend directly in their bank account through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the Warrant/ Bankers' Cheque/Demand Draft to such Members.

10. **NOMINATION FACILITY:** As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting **Form No. SH-13**. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in **Form ISR-3** or **Form SH-14**, as the case may be.

The said form is available on the website of the Company at <https://www.bhageriagroup.com/redressal-contact-details/>. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) in case the shares are held in physical form, quoting their folio no(s).

11. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 in **Form ISR-1**. The **Form ISR-1** is also available on the website of the Company at <https://www.bhageriagroup.com/redressal-contact-details/>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said **Form ISR-1**.
12. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed **Form ISR-4**, the format of which is available on the Company's website at <https://www.bhageriagroup.com/redressal-contact-details/> and on the website of the Company's RTA at <https://web.linkintime.co.in/client-downloads.html>. It may be noted that



any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

13. Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended from time to time, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of IEPF Authority.

The details of dividend paid by the Company and the corresponding due dates for transfer of uncashed dividend to IEPF are furnished hereunder:

Sr. No.	Year ended	Interim / Final Dividend	Date of Declaration	Tentative Date for transfer to IEPF
1.	31.03.2015	Final	01.08.2015	31.08.2022
2.	31.03.2016	Final	13.08.2016	12.09.2023
3.	31.03.2017	Final	02.12.2017	08.01.2025
4.	31.03.2018	Final	21.07.2018	27.08.2025
5.	31.03.2019	Interim	21.01.2019	27.02.2026
6.	31.03.2019	Final	31.08.2019	07.10.2026
7.	31.03.2020	Final	29.08.2020	05.10.2027
8.	31.03.2021	Final	31.07.2021	06.09.2028

Members who have not encashed the dividend so far in respect of the above financial years, are therefore, requested to make their claims to the Registrar & Transfer Agent of the Company or the Company at its Registered Office, with full details.

14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their DPs in case the shares are held in electronic form and to the RTA in prescribed **Form ISR-1** and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

15. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the Notice or explanatory statement will be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to [info@bhageriagroup.com](mailto:info@bhageriagroup.com) or [snt@bhageriagroup.com](mailto:snt@bhageriagroup.com), mentioning their Folio No./DP ID and Client ID.

16. The Company's shares are listed on BSE Limited and National Stock Exchange Limited.

17. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

18. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

## 19. INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

### A. PROCESS AND MANNER FOR VOTING THROUGH ELECTRONIC MEANS:

- i. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting facility provided by listed entities, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as remote e-Voting during the AGM will be provided by CDSL.
- ii. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member /beneficial owner (in case of electronic shareholding) as on the cut-off

date i.e. **July 23, 2022**.

- iii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **July 23, 2022** only shall be entitled to avail the facility of e-voting / remote e-voting.
- iv. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. **July 23, 2022**, may obtain the User ID and password from LINK INTIME INDIA PRIVATE LIMITED (Registrar & Transfer Agent of the Company).
- v. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- vi. The Board of Directors of the Company has appointed Mr. Mahesh Soni, failing him, Ms. Sonia Chettiar, Partner of GMJ & Associates, Practising Company Secretary, as Scrutinizer to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
- vii. The Scrutinizer, after scrutinizing the votes cast during the meeting and through remote e-voting, will, not later than 2 working days from the conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the CHAIRMAN. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company (i.e. [www.bhageriagroup.com](http://www.bhageriagroup.com)) and on the website of CDSL [https:// www.evotingindia.com](https://www.evotingindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
- viii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. July 30, 2022.
- ix. **The instructions of shareholders for remote e-voting:**
  - a. The voting period begins on **July 27, 2022** and ends on **July 29, 2022**. 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 **July 23, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- b. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

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

Type of shareholders	Login Method
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. <b>1800 22 55 33</b>
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990 and 1800 22 44 30</b>

e. Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>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.</li> </ul>

- f. After entering these details appropriately, click on "SUBMIT" tab.
- g. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i. Click on the EVSN for the relevant Bhageria Industries Limited on which you choose to vote.
- j. 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.
- k. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- l. 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.
  - m. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
  - n. You can also take a print of the votes cast by clicking on “CLICK HERE TO PRINT” option on the Voting page.
  - o. 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.
  - p. There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.
  - q. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
    - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual shareholders are required mandatory 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; [info@bhageriagroup.com](mailto:info@bhageriagroup.com) or [snt@bhageriagroup.com](mailto:snt@bhageriagroup.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- B. INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING THE MEETING ARE AS UNDER:**
- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
  - ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
  - iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
  - iv. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
  - v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - vi. 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.
  - vii. 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 2 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
  - viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
  - ix. 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.
  - x. 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 may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



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

- i. **One-time registration of e-mail address with RTA for receiving the Annual Report 2021-22 and to cast votes electronically:** The Company has made special arrangements with RTA for registration of e-mail address of those Members (holding shares either in electronic or physical form) who wish to receive the Annual Accounts for FY 2021-22 and cast votes electronically. Eligible Members whose e-mail addresses are not registered with the Company/DPs are required **to provide the same to RTA on or before July 23, 2022.**

**Process to be followed for one time registration of e-mail address (for shares held in physical form or in electronic form) is as follows:**

- a. Visit the link: [https://web.linkintime.co.in/EmailReg/Email\\_Register.html](https://web.linkintime.co.in/EmailReg/Email_Register.html);
- b. Select the name of the Company from drop-down;
- c. Enter details in respective fields such as DP ID and Client ID (if shares held in electronic form)/Folio no. and Certificate no. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail id;
- d. System will send OTP on mobile no. and e-mail ID;
- e. Enter OTP received on mobile no. and e-mail ID and submit.

After successful submission of the e-mail address, CDSL will e-mail a copy of this AGM Notice and Annual Report 2021-22 along with the e-Voting user ID and password. In case of any queries, Members may write to [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or [www.evotingindia.com](http://www.evotingindia.com)

- ii. **Registration of e-mail address permanently with Company/ DP:** Members are requested to register the e-mail address with their concerned DPs, in respect of electronic holding and with RTA, in respect of physical holding, by writing to them at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/RTA to enable servicing of notices/documents/ Annual Reports and other communications electronically to their e-mail address in future.

**Other Instructions:**

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

# ANNEXURE TO THE NOTICE

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO 4.

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

The Members of the Company at the 28<sup>th</sup> Annual General Meeting (AGM) held on December 2, 2017 approved the appointment of M/s. M R B & Associates, Chartered Accountants, as the Statutory Auditors of the Company for a period of five years from the conclusion of the said AGM. Accordingly, M/s. M R B & Associates, will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors based on the recommendation of the Audit Committee proposes the appointment of M/s. Sarda & Pareek LLP, Chartered Accountants, (ICAI Registration No.: 109262W/W100673), as the Statutory Auditors of the Company. If approved by the members, the appointment of M/s. Sarda & Pareek LLP, as the Statutory Auditors will be for a period of five years commencing from the conclusion of this 33<sup>rd</sup> AGM till the conclusion of the 38<sup>th</sup> AGM at such remuneration plus reimbursement of out-of-pocket expenses, if any. There is no material change in the remuneration payable to M/s. Sarda & Pareek LLP.

M/s. Sarda & Pareek LLP, Audit Firm with vast experience in providing audit and related assurance services to its clients and having registered office in Mumbai. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

M/s. Sarda & Pareek LLP have confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section

139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors, Key Managerial Personnel and other relatives are concerned or interested in the Resolution at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution at Item No. 4 of this Notice for the approval of the members.

### ITEM NO 5.

The Board, on the recommendation of the Audit Committee, has approved the appointment of the Cost Auditor, M/s. Poddar & Co., Cost Accountants to conduct the audit of the cost records of the Company at ₹ 1,05,000/- plus GST, as applicable, to be paid as remuneration for the financial year ending March 31, 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 5 of the Notice, for ratification of the remuneration amounting to ₹ 1,05,000/- plus GST, as applicable and out of pocket expenses, if any, payable to the Cost Auditors for Cost Audit for the financial year ending March 31, 2023, in respect of products of the Company covered under The Companies (Cost Records and Audit) Amendment Rules, 2014.

Accordingly, the Board recommends the passing of Resolution as set out in the Item No.5 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the Resolution at Item No. 5 of this Notice.

#### Registered Office:

1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

Date: May 7, 2022

For and on behalf of the Board of Directors

**BHAGERIA INDUSTRIES LIMITED**

**SURESH BHAGERIA**

CHAIRMAN

(DIN: 00540285)

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING PURSUANT REGULATION 36 OF THE SEBI (LODR) REGULATIONS, 2015 READ WITH CLAUSE 1.2.5 OF SECRETARIAL STANDARD-2 ON GENERAL MEETINGS:**

<b>Name of the Director</b>	<b>Mr. Vikas Bhageria</b>
<b>DIN</b>	02976966
<b>Date of Birth &amp; Age</b>	January 15, 1979 (43 years)
<b>Date of first appointment on the Board</b>	March 02, 2015
<b>Qualification</b>	Bachelor of Commerce and Master of Computer Applications
<b>Brief Resume &amp; Nature of expertise in specific functional areas</b>	Mr. Vikas Bhageria is the Jt. Managing Director (WTD) of the Company and contributes towards General Business Management & Project Execution.
<b>Details of last drawn remuneration</b>	₹ 90.00 Lakhs
<b>Number of Board Meeting attended during the year</b>	Please refer Corporate Governance Report
<b>Disclosure of relationship between directors inter-se</b>	Son of Mr. Suresh Bhageria
<b>Name of Listed entities in which the person also holds the directorship</b>	NIL
<b>Membership &amp; Chairpersonship Committees of the Board</b>	NIL
<b>No. of Shares held in the Company</b>	15,71,456 Equity Shares



# DIRECTORS' REPORT

To  
The Shareholders,

Your Directors have great pleasure in presenting the 33<sup>rd</sup> Annual Report together with the Audited Accounts of the Company for the financial year ended March 31, 2022. The consolidated performance of the Company and its Subsidiary has been referred to wherever required.

## FINANCIAL HIGHLIGHTS:

The following is the highlight of the financial performance of the Company during the year under review:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2022	Year ended 31.03.2021	Year ended 31.03.2022	Year ended 31.03.2021
Revenue from Operations	596.22	399.19	601.30	401.98
Other Income	9.06	4.44	9.28	4.47
Total Income	605.28	403.63	610.58	406.45
EBITDA	125.00	107.67	125.69	107.99
Less : Finance Cost	1.28	1.01	1.84	1.06
Less : Depreciation & Amortization expenses	28.57	25.86	28.57	25.86
Profit before tax	95.15	80.80	95.27	81.07
Tax Expenses	24.65	18.34	24.68	18.41
Net Profit after tax	70.50	62.46	70.60	62.66
Other Comprehensive Income (Net of tax)	0.03	(0.05)	0.03	(0.05)
Total Comprehensive Income after tax	70.53	62.40	70.63	62.61
Earning per shares of ₹ 5 each (In ₹)	16.15	14.31	16.17	14.36

Notes: The above figures are extracted from the audited standalone and consolidated financial statements as per Ind-AS.

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

### Operational Review:

**On Standalone Basis:** During the year under review, the Company has achieved a Total Income of ₹ 605.28 Crores as against ₹ 403.63 Crores in the previous financial year. EBITDA for FY22 stood at ₹ 125.00 crores with an EBITDA Margin of 20.65%. The Profit after tax for the financial year 2021-22 was ₹ 70.50 Crores as compared to previous year of ₹ 62.46 Crores.

**On Consolidated Basis:** During the year under review, the Company has achieved a Total Income of ₹ 610.58 Crores as against ₹ 406.45 Crores in the previous financial year. EBITDA for FY21 stood at ₹ 125.69 Crores with an EBITDA Margin of 20.58%. The Profit after tax for the financial year 2021-22 was ₹ 70.60 Crores as compared to previous year of ₹ 62.66 Crores.

### Dyes and Dye intermediates & Chemical Business

**On Standalone Basis:** The Turnover of the company from the Chemical Segment amounted to ₹ 524.64 Crores as against ₹ 369.25 Crores for the previous year. The EBIT from this segment stood at ₹ 87.62 Crores as against ₹ 80.35 Crores in the previous year.

### Solar Business

**On Standalone Basis:** The Turnover of the Company from Solar Power Operations amounted to ₹ 28.89 Crores as against ₹ 29.94 Crores for the previous year. The EBIT from this segment stood at ₹ 10.99 Crores as against ₹ 11.13 Crores in the previous year.

### DIVIDEND:

The Company has a robust track record of rewarding its shareholders with a generous dividend pay-out. In view of the strong financial performance, during the year under review, the Board of Directors has recommended a dividend of ₹ 4/- per share (80%) for the year ended March 31, 2022. This represent pay-out of 25%.

The dividend pay-out is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is available on the Company's website viz. <http://www.bhageriagroup.com/wp-content/uploads/2021/05/Dividend-Distribution-Policy.pdf>

As per the prevailing provisions of the Income Tax Act, 1961, the dividend, if declared, will be taxable in the hands of the shareholders at the applicable rates. For details, shareholders are requested to refer to the Notice of Annual General Meeting.

## CAPITAL STRUCTURE:

During the year under review, there was no change in Authorized, Issued, Subscribed and Paid-up Share Capital of the Company. The Company has not issued any equity shares with differential voting rights during the year.

### Authorized Share Capital

The Authorized Capital of the Company as at March 31, 2022 was ₹ 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 5,00,00,000 (Five Crores ) Equity Shares of ₹ 5/- each.

### Issued and paid up Share Capital

The Paid-up Equity Share Capital as at March 31, 2022 was ₹ 21,82,20,900/- (Twenty One Crore Eighty Two Lakh Twenty Thousand Nine Hundred Only) divided into 4,36,44,180 (Four Crore Thirty Six Lakh Forty Four Thousand One Hundred & Eighty) Equity Shares, having face value of ₹ 5/- each fully paid up.

## SUBSIDIARIES, JOINT VENTURE & ASSOCIATE COMPANIES:

During the Financial Year, the Company has acquired Bhageria & Jajodia Pharmaceuticals Private Limited as a Subsidiary Company on November 25, 2021. Accordingly, as on March 31, 2022, the Company has One (1) wholly owned subsidiary and One (1) Subsidiary Company.

A statement providing details of performance and salient features of the financial statements of Subsidiary / Associate / Joint Venture companies, as per Section 129(3) of the Act, is provided as **Annexure A** (i.e. in Form AOC-1) to the consolidated financial statement and therefore not repeated in this Report to avoid duplication.

The audited financial statement including the consolidated financial statement of the Company and all other documents required to be attached thereto is available on the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

The financial statements of the subsidiaries, as required, are available on the Company's website at [www.bhageriagroup.com](http://www.bhageriagroup.com)

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website at [www.bhageriagroup.com](http://www.bhageriagroup.com) Further, in terms of the said policy, the Company does not have a material subsidiary.

As on March 31, 2022, the Company does not have joint venture or associate companies within the meaning of Section 2(6) of the Companies Act, 2013.

## BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

### Composition:

The Board of Directors includes the Executive and Independent Directors so as to ensure proper governance and management. The Board consists of Seven (7) Directors comprising of Three (3) Executive Directors and Four (4) Independent Directors including One (1) Woman Director as on March 31, 2022.

### Appointment / Re-appointment:

The Shareholders of the Company has approved the re-appointment of Mr. Suresh Bhageria (DIN: 00540285) as Executive Chairman (Whole-time Director), Mr. Vinod Bhageria (DIN: 00540308) as Managing Director and Mr. Vikas Bhageria (DIN: 02976966) as Jt. Managing Director (Whole-time Director) of the Company for a period of 3 years i.e., from April 1, 2021 to March 31, 2024.

In accordance with the provisions of Section 152 of the Companies Act 2013 ("Act") and the Articles of Association of the Company, Mr. Vikas Bhageria (DIN: 02976966), Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

### Resignation:

Mr. S. P. Tulsian resigned as an Independent Director w.e.f. May 17, 2021. The Board of Directors have placed on record their warm appreciation for the rich contribution made by Mr. S. P. Tulsian and the guidance provided by him during his tenure as an Independent Director of the Company.

### Key Managerial Personnel:

In terms of Section 203 of the Act, the Company has the following Key Managerial Personnel:

Sr. No.	Name of Personnel	Designation
1.	Mr. Suresh Bhageria	Executive Chairman (WTD)
2.	Mr. Vinod Bhageria	Managing Director
3.	Mr. Vikas Bhageria	Jt. Managing Director (WTD)
4.	Mr. Rakesh Kachhadiya	Chief Financial Officer
5.	Mr. Krunal Wala	Company Secretary

### Independent Directors:

All the Independent Directors of the Company have given their respective declaration/ disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their

ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

In the Board's opinion, the Independent Directors are persons of high repute, integrity and possess the relevant expertise and experience in their respective fields.

### NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors met 4 (Four) times during the financial year 2021-22. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

### COMMITTEES OF BOARD OF DIRECTORS:

The Company has constituted various Committees pursuant to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. Presently, the Company has following Committees of the Board of Directors:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The details with respect to the composition, meetings, powers, roles, terms of reference, etc. of these Committees are given in the 'Corporate Governance Report' of the Company which forms part of this Annual Report.

### DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Act, with respect to Directors Responsibility statement it is hereby confirmed:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance

with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### ANNUAL PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an evaluation of its performance after taking into consideration various performance related aspects of the Board's functioning, competencies, frequency and regularity of meetings, contribution, creation of stakeholder values, management of current & potential strategic issues, compliance & governance etc. The performance evaluation of the Board as a whole, Chairman and Non-Independent Directors was also carried out by the Independent Directors in their meeting held on January 28, 2022.

Similarly, the performance of various committees, individual Independent and Non-Independent Directors was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like Composition and Working of Committees, Functioning, Contribution, Independence, Understanding, Knowledge, Initiative, Integrity, etc.

### ANNUAL RETURN:

Pursuant to Section 92 of the Act read with the applicable Rules, the Annual Return for the year ended March 31, 2022 can be accessed on the Company's website at [www.bhageriagroup.com](http://www.bhageriagroup.com).

### RELATED PARTY TRANSACTIONS:

Your Company has formulated a policy on related party transactions which is also available on Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com). This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. All related party transactions are placed before the Audit Committee for review and approval.

All related party transactions entered during the Financial Year were in ordinary course of the business and on an arm's length basis.

No material related party transactions were entered during the Financial Year by your Company. Accordingly, no disclosure is made in respect of related party transactions, as required under Section 134(3)(h) of the Act in Form AOC-2. Members may refer notes to the financial statements which sets out related party disclosures pursuant to INDAS-24.

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

Particulars of loans, guarantees given and investments made during the year, as required under section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, are provided in the Notes to the Standalone Financial Statements.

## **AUDITORS:**

### **Statutory Auditors:**

M/s. MRB & Associates, Chartered Accountants (ICAI Firm Registration No. 136306W) were appointed as the Statutory Auditors for a period of five (5) years commencing from the conclusion of the 28<sup>th</sup> Annual General Meeting until the conclusion of the 33<sup>rd</sup> Annual General Meeting. Accordingly, M/s. MRB & Associates will be completing their term of five (5) years at the conclusion of the forthcoming Annual General Meeting.

The company is proposing to appoint M/s. Sarda & Pareek LLP, (Firm Registration No. 109262W/W100673), Chartered Accountants, as Statutory Auditors for a period of five (5) years commencing from the conclusion of the 33<sup>rd</sup> Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting.

M/s. Sarda & Pareek LLP, have consented to the said appointment, and confirmed that their appointment, if made, would be within the limits mentioned under Section 141(3)(g) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014. Further, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The Audit Committee and the Board of Directors recommend the appointment of M/s. Sarda & Pareek LLP, Chartered Accountants as Statutory Auditors of the company from the conclusion of the 33<sup>rd</sup> Annual General Meeting till the conclusion of the 38<sup>th</sup> Annual General Meeting.

The Board places on record its appreciation for the services of M/s. MRB & Associates, Chartered Accountants, during their tenure as the Statutory Auditors of your company.

The Auditors' Report for financial year 2021-2022 on the financial statements forms part of this Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. The Auditors have also confirmed that they satisfy the independence criteria required under Companies Act, 2013 and Code of Ethics issued by Institute of

Chartered Accountants of India. The Auditors attended the last Annual General meeting of the Company.

During the year under review, the Statutory Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

### **Cost Auditor:**

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors on the recommendation of the Audit Committee appointed M/s Poddar & Co., Cost Accountants (ICWAI Firm Registration No. 101734) as the Cost Auditors of the Company for the Financial Year 2022-23 and has recommended their remuneration to the shareholders for their ratification at the ensuing Annual General Meeting.

M/s Poddar & Co., have given their consent to act as Cost Auditors and confirmed that their appointment is within the limits of the section 139 of the Companies Act, 2013. They have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013.

As per the requirements of section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records in respect of the applicable products for the year ended March 31, 2022.

### **Internal Auditor:**

Pursuant to provisions of Section 138 of the Companies Act, 2013 the Board on recommendation of the Audit Committee has appointed M/s. Kamal Dhanuka & Co., Chartered Accountants, (ICAI Firm Registration No. 131308W) as Internal Auditors of the Company for the financial year ending March 31, 2023.

### **Secretarial Auditor:**

The Secretarial Audit was carried out by M/s. GMJ & Associates, Company Secretaries for the Financial Year 2021-2022. The Report given by the Secretarial Auditors is annexed as **Annexure 'I'** to this Report. The report does not contain any qualification, reservation and adverse remark or disclaimer.

During the year under review, the Statutory Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

In terms of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee recommended and the Board of Directors have appointed M/s. GMJ & Associates, Company Secretaries as the Secretarial Auditors of the Company in relation to the financial year ending March 31, 2023. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed there under.



**Secretarial Compliance Report:** - The Company has undertaken an audit for the Financial Year ended March 31, 2022 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Secretarial Compliance Report issued by M/s. GMJ & Associates, Company Secretary has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year.

### CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure 'II'** of this report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on [www.bhageriagroup.com](http://www.bhageriagroup.com).

### INVESTOR EDUCATION & PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, unclaimed dividend amount of ₹ 6,56,067/- of the Company for the Financial Year ended March 31, 2014 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013 on August 25, 2021.

During the year, 3100 equity shares were transferred to IEPF and details of which are provided on the Company's website viz. [www.bhageriagroup.com](http://www.bhageriagroup.com).

The Company has transferred an amount of ₹ 10,31,098/- towards dividend to IEPF on the shares which were already transferred to IEPF.

### CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. The Code of Conduct is dealing with ethical issues and also fosters a culture of accountability and integrity. The Code is in accordance with the requirements of Listing Regulations and has been posted on the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com).

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

### RISK MANAGEMENT:

The Company has formulated a Risk Management policy to identify, assess and mitigate of various risks of our business, which is covered in detail in the Management Discussion and Analysis Report attached to this Report.

The Risk management committee at Bhageria is constituted under the Chairmanship of Mr. Suresh Bhageria, Executive Chairman

(WTD). The objective of the Committee is to define the framework for the identification, assessment, monitoring and mitigation of risks, oversee the risk management performance of the Management and to review the RM policy framework in line with the regulatory requirements.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The details in respect of internal control system and their adequacy are included in the Management Discussion and Analysis, which is a part of this report.

### PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection by the members at the registered office of the Company during working hours on working days upto the date of the Annual General Meeting and if any member is interested in obtaining as copy thereof, such member may write to the Company Secretary.

### PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure 'III'** to this Report.

### CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the year under review, the company has complied with the provisions relating to Internal Complaints Committee and no complaints were received by the Committee for redressal.

## ENVIRONMENT AND SAFETY:

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances, environmental regulations and preservation of natural resources at the Plants.

## CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

There were no material changes affecting the financial position of the Company between the end of the financial year and date of report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on [www.bhageriagroup.com](http://www.bhageriagroup.com).

## VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Vigil Mechanism / Whistle Blower policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism / Whistle Blower policy has been posted on the website of the Company at [www.bhageriagroup.com](http://www.bhageriagroup.com).

## CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate governance practices.

### Registered Office:

1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

Date: May 7, 2022

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexures, together with the Certificate from the Statutory Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Listing Regulations.

## TRANSFER TO RESERVE:

The Company has not transferred any amount to General Reserve during the financial year.

## PUBLIC DEPOSITS:

Your Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## BUSINESS RESPONSIBILITY REPORT:

Pursuant to Regulation 34(2)(f) of Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. In compliance with the Listing Regulations, BRR in the prescribed format is available as a separate section of this Annual Report.

## AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS:

The Board of Directors of the Company has affirmed with the compliances of Secretarial Standards issued by Institute of Company Secretaries of India.

## LISTING:

The Company's Shares are listed on BSE Limited and National Stock Exchange of India Limited, Mumbai.

## APPRECIATION:

Your Directors would like to express their sincere appreciation to the company's Shareholders, Vendors and Stakeholders including Banks, Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review. Your Directors also wish to place on record their appreciation for the hard work, solidarity, cooperation and support of employees at all levels.

For and on behalf of the Board of Directors  
**BHAGERIA INDUSTRIES LIMITED**

**SURESH BHAGERIA**  
CHAIRMAN  
(DIN: 00540285)

# ANNEXURE 'I' TO DIRECTORS' REPORT 2021-2022

## Form No.MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,  
The Members,  
**BHAGERIA INDUSTRIES LIMITED**  
Office No. 1002, 10<sup>th</sup> Floor,  
Topiwala Centre, Off S.V. Road,  
Goregaon (West),  
Mumbai – 400062.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHAGERIA INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions of the applicable Acts 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **BHAGERIA INDUSTRIES LIMITED** for the financial year ended on March 31, 2022, according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and Rules made thereunder;
- ii. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz
  - 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 to the company during the review period)
  - c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - d) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the review period)
  - f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the review period)
  - g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the review period)
  - h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the company during the review period)
- vi. We have also examined compliance with the applicable clauses of the following:
  - a) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company operates in Chemicals and Solar Power, apart from Environment, Pollution and safety related compliances, no specific Acts were applicable to the Company.

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

We further report having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We report that the Compliance by the Company of applicable financial laws, like direct, indirect tax laws and Goods and Service Tax Act, has not been reviewed in this Audit since the same has been subject to review by statutory auditor and other designated professionals.

**We further report that:**

1. 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 Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. 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.

3. Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that during the audit period, the Company has approved the following Special Resolutions on December 10, 2021 through Postal Ball Process and complied with the provisions of the Act.

- Alteration of the Object Clause III (A) of the Memorandum of Association of the Company by inserting New Clause 5 after the existing Clause 4 and make it compliant with provisions of the Companies Act, 2013.
- Alteration of Liability Clause IV of Memorandum of Association of Company to make it compliant with provisions of the Companies Act, 2013.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**For GMJ & ASSOCIATES**  
Company Secretaries

**[SONIA CHETTIAR]**  
PARTNER

PLACE: MUMBAI  
DATE: MAY 7, 2022.

ACS: 27582 COP: 10130  
UDIN: A027582D000293265

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



## ANNEXURE A

To,  
The Members,  
**BHAGERIA INDUSTRIES LIMITED**  
Office No. 1002, 10<sup>th</sup> Floor,  
Topiwala Centre, Off S.V. Road,  
Goregaon (West),  
Mumbai – 400062.

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

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

**For GMJ & ASSOCIATES**  
Company Secretaries

**[SONIA CHETTIAR]**  
PARTNER

PLACE: MUMBAI  
DATE: MAY 7, 2022.

ACS: 27582 COP: 10130  
UDIN: A027582D000293265

# ANNEXURE 'II' TO DIRECTORS' REPORT 2021-2022

## Annual Report on Corporate Social Responsibility (CSR) Activities

### 1. Brief outline on CSR Policy of the Company:

The Board of Directors of Bhageria Industries Limited, after taking into account the recommendations of the CSR Committee, has approved this CSR Policy for the Company. As per the CSR policy, Rural Transformation, Health, Education and Environment, are the focus areas for CSR engagement.

### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Ms. Ameya Jadhav	Chairperson (Independent Director)	1	1
2.	Mr. S. S. Gupta	Member (Independent Director)	1	1
3.	Mr. Vinod Bhageria	Member (Managing Director)	1	1

### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: <https://www.bhageriagroup.com/>

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

The average CSR obligation of the Company in past 3 years was ₹ 1.52 Crore, hence, the impact assessment is not applicable to the Company.

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

(Amount in Lakhs)

Sr. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
		Not Applicable	

### 6. Average net profit of the company as per section 135(5): ₹ 8751.00 Lakhs

### 7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 175.02 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 175.02 Lakhs

## 8. (a) CSR amount spent or unspent for the financial year: 2021-22.

(Amount in Lakhs)

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
175.72	--	--	--	--	--

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

(Amount in Lakhs)

(1) Sr. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes / No).	(5) Location of the project.		(6) Project duration	(7) Amount allocated for the project	(8) Amount spent in the current financial year	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6)	(10) Mode of Implementation - Direct (Yes/ No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	--	--	--	--	--	--	--	--	--	--	--	--
2.	--	--	--	--	--	--	--	--	--	--	--	--
3.	--	--	--	--	--	--	--	--	--	--	--	--
	Total											

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

(Amount in ₹)

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No).	Location of the project.		Amount Spent for the Project	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
1	Education Support Program	Cl.(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra	Mumbai	2,50,000	No	Swadeshi Jagaran Foundation	CSR00022074
			Yes	Maharashtra	Palghar	1,60,800	Yes, Direct	--	--
			Yes	Maharashtra	Pune	12,50,000	No	Agarwal Global Foundation	CSR00001190
			No	Jammu & Kashmir	Jammu	1,00,000	No	Bhartiya Shiksha Samiti	CSR00006547
			Yes	Maharashtra	Navi Mumbai	1,00,000	No	Visan Trust	CSR00009446
2	Education for Underprivileged & Intellectually Challenged Children		Yes	Maharashtra	Mumbai	97,997	No	Punarvas Education Society	CSR00002954
3	Solar Powered Drip Irrigation		Yes	Maharashtra	Palghar	5,00,000	No	Keshav Srushti	CSR00002691
4	Health Initiatives Programs	Cl.(i) Eradicating hunger, poverty and malnutrition, promoting health care and sanitation and making available safe drinking water.	No	Chhattisgarh	Jashpur	10,00,000	No	Akhil Bhartiya Vanvasi Kalyan	CSR00008932
			Yes	Maharashtra	Mumbai	2,50,000	No	Ratnadevi	CSR00003630
			No	Rajasthan	Chirawa	6,00,000	No	Bhageria Charitable Trust	
			No	Karnataka	Bangalore	87,808	Yes, Direct	--	--
5	Health Check-up Camp.		Yes	Maharashtra	Kombhalne	2,23,713	Yes, Direct	--	--
6	Eye Care Center Project		Yes	Maharashtra	Mumbai	3,02,003	No	Punarvas Education Society	CSR00002954

(Amount in ₹)

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No).	Location of the project.		Amount Spent for the Project	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
7	Awareness on sustainability through E-course on renewable sources of energy among students	Cl.(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	No	Delhi NCR	Delhi	5,50,000	No	National Association of School Professionals	CSR00007966
8	Apna Ghar Ashram	Cl. (iii). setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Yes	Maharashtra	Palghar	25,00,000	No	Rama Ganesh Charitable Trust	CSR00016317
9	Shree Sarvmangla Peetham	Cl.(v). Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	No	Uttar Pradesh	Mathura	75,00,000	No	Param Shakti Peeth	CSR00000072
10	Infrastructure Development Program	Cl.(x). Rural Development Projects	Yes	Maharashtra	Kombhalne	21,00,000	Yes, Direct	--	--
<b>Total</b>						<b>1,75,72,321</b>			

**(d) Amount spent in Administrative Overheads: Nil**

**(e) Amount spent on Impact Assessment, if applicable: Nil**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 175.72 Lakhs**

**(g) Excess amount for set off, if any**

(Amount in Lakhs)

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per Section 135(5) of the Companies Act, 2013	175.02
(ii)	Total amount spent for the Financial Year	175.72
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.70
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.70*

\* The Board does not propose to avail any set-off, against the excess amount spent in FY 2021-22 for succeeding financial years.



**9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil**

(Amount in Lakhs)

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of the Fund	Amount	Date of transfer.	
1.	2020-21	--	--	--	--	--	--
2.	2019-20	--	--	--	--	--	--
3.	2018-19	--	--	--	--	--	--

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil**

(Amount in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year.	Status of the project - Completed / Ongoing.
1	--	--	--	--	--	--	--	--
2	--	--	--	--	--	--	--	--
	<b>Total</b>							

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

- (a) Date of creation or acquisition of the capital asset(s): Not Applicable
- (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**

Date: May 7, 2022  
Place: Mumbai

**AMEYA JADHAV**  
CHAIRPERSON OF  
CSR COMMITTEE

**SURESH BHAGERIA**  
DIRECTOR  
(DIN: 00540285)

# ANNEXURE 'III' TO DIRECTORS' REPORT 2021-2022

## Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

Information as per section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2022 is given here below and forms a part of the Directors' Report.

### A. Conservation Of Energy:

#### i. The steps taken or impact on conservation of energy;

The company has made concrete efforts for enhancement in the capacity utilization, cost competitiveness and quality through systematic process monitoring and adherence to technological norms. Sophisticated instruments were used for regulation and adjustment of parameters. Efforts were also made for up gradation of the quality of plant operation. Utility are being combined besides waste recovery and for effective energy conservation. Energy Audit has also been carried out of plant and machines earlier and steps taken according to findings and suggestions of Energy Audit Report.

#### ii. The steps taken by the company for utilizing alternate sources of energy;

Installed Sulphuric Acid Plant with CO-GEN Technology, 01 MW steam operated Turbine has been installed with back pressure steam which is utilized in existing Dye Intermediates Plant. Hence, existing coal fired Boiler stopped.

Installed Solar Power Plant for Captive Consumption, 4MWp Ground Mounted Solar Plant has been installed in Kombhalne which is utilized in existing Dye Intermediates Plant. Thereby, consumption of electricity is reduces.

To utilize the alternate sources of Energy, the Company has setup a Solar Power Plant. The company is constantly exploring avenues for cost saving as an on-going process.

#### iii. The capital investment on energy conservation equipment's;

Installed Power Capacitor at every individual electrical motors, Panels to meet out power factor as per Mahadiscom guidelines.

Further studies to reduce energy consumption of existing unit are on and suitable investment will continue to be made in these areas.

### B. Technology Absorption:

#### i. the efforts made towards technology absorption during the year under review are:

Installed VFD on high capacity motors and multi effect evaporators, to save fuel and power.

#### ii. the benefits derived like product improvement, cost reduction, product development or import substitution:

Installation of analytical devices for in process product and finished goods to meet out international standards.

#### iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable

#### iv. During the year under review the expenditure incurred on Research and Development: Nil

### C. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(₹ in Lakhs)			
Sr. No.	Particular	March 31, 2022	March 31, 2021
1.	Foreign Exchange outgo	6238.03	4498.21
2.	Foreign Exchange earned	9648.34	7435.74

For and on behalf of the Board of Directors  
**BHAGERIA INDUSTRIES LIMITED**

#### Registered Office:

1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

Date: May 7, 2022

**SURESH BHAGERIA**  
CHAIRMAN  
(DIN: 00540285)

# ANNEXURE TO DIRECTORS' REPORT 2021-2022

## REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance pursuant to Schedule V (C) of the SEBI (LODR) Regulations, 2015 (the Listing Regulations) and forming Part of the Directors' Report for the year ended March 31, 2022.

### 1. Statement on Company's Philosophy on Code of Governance:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, integrity, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and social expectations. Good Corporate Governance practices stem from the culture and mind-set of the organization and at Bhageria Industries Limited [BIL], we are committed to do business in an efficient, responsible, honest and ethical manner and to meet the aspirations of all our stakeholders.

The Corporate Governance structure specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major decisions regarding procurement, commercial and finance are forwarded ahead after approval of the Board.

Strong Governance has indeed helped BIL to deliver wealth to its shareholders in the form of uninterrupted dividends.

### 2. Board of Directors:

#### Composition of the Board & Meetings

The composition of the Board is in compliance with the provisions of the Companies Act, 2013 & Listing Regulations. As on March 31, 2022 the Board consists of 7 Directors. Besides the Chairman who is an Executive Director, the Board comprises of 2 more Executive Directors and 4 Non-Executive Independent Directors including 1 Woman Independent Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The Board met Four (4) times during the year on May 15, 2021, July 27, 2021, October 29, 2021 and January 28, 2022. The maximum time gap between any two consecutive meetings did not exceed One Hundred and Twenty days. The necessary quorum was present for all the meetings.

**Table 1: Composition of the Board of Directors as on March 31, 2022:**

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships, Name of other listed entities (whose equity or debt securities are listed) where the Directors of the Company are Director and the category of their directorship are given below:

Sr. No.	Category	No. Of Board Meeting attended during the year 2021-2022		Attendance at last AGM held on July 31, 2021	No. Of Other Directorships of Companies Held as on March 31, 2022		No. of Membership of Outside Committees Held as on March 31, 2022		Name of other listed entities (whose equity or debt securities are listed) where the directors of the Company are director and the category of their Directorship	
		Held	Attended		Pub.	Pvt.	Member	Chairman	Other Listed Entities	Category
Mr. Suresh Bhageria	Executive Chairman	4	4	Yes	--	5	--	--	--	--
Mr. Vinod Bhageria	Managing Director	4	4	Yes	--	1	--	--	--	--
Mr. Vikas Bhageria	Jt. Managing Director	4	4	Yes	--	7	--	--	--	--
Mr. S. S. Gupta	Independent Non-Executive	4	4	Yes	--	1	--	--	--	--
(*) Mr. S. P. Tulsian	Independent Non-Executive	4	--	--	--	--	--	--	--	--

Sr. No.	Category	No. Of Board Meeting attended during the year 2021-2022		Attendance at last AGM held on July 31, 2021	¹No. Of Other Directorships of Companies Held as on March 31, 2022		²No. of Membership of Outside Committees Held as on March 31, 2022		Name of other listed entities (whose equity or debt securities are listed) where the directors of the Company are director and the category of their Directorship	
		Held	Attended		Pub.	Pvt.	Member	Chairman	Other Listed Entities	Category
Mr. M. M. Chitale	Independent Non-Executive	4	4	No	6	1	6	3	1. Larsen & Toubro Infotech Limited	Non-Executive Independent Director
									2. Larsen and Toubro Limited	Non-Executive Independent Director
									3. Atul Limited	Non-Executive Independent Director
									4. Macrotech Developers Limited	Non-Executive Independent Director
Prof. (Dr.) G. D. Yadav	Independent Non-Executive	4	4	Yes	4	--	4	--	1. Aarti Industries Limited	Non-Executive Independent Director
									2. Godrej Industries Limited	Non-Executive Independent Director
									3. Meghmani Organics Limited	Non-Executive Independent Director
									4. Clean Science and Technology Limited	Non-Executive Independent Director
Ms. Ameya Jadhav	Independent Non-Executive	4	4	Yes	--	--	--	--	--	--

(\*) Mr. S. P. Tulsian, Independent Director resigned from the Company on May 17, 2021

#### Note:

- No.s of other Directorships of Companies excludes foreign companies and Section 8 companies.
- Membership/Chairmanship in only Audit Committee and Stakeholders Relationship Committee has been considered for Committee positions as per the Listing Regulations.
- As mandated by Regulation 26 of Listing Regulations, none of the Directors are members of more than 10 Board level committees, nor are they Chairpersons of more than 5 committees in which they are members of such committees.

#### Relationships between Directors inter-se:

Mr. Suresh Bhageria is related to Mr. Vikas Bhageria as father and brother of Mr. Vinod Bhageria, with such inter-se relation between them. None of the other Directors except as aforementioned are related to each other.

#### Shareholding of Non-Executive Independent Directors as on March 31, 2022:

Mr. S. S. Gupta, Non-Executive Independent Director holds 1,25,344 Equity Shares in the Company.

#### Familiarization Programme for Independent Directors:

The details of familiarization programme for Independent Directors is disclosed on the website of the Company i.e. [www.bhageriagroup.com](http://www.bhageriagroup.com).

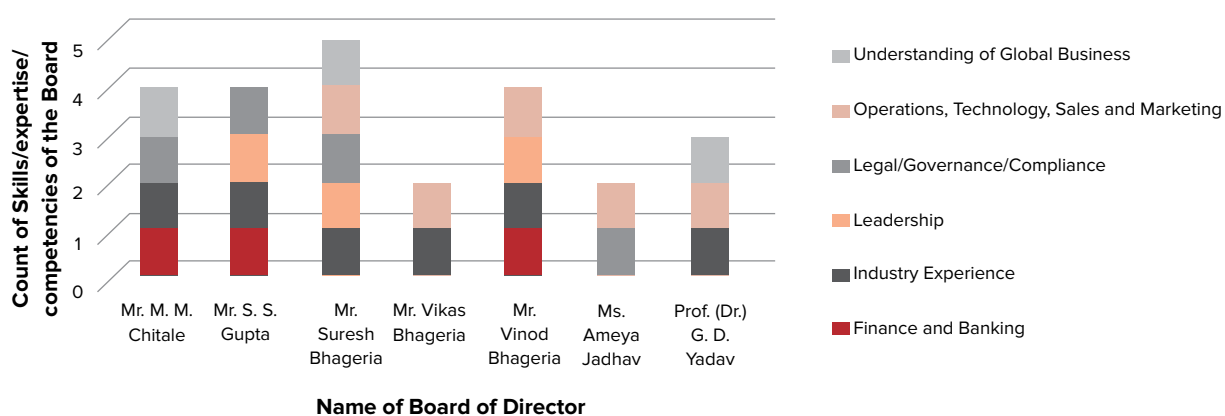
#### Skills / expertise / competencies of the Board of Directors

:- The list of core skills / expertise / competencies identified by the Board of Directors, as required in the context of the Company's business / sector and the said skills are available with the Board members:

- Industry Experience:** Experience in Chemical Industry

- **Operations, Technology, Sales and Marketing:** Experience in sales and marketing management based on understanding of the consumer & consumer goods industry.
- **Leadership:** Extensive leadership experience of an organisation for practical understanding of the organisation, its processes, strategic planning, risk management for driving change and long-term growth.
- **Understanding of Global Business:** Owing to presence across the globe, the understanding of global business & market is seen as pivotal.
- **Finance and Banking:** Finance field skills/competencies/expertise is seen as important for intricate and high quality financial management and financial reporting processes.
- **Legal/Governance/Compliance:** In order to strengthen and maintain the governance levels & practices in the organisation.

Chart or matrix setting out skills/expertise/competence of the Board of Directors:



#### Confirmation of Board for the independence of Independent Directors:

In the Opinion of Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

#### Detailed reasons for the resignation of Independent Director

During the year 2021-22, Mr. S. P. Tulsian has resigned w.e.f. May 17, 2021 due to paucity of time and it has been confirmed by him that there is no other material reasons other than those provided.

#### Minimum information being placed before the Board & Board procedure:

The Board meets at regular intervals to discuss and decide on various issues, including strategy related matters pertaining to the business of the Company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation at the Meetings of the Company.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge

its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the Meeting of the Board. Video-conferencing facilities are used to facilitate Directors to participate in the meetings.

The information as specified in Regulation 17(7) of the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration.

The Board has an effective post meeting follow up procedure. The Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board. The Compliance report in respect of applicable laws are reviewed by the Board periodically.

### 3. Committees of Board:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of Directors with specific terms of reference / scope. The committee operates as empowered agents of the Board. The inputs and details required for the decision is provided by the operating managers. The Minutes of the Meeting of all Committees of the Board are placed before the Board for discussions / noting.



Details of the Committees of the Board and other related information are as follows:

### 3. (I). **Audit Committee:**

The Audit Committee of the Company is constituted in accordance with the Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013 comprises of 3 qualified Independent Directors as member. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report & internal control system etc.

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

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinions in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit functions;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower;

- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.
- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors, if any;
- Internal audit reports relating to internal control weaknesses, if any;

- Statement of deviations, if any; in terms of Regulation 32(1) & 32(7) of the Listing Regulations;

#### Composition & Meetings:

The Committee met Four (4) times during the year on May 15, 2021, July 27, 2021, October 29, 2021 and January 28, 2022. The maximum time gap between any two consecutive meetings did not exceed One Hundred and Twenty days. The necessary quorum was present for all the meetings.

Attendance record at the meetings of the Audit Committee of members during Financial Year 2021–2022:

Name of the Members	Status	Audit Committee Meetings (2021-2022)				No. of Meetings Entitled to Attend	No. of Meetings Attended
		May 15, 2021	July 27, 2021	Oct 29, 2021	Jan 28, 2022		
Mr. S. S. Gupta	Chairperson	Yes	Yes	Yes	Yes	4	4
Mr. M. M. Chitale	Member	Yes	Yes	Yes	Yes	4	4
Ms. Ameysa Jadhav	Member	Yes	Yes	Yes	Yes	4	4

Head of the Finance and Accounts Department (CFO), representative of the Statutory Auditors and other executives as are considered necessary, attend meetings of the Audit Committee.

Mr. S. S. Gupta, Chairperson of the Audit Committee attended the Annual General Meeting held on July 31, 2021 to address the shareholder's queries.

### 3. (II) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in accordance with the Regulation 19 of the Listing Regulations read with Section 178 of Companies Act, 2013 comprising of 3 Non-executive Independent Director as member.

Terms of Reference of the Nomination & Remuneration Committee, inter-alia are as follows:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities

identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on the Board diversity;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice;
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable;
- To recommend to the board, all remuneration, in whatever form, payable to senior management;

The detailed terms of reference and Nomination & Remuneration policy is available on the website of the Company i.e. [www.bhageriagroup.com](http://www.bhageriagroup.com)

### Composition & Meetings:

The Committee met once during the year on May 15, 2021. The necessary quorum was present at the meeting.

Attendance record at the meetings of the Nomination & Remuneration Committee of members during Financial Year 2021–2022:

Name of the Members	Status	Nomination & Remuneration Committee Meetings (2021-2022)	No. of Meetings Entitled to Attend	No. of Meetings Attended
		May 15, 2021		
Mr. S. S. Gupta	Chairperson	Yes	1	1
Mr. M. M. Chitale	Member	Yes	1	1
Ms. Ameya Jadhav	Member	Yes	1	1

Mr. S. S. Gupta, Chairperson of the Nomination & Remuneration Committee attended the Annual General Meeting held on July 31, 2021.

### Details of Remuneration paid to Directors:

The Company pays remuneration to its Chairman, Managing Director & Whole-time Directors by way of Salary and commission etc. Salary is paid within the range as approved by the Shareholders. The Board approves all the revisions in salary and commission subject to the overall ceiling prescribed by Section 197 and 198 of the Act. The Non-Executive Independent Directors have not been paid any remuneration except sitting fees during the financial year 2021-22.

(Amount in Lakhs)

Name of Director	Designation / Category	Salary	Sitting fees	Commission	Total Remuneration
Mr. Suresh Bhageria	Executive Chairman (WTD)	108.00	--	--	108.00
Mr Vinod Bhageria	Managing Director	10.50	--	--	10.50
Mr. Vikas Bhageria	Jt. Managing Director (WTD)	90.00	--	--	90.00
Mr. S. S. Gupta	Non-Executive Independent Director	--	2.60	--	2.60
Mr. M. M. Chitale	Non-Executive Independent Director	--	2.30	--	2.30
Prof. (Dr.) G. D. Yadav	Non-Executive Independent Director	--	2.20	--	2.20
Ms. Ameya Jadhav	Non-Executive Independent Director	--	2.40	--	2.40

No single non-executive director is paid remuneration exceeding fifty percent of the total annual remuneration paid to all the non-executive directors during the financial year 2021-22.

The Company does not have any stock option plans and hence such instrument does not form part of the remuneration package payable to any Executive Director and / or Non-Executive Director.

During the period under review, none of the directors were paid any performance linked incentive.

The performance of Independent Directors was evaluated on the following criteria:

- Exercise of independent judgment in the best interest of Company;
- Ability to contribute to and monitor corporate governance practice;
- Adherence to the code of conduct for independent directors.

The entire Board of Directors carried out the performance evaluation of the Independent Directors on various parameters like engagement, analysis, decision making, communication and interest of stakeholders. In the evaluation process the Directors, who were subjected to evaluation did not participate.

### 3. (III) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee of the Company is constituted in accordance with the Regulation 20 of the Listing Regulations read with Section 178 of the Act., comprising of 3 Director as member (i.e. 2 Non-executive Independent Director and 1 Executive Director). Mr. Krupal Wala is the Company Secretary & Compliance Officer of the Company.

The Committee specifically looks into the mechanism of redressal of grievances of shareholders & other security holders pertaining to transfer of shares, non-receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization etc.

The Company has designated the e-mail ID [info@bhageriagroup.com](mailto:info@bhageriagroup.com) exclusively for the purpose of registering complaint by investors electronically. This e-mail ID is displayed on the Company's website i.e. [www.bhageriagroup.com](http://www.bhageriagroup.com)

The following table shows the nature of complaints received from the shareholders during the year 2021-22.

Nature of complaints	No. of complaints received during the year 2021-22	No. of complaints resolved during the year 2021-22
Non receipt of Shares / Dividend / Bonus / Rights	3	3
Delay in Transfer of shares	0	0
<b>Total</b>	<b>3</b>	<b>3</b>

There were no complaints pending as on March 31, 2022.

#### Composition & Meetings:

The Committee met once during the year on January 28, 2022. The necessary quorum was present at the meeting.

Attendance record at the meetings of the Stakeholders Relationship Committee of members during Financial Year 2021-2022:

Name of the Members	Status	Stakeholders Relationship Committee Meeting (2021-2022)	No. of Meetings Entitled to Attend	No. of Meetings Attended
		Jan 28, 2022		
Mr. S. S. Gupta	Chairperson	Yes	1	1
Mr. Suresh Bhageria	Member	Yes	1	1
Ms. Ameya Jadhav	Member	Yes	1	1

Mr. S. S. Gupta, Chairperson of the Stakeholders Relationship Committee attended the Annual General Meeting held on July 31, 2021 to address the shareholder's queries.

### 3. (IV) Risk Management Committee:

The Risk Management Committee of the Company is constituted in accordance with the Regulation 21 of the Listing Regulations comprising of 4 Director as member (i.e. 2 Non-executive Independent Director and 2 Executive Director).

Terms of Reference of the Risk Management Committee, inter-alia are as follows:

- To formulate a detailed risk management policy which shall include:
  - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The detailed terms of reference and Risk Management Policy is available on the website of the Company i.e. [www.bhageriagroup.com](http://www.bhageriagroup.com)

#### Composition & Meetings:

The Committee met Twice during the year on July 27, 2021 and January 22, 2022. The maximum time gap between any two consecutive meetings did not exceed One Hundred and Eighty days. The necessary quorum was present for all the meetings.

Attendance record at the meetings of the Risk Management Committee of members during Financial Year 2021–2022:

Name of the Members	Status	Risk Management Committee Meetings (2021-2022)		No. of Meetings Entitled to Attend	No. of Meetings Attended
		July 27, 2021	January 22, 2022		
Mr. Suresh Bhageria	Chairperson	Yes	Yes	2	2
Mr Vinod Bhageria	Member	Yes	Yes	2	2
Mr. S. S. Gupta	Member	Yes	Yes	2	2
Prof. (Dr.) G. D. Yadav	Member	Yes	Yes	2	2

### 3. (V) Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee of the Company is constituted in accordance with the provisions of Section 135 of the Act. The Committee meets as and when required. The Committee recommends to the Board activities, programs, projects to be undertaken by the company as specified in Schedule VII of the Act. The activities / programmes undertaken by the Company and the amount spent by the Company are given in the Annexure to the Directors Report. This policy can be accessed from the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

#### Composition & Meetings:

The Committee met once during the year on May 15, 2021. The necessary quorum was present at the meeting.

Attendance record at the meetings of the Corporate Social Responsibility Committee of members during Financial Year 2021–2022:

Name of the Members	Status	Corporate Social Responsibility Committee Meeting (2021-2022)	No. of Meetings Entitled to Attend	No. of Meetings Attended
		May 15, 2021		
Ms. Ameya Jadhav	Chairperson	Yes	1	1
Mr. S. S. Gupta	Member	Yes	1	1
Mr. Vinod Bhageria	Member	Yes	1	1

### 4. Obligation and Separate Meeting of Independent Directors:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations, 1 (One) separate meeting of the Independent Directors were held during the year i.e. on January 28, 2022. The meeting of the Independent Directors was held without the presence of Non-Independent Directors and members of management to:

- review the performance of non-independent directors and the board of directors as a whole;
- review the performance of the Chairman of the listed entity, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Accordingly, the performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**Registration of Independent Directors in Independent Directors Databank** - All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

**Online Proficiency Self-Assessment Test** - Out of Four Independent Directors of the Company, Three Independent Directors are not required to clear Online Proficiency Self-Assessment Test conducted by Indian Institute of Corporate Affairs (IICA) and One Independent Director has already appeared and cleared the Online Proficiency Self-Assessment Test conducted by Indian Institute of Corporate Affairs (IICA) before the due date.

### 5. Other Policies Mandated Under Listing Regulations:

- Archival Policy**- In Compliance with Regulation 30(8) of Listing Regulations, the Company shall disclose on



its website all such events, information which has been disclosed to the Stock Exchange(s) under Regulations 30. Such disclosures shall be posted on website of the Company for minimum five years and thereafter determine further action as per the archival policy of the Company. This policy can be accessed from the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

- **Policy for Preservation of Documents-** In Compliance with Regulation 9 of Listing Regulations, the Board of Directors of the Company has adopted policy on preservation of Documents. This policy for preservation of Documents can be accessed from the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

- **Policy for Determining Materiality of Events-** In Compliance with Regulations 30 of Listing Regulations, the Board of Directors has adopted a policy on Determining Materiality of Events or information. The objective of this policy is to ensure timely and adequate disclosure of events or information. This Policy can be accessed from the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

- **Policy on Board Diversity-** The Company recognizes and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates. This Policy can be accessed from the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

## 6. General Body Meetings:

### a) Location and time, where last 3 AGM's held:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2019	31.08.2019	11:30 A.M.	Maher Banquet, Topiwala Centre Mall 2 <sup>nd</sup> Floor off S. V. Road Near Rly Stn., Goregaon (West), Mumbai – 400062.
31.03.2020	29.08.2020	11:00 A.M.	Annual General Meeting held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") deemed to be held at the Registered office of the Company.
31.03.2021	31.07.2021	11:30 A.M.	Annual General Meeting held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") deemed to be held at the Registered office of the Company.

### b) Whether any Special Resolution passed in previous 3 AGM's:

Date of AGM	Description of Special Resolution
31.08.2019	i. Special Resolution under section 196, 197, 203 for the re-appointment of Mrs. Chandraprabha Bhageria as Whole-Time Director of the Company. ii. Special Resolution under section 149, 150, 152 for the re-appointment of Mr. S. P. Tulsian as Independent Director of the Company. iii. Special Resolution for payment of Remuneration to Executive Directors who are promoters or members of promoter group of the Company pursuant to Regulation 17(6)(e) (ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
29.08.2020	No Special resolution was passed.
31.07.2021	i. Approval for re-appointment of Mr. Suresh Bhageria (DIN: 00540285) as the Executive Chairman (Whole-time Director) of the company for a term of 3 years. ii. Approval for re-appointment of Mr. Vinod Bhageria (DIN: 00540308) as Managing Director of the company for a term of 3 years. iii. Approval of re-appointment of Mr. Vikas Bhageria (DIN: 02976966) as the Jt. Managing Director (Whole Time Director) of the company for a term of 3 years.

**c) Following Special Resolutions were passed Last year through Postal Ballot**

- i. **Person who conducted the Postal ballot exercise:-** The Company has appointed Mr. Mahesh Soni failing him Mrs. Sonia Chettiar, Partner of M/s. GMJ & Associates, Practicing Company Secretaries as Scrutinizer to conduct the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
- ii. **Procedure for postal ballot :-** Pursuant to Section 108, 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, (the "Rules") and Ministry of Corporate Affairs (MCA) General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 read with General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 and General Circular No. 39/2020 dated December 31, 2020 and General Circular No. 10/2021 dated June 23, 2021 (hereinafter known as MCA Circulars) and Regulation 44 of the SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), that the following special resolution were passed by the Shareholders of the Company through remote e-voting process during the Financial Year ended March 31, 2022.
- iii. Special Resolutions passed last year through Postal Ballot and voting results:-
  - a. Alteration of the Object Clause of the Memorandum of Association of the Company

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	[1]	[2]	$[3]=([2]/[1])*100$	[4]	[5]	$[6]=([4]/[2])*100$	$[7]=([5]/[2])*100$
Promoter and Promoter Group	31019892	30698412	98.9636	30698412	0	100.00	0
Public Institutions	334160	0	0	0	0	0	0
Public Non Institutions	12290128	10392	0.0846	10083	309	97.0266	2.9734
<b>Total</b>	<b>43644180</b>	<b>30708804</b>	<b>70.3617</b>	<b>30708495</b>	<b>309</b>	<b>99.9990</b>	<b>0.0010</b>

- b. Alteration of the Liability Clause of the Memorandum of Association of the Company

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	[1]	[2]	$[3]=([2]/[1])*100$	[4]	[5]	$[6]=([4]/[2])*100$	$[7]=([5]/[2])*100$
Promoter and Promoter Group	31019892	30698412	98.9636	30698412	0	100.00	0
Public Institutions	334160	0	0	0	0	0	0
Public Non Institutions	12290128	10392	0.0846	10073	319	96.9303	3.0697
<b>Total</b>	<b>43644180</b>	<b>30708804</b>	<b>70.3617</b>	<b>30708485</b>	<b>319</b>	<b>99.9990</b>	<b>0.0010</b>

- d) No special resolutions are proposed to be conducted through postal ballot.

## 7. Means of Communication:

Financial Year	Venue	
Quarterly results:	Results are submitted to Stock Exchanges electronically as provided by the respective exchange & published in newspapers and uploaded on the Company's website.	
Newspapers wherein results normally published:	Economic Times, Financial Express (English) and Mumbai Tarun Bharat (Marathi)	
Any website, where displayed	<a href="http://www.bhageriagroup.com">www.bhageriagroup.com</a>	
Presentations made to institutional investors or to the analysts:	Quarter ended	Investor presentations
	March 31, 2021	May 20, 2021
	June 30, 2021	July 28, 2021
	September 30, 2021	November 1, 2021
	December 31, 2021	--

## 8. General Shareholders Information:

### a) Annual General Meeting - Date, Time and Venue

ANNUAL GENERAL MEETING	: 33 <sup>rd</sup> Annual General Meeting
DAY & DATE	: Saturday, July 30, 2022
TIME	: at 12:30 p.m.
VENUE	: Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, January 13, 2021 December 14, 2021 and May 5, 2022 as such there is no requirement to have a venue for the AGM.

For details, please refer to the Notice of this AGM.

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

### b) Financial Year: 2022-23 (Tentative)

Financial Reporting for the Financial Year 2022-23	Tentative month of reporting
Un-audited Financial Results for the quarter ending June 30, 2022	On or before August 14, 2022
Un-audited Financial Results for the quarter and half-year ending September 30, 2022	On or before November 14, 2022
Un-audited Financial Results for the quarter ending December 31, 2022	On or before February 14, 2023
Audited Financial Results for the quarter and year ending March 31, 2023	On or before May 30, 2023

### c) Dividend Payment Date: The Final Dividend, if approved, shall be paid/credited on and before August 29, 2022.

### d) Listing On Stock Exchanges:

The Company's Shares are listed on:

**BSE Limited**  
Listing Department  
P.J. Towers, 1<sup>st</sup> Floor,  
Dalal Street, Fort,  
Mumbai – 400 001

**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai- 400 051.

**Payment of Listing Fees:** The annual listing fees for the year 2022-23 has been paid to the above stock exchanges.

**e) Stock Code:**

BSE Limited, Mumbai  
Scrip Name: BHAGERIA INDUSTRIES LIMITED  
Scrip Code: 530803.

NSE Limited, Mumbai  
Scrip Name: BHAGERIA

Depository Connectivity: NSDL and CDSL.  
ISIN No. for the Company's Security: INE354C01027

**f) Market price data :**

High, Low during each month in last financial year on BSE Ltd:

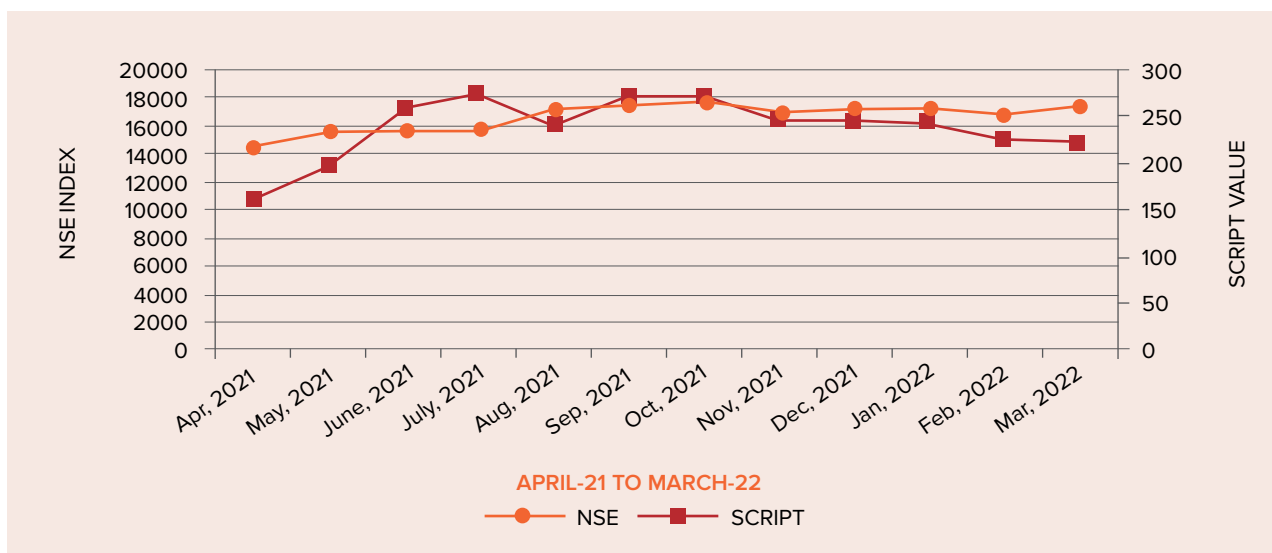
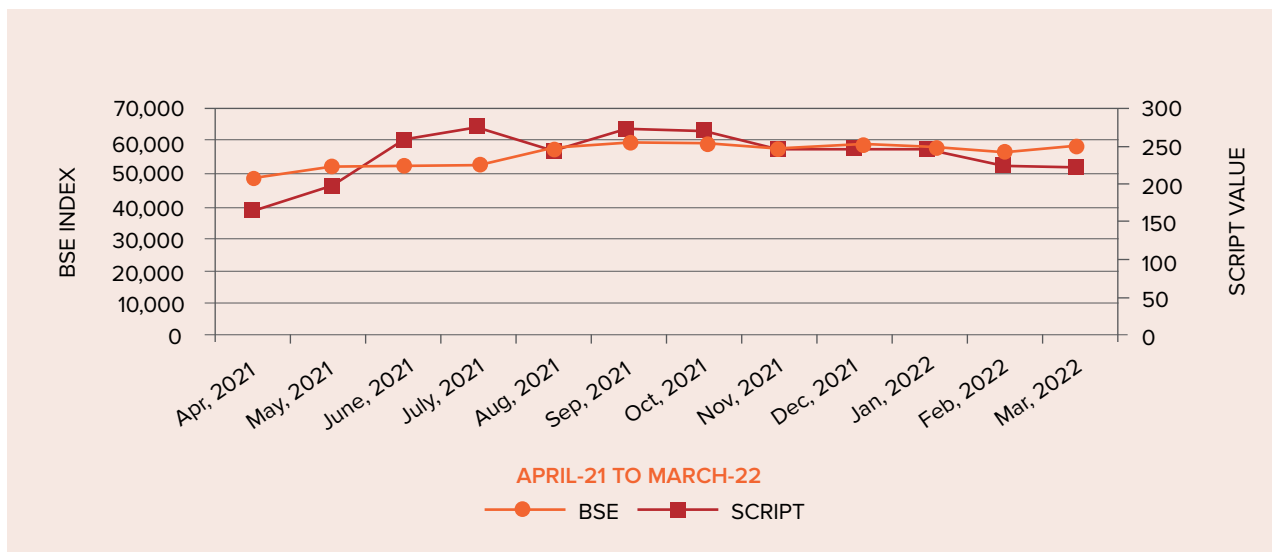
Month	Company's Shares		Closing	
	High (₹)	Low (₹)	Closing (₹)	BSE Sensex
April, 2021	169.80	146.25	162.85	48782.36
May, 2021	210.75	159.00	196.85	51937.44
June, 2021	286.00	187.65	259.65	52482.71
July, 2021	296.80	257.00	273.75	52586.84
August, 2021	279.15	218.85	241.85	57552.39
September, 2021	278.00	237.30	270.45	59126.36
October, 2021	328.55	262.25	271.65	59306.93
November, 2021	299.00	237.90	244.45	57064.87
December, 2021	264.05	231.35	247.30	58253.82
January, 2022	272.60	225.90	241.10	58014.17
February, 2022	275.00	208.00	224.20	56247.28
March, 2022	250.00	211.00	221.20	58568.51

High, Low during each month in last financial year on NSE Ltd:

Month	Company's Shares		Closing	
	High (₹)	Low (₹)	Closing (₹)	NSE Nifty50
April, 2021	170.90	136.30	162.60	14631.10
May, 2021	211.00	162.10	196.50	15582.80
June, 2021	279.45	187.30	259.20	15721.50
July, 2021	296.85	256.70	273.85	15763.05
August, 2021	279.40	218.95	240.95	17132.20
September, 2021	277.75	237.00	270.50	17618.15
October, 2021	329.00	261.70	271.50	17671.65
November, 2021	289.60	243.90	246.95	16983.2
December, 2021	263.25	230.70	247.40	17354.05
January, 2022	264.80	211.20	241.30	17339.85
February, 2022	287.20	206.85	224.25	16793.9
March, 2022	249.90	210.75	222.60	17464.75

**g) Performance in comparison to broad-based indices such as BSE and NSE etc.**

**BSE INDEX & MOVEMENT OF SCRIPT**



**h) In case the securities are suspended from trading, the directors report shall explain the reason thereof; - Not Applicable**

**i) Registrar and Share Transfer Agents:**

LINK INTIME INDIA PRIVATE LIMITED  
 (UNIT: BHAGERIA INDUSTRIES LIMITED)  
 C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083  
 Tel: 022-49186270  
 Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



**j) Share Transfer Systems:**

Securities of the listed companies can be transferred only in dematerialized form w.e.f. April 1, 2019. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/ 2022/8 dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate securities certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

**k) Distribution of Shareholding:**

Shareholding Pattern as on March 31, 2022:

Category	No. of shares held	% of shareholding
<b>A) Promoter and Promoter Group</b>	31176613	71.43
<b>B) Public shareholding</b>		
<b>B1) Institutions</b>		
Mutual funds	--	--
Bank/Financial Institutions	--	--
Foreign Portfolio Investors	7177	0.02
<b>B2) Non-Institutions</b>		
Individual share capital upto ₹ 2 Lakhs	5072137	11.62
Individual share capital in excess of ₹ 2 lakhs	1482325	3.40
<b>B3) Any other</b>		
Trust	432	--
Clearing Members	25079	0.06
IEPF	326500	0.75
Non-Resident Indian(NRI)	435095	1.00
HUF	694739	1.59
Bodies Corporate	4424083	10.14
<b>Total (A+B)</b>	<b>43644180</b>	<b>100.00</b>

Distribution of Shareholding as on March 31, 2022:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 100	9327	334456	0.77
101 to 200	1698	289185	0.66
201 to 500	2294	839964	1.92
501-1000	897	705412	1.62
1001-5000	794	1726536	3.96
5001-10000	121	876661	2.01
10001 - 100000	98	2669655	6.12
100001 & above	36	36202311	82.95
<b>Total</b>	<b>15265</b>	<b>43644180</b>	<b>100.00</b>

**l) Dematerialisation of Shares & Liquidity:**

As on March 31, 2022, 43070651 Equity Shares representing 98.69% of total equity shares were held in dematerialized form with NSDL and CDSL. The 100% shareholding of Promoters & Promoters Group is in dematerialised form in compliance with Regulation 31(2) of the Listing Regulations.

**Liquidity:**

Average Monthly Trading of the Company's Shares on BSE and NSE

Particulars	BSE	NSE
Number of Trades	12037	78639
Number of Shares	244023	2256547

m) **Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not Applicable

n) **Commodity price risk or foreign exchange risk and hedging activities:** Market driven. (For detailed information on foreign exchange risk and hedging activities, please refer to notes to Financial Statements.)

**o) Plant Locations:**

**Chemical Plants-**

- (i) Plot No. 6310, IV Phase, GIDC Industrial Estate, Vapi, Gujarat - 396 195.
- (ii) Plot No. D-17, MIDC Tarapur Boisar Industrial Area Boisar, Palghar – 401506.

**Solar Power Plant-**

- 1) 1.20 MWp Rooftop Solar Power Plant with Lucas TVS Limited situated at Padi, Chennai-600 050, India.
- 2) 1 MWp Rooftop Solar Power Plant with Asahi India Glass Limited situated at Plot No.F-76 to 81,SIPCOT Industrial Part, Irungattukottai, Sriperumbudur, District – Kancheepuram, Tamil Nadu – 602 117.
- 3) 480 KWp Rooftop Solar Power Plant with TRIL Infopark Limited situated at Ramanujan IT City, Rajiv Gandhi Salai (OMR), Taramani, Chennai – 600 113.

4) 30 MW Solar Power Plant at Ahmednagar, Maharashtra.

5) 1001.7 KWp Rooftop Solar power Plant with Kajaria Ceramics limited situated at 19 Km stone, Village Gailpur, Bhiwandi-Alwar Road, PO Tapukara, Dt. Alwar (Raj)-301707.

6) 1.1 MWp Ground Mounted Solar Plant situated at Andur, taluka Tuljapur District Osmanabad for captive consumption for Tarapur Plant.

7) 160 KWp Rooftop Solar Power Plant situated at Plot No. D-17, MIDC Tarapur Boisar Industrial Area Boisar, Palghar – 401506 for captive consumption.

8) 4 MWp Ground Mounted Solar Plant at Village Kombhalne, Talkole, Dist. Ahmednagar, Maharashtra, 445109 for captive consumption for Tarapur Plant.

**p) Address for Correspondence :**

BHAGERIA INDUSTRIES LIMITED  
Office No. 1002, 10<sup>th</sup> Floor, Topiwala Centre, Off S. V. Road, Goregaon [West], Mumbai – 400 062.  
E-mail : info@bhageriagroup.com  
Telephone No. 40436666

**q) List of all Credit rating list of all credit ratings obtained by the Company along with any revisions thereto during the financial year-**

CARE Ratings Limited (CARE) has reviewed and given the ratings as under:

Facilities	Amount (in Crore)	Rating	Rating Action
Long-term Fund Based Bank Facilities (Term loan)	-	-	-
Long-term/Short-term Bank Facilities	76.00	CARE A: Stable/CARE A1 (Single A; Outlook: Stable/A One)	Reaffirmed
<b>Total Facilities</b>	<b>76.00</b>		

CARE Ratings Limited (CARE) has reviewed and given the revised ratings on April 11, 2022 is as under:

Facilities	Amount (in Crore)	Rating	Rating Action
Long-term Fund Based Bank Facilities (Term loan)	-	-	-
Long-term/Short-term Bank Facilities	76.00	CARE A+: Stable / CARE A1+ (Single A Plus; Outlook: Stable/A One Plus)	Revised
<b>Total Facilities</b>	<b>76.00</b>		

## 9. Other Disclosures:

- a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the Management, or relatives. None of the transactions with any of the related parties were in conflict with the interests of the Company.

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

Sr. No.	Particulars of non-compliance	2021-2022		2020-2021		2019-2020	
		BSE	NSE	BSE	NSE	BSE	NSE
1.	Non-Compliance pursuant to regulation 295(1) of the SEBI (ICDR) Regulations, 2018 (i.e. One day delay in crediting bonus shares)	--	--	--	--	20,000	20,000
	<b>Total</b>	--	--	--	--	<b>20,000</b>	<b>20,000</b>

- c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

Pursuant to Section 177(9) of the Act and Regulation 22 of the Listing Regulations the Company has adopted a Vigil Mechanism/Whistle Blower Policy. The Company believes in professionalism, transparency, integrity and ethical behaviour and had thus established a 'Whistle Blower Policy' to facilitate employees to report concerns of any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No person has been denied access to the Audit Committee.

- d) Details of compliance with discretionary requirements

All mandatory requirements of the SEBI Listing Regulations have been complied with by the Company. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

- **The Board:** Not Applicable since the Company has an Executive Chairman.
- **Shareholders Rights:** Presently the company is not sending half yearly communication.
- **Modified opinion(s) in the Audit Report:** The Company is in the regime of unmodified audit opinion.
- **Separate posts of Chairman and the Managing Director or the Chief Executive Officer:** The Company has a Separate post of Chairman & Managing Director but the Chairman is an Executive and related to Managing Director.
- **Reporting of Internal Auditor:** The Internal Auditor directly reports to Audit Committee.

- e) web link where policy for determining 'material' subsidiaries is disclosed: [www.bhageriagroup.com](http://www.bhageriagroup.com)

- f) web link where policy on dealing with related party transactions: [www.bhageriagroup.com](http://www.bhageriagroup.com)

- g) disclosure of commodity price risks and commodity hedging activities: Market Driven

- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under regulation 32 (7A) of the Listing Regulations, during the financial year ended March 31, 2022.

- i) a certificate from GMJ & Associates company secretary in practice have been obtained and certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

- j) where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable

- k) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: as per Note no. 37(a) of financials.

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

- a. Number of complaints filed during the financial year- Nil
- b. Number of complaints disposed of during the financial year- Nil
- c. Number of complaints pending as on end of the financial year- Nil
- m) Disclosure Loans and advances to entities in which directors are interested: The Company and its subsidiaries has not given any loans and advances in the nature of loans to any firms / companies in which Directors of the Company are interested.

**10. Non Compliance of any requirement of Corporate Governance Report of sub-para (2) To (10) of para C of Corporate Governance Report of Schedule V Annual Report of Listing Regulations: NONE**

**11. Disclosure to the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:** As per Details Given under the Heading "Other Disclosures".

**12. Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (l) of sub-regulation (2) of Regulation 46 shall be made in the Section on Corporate Governance of the Annual Report:**

The Company has complied with the Corporate Governance Requirements specified in Regulation 17 to 27 and in accordance with Regulation 46(2) of Listing Regulations, required information has been hosted on the Company's website [www.bhageriagroup.com](http://www.bhageriagroup.com)

**13. Code of Conduct:**

The Company has adopted a Code of Conduct for the Directors, Senior Management Personnel and Employees of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the code for the effective period. The Declaration by the Chairman to that effect forms part of this Report.

**14. CEO / CFO Certification:**

The Chairman and Chief Financial Officer (CFO) have issued certificate as specified in Regulation 17(8) of Listing Regulations, for the financial year ended March 31, 2022. The Certificate is annexed to this Report.

**15. Auditors' Certificate on Corporate Governance:**

The Company has obtained a Certificate from Auditors of the Company regarding compliance with the provisions relating to the corporate governance laid down in the Listing Regulations. This Certificate is annexed to the Report.

**16. Declaration:**

All the members of the Board and senior Management Personnel of the Company have affirmed due observation of the code of the conduct, framed pursuant to Regulation 26(3) of Listing Regulations with Stock Exchange is so far as it is applicable to them.

For and on behalf of the Board of Directors  
**BHAGERIA INDUSTRIES LIMITED**

**Registered Office:**

1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

Date: May 7, 2022

**SURESH BHAGERIA**  
CHAIRMAN  
(DIN: 00540285)

# CEO / CFO CERTIFICATION

To,  
The Board of Directors of  
**Bhageria Industries Limited,**  
1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

1. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violating the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
  - i. There have been no significant changes in internal control over financial reporting during the year;
  - ii. There have been no significant changes in accounting policies during the year; and
  - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 7, 2022  
Place: Mumbai

**Suresh Bhageria**  
Chairman  
(Din: 00540285)

**Rakesh Kachhadiya**  
Chief Financial Officer



# INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**Bhageria Industries Limited**,  
1002, Topiwala Centre,  
Off S. V. Road, Goregaon [West],  
Mumbai -400062.

The Corporate Governance Report prepared by **Bhageria Industries Limited** ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for the year ended March 31, 2022. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

We, **MRB & Associates, Chartered Accountants**, the Statutory Auditors of **Bhageria Industries Limited** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

## Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

The Management along with the Board of Directors is also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

## Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring

compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.

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



### Other matters and restriction on use

This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty

of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For MRB & Associates**

Chartered Accountants

FRN - 136306W

**Manish R Bohra**

Partner

Membership No.:058431

Date: May 7, 2022

UDIN: 22058431ALCEBL3092

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (LODR) Regulations, 2015)

To,

**Bhageria Industries Limited**

Office No. 1002, 10<sup>th</sup> Floor,  
Topiwala Centre, Off S.V. Road,  
Goregaon (West),  
Mumbai – 400062.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bhageria Industries Limited** having **L40300MH1989PLC052574** and having registered office at Office No. 1002, 10<sup>th</sup> Floor, Topiwala Centre, Off S.V. Road, Goregaon (West), Mumbai – 400062 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub-clause 10(i) of the SEBI (LODR) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. M. M. Chitale	00101004	25/03/2019
2.	Mr. Suresh Bhageria	00540285	21/12/1994
3.	Mr. Vinod Bhageria	00540308	12/07/1989
4.	Mr. S. S. Gupta	01147494	11/08/2011
5.	Prof. (Dr.) Ganapathi Yadav	02235661	21/10/2019
6.	Mr. Vikas Bhageria	02976966	02/03/2015
7.	Ms. Ameya Jadhav	08696918	01/04/2020

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

**For GMJ & Associates**  
Company Secretaries

**[SONIA CHETTIAR]**

PARTNER

ACS: 27582 COP: 10130

UDIN: A027582D000293287

PLACE: MUMBAI

DATE: May 7, 2022

# BUSINESS RESPONSIBILITY REPORT

The Directors present the Business Responsibility Report of the Company for the financial year ended on March 31, 2022, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company:	L40300MH1989PLC052574
2	Name of the Company:	Bhageria Industries Limited
3	Registered address:	Office No. 1002, 10 <sup>th</sup> Floor, Topiwala Centre, Off S.V. Road, Goregaon (West), Mumbai - 400062
4	Website:	<a href="http://www.bhageriagroup.com">www.bhageriagroup.com</a>
5	E-mail:	<a href="mailto:info@bhageriagroup.com">info@bhageriagroup.com</a>
6	Financial Year reported:	2021-22
7	Sector(s) that the Company is engaged in (industrial activity code-wise):	Manufacturing of Organic Chemicals (20119) Generation of Solar Power (35105)
8	List three key products/services that the Company manufactures/provides (as in balance sheet):	a) H-Acid b) Vinyl Sulphone c) Gamma Acid
9	Total number of locations where business activity is undertaken by the Company:	The Company's businesses and operations are spread across the country. Details of plant locations operated by the Company, are provided in the section 'Shareholder Information', in the Corporate Governance Report
10	Markets served by the Company: Local/State/National/International	The Company sells its products in India as well as several countries in the world.

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital as on March 31, 2022	2182.20 (₹ in Lakhs)
2	Total Turnover:	59,622.12 (₹ in Lakhs)
3	Total profit after taxes:	7,050.25 (₹ in Lakhs)
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 175.72 Lakhs u/s 135 of Companies Act equivalent to 2.01% of Average Net Profit of the Company for last 3 Financial Year.
5	List of activities in which expenditure in 4 above has been incurred	Refer to Annexure II to Board's Report in our Annual Report.

## SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	Yes, Refer to <b>Annexure A</b> to the Consolidated Financial Statement
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary company(s).	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

## (b) Details of the BR head

## 1. Details of Director/Directors responsible for BR

## (a) Details of the Director/Directors responsible for implementation of the BR policy/policies:

DIN Number: 00540285  
 Name: Suresh Keshavdeo Bhageria  
 Designation: Chairman

No.	Particulars	Details
1	DIN Number (if applicable)	00540285
2	Name	Mr. Suresh Bhageria
3	Designation	Chairman
4	Telephone number	022-40436631
5	E-mail id	suresh@bhageriagroup.com

## 2. Principle-wise (as per NVG's) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

## Principle 1

Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.

## Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe.

## Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

## Principle 4

Businesses should respect the interests of and be responsive to all their stakeholders.

## Principle 5

Businesses should respect and promote human rights.

## Principle 6

Businesses should respect and make efforts to protect and restore the environment.

## Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

## Principle 8

Businesses should promote inclusive growth and equitable development.

## Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner.

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

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y**	Y**	Y**	Y**	Y**	Y**	Y**	Y**	Y**



Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	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	Y	Y	Y
6	Indicate the link for the policy to be viewed online. (@)	1,2	1	1	1	1	1	1	1	1
7	Has the policy been formally Communicated to all relevant internal and external stakeholders?	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>	Y <sup>#</sup>
8	Does the company have in-house Structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>	Y <sup>##</sup>

Y\* The Company engages with the relevant stakeholders from time to time, their concerns are noted and discussed internally which helps in our policies.

Y\*\* This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company.

Y<sup>#</sup> The policy has been communicated to company's relevant internal stakeholders. Company continues to explore other formal ways to communicate the policies with all relevant stakeholders.

Y<sup>##</sup> The company is working on developing and improving its system for evaluating the implementation of policy internally.

(@) The following policies can be access at <https://www.bhageriagroup.com/company-policies/>

1. Code of Conduct & Ethics
2. Whistle Blower Policy and vigil Mechanism

**(b) If answer to Clause (a) against any principle is 'No', please explain why:**

Sr. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles									Not Applicable
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									Not Applicable
3	The company does not have financial or manpower resources available for the task									Not Applicable
4	It is planned to be done within next 6 Months									Not Applicable
5	It is planned to be done within the next 1 year									Not Applicable
6	Any other reason (please specify)									Not Applicable

**3. Governance related to BR**

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	We have constituted a Corporate Social Responsibility (CSR) committee of the Board which oversees our CSR strategy and progress. For more details on the frequency of the committee's meetings, refer to the Corporate Governance Report, which is forms part of the Annual Report.
(a) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, Annual; <a href="http://www.bhageriagroup.com">www.bhageriagroup.com</a>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle No.	Description	Response
<b>P1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.</b>		
1.1	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?	<p>The Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics.</p> <p>Our policy related to ethics, bribery and corruption are part of our corporate governance and cover the Bhageria Group and our stakeholders.</p> <p>For more details, refer to the Code of Conduct &amp; Ethics and Whistle Blower Policy &amp; Vigil Mechanism available on our website at <a href="https://www.bhageriagroup.com/company-policies/">https://www.bhageriagroup.com/company-policies/</a></p>
1.2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	The stakeholders include our investors, clients, employees, vendors / partners, government and local communities. For details on investor complaints, refer to corporate governance report in the Annual Report. For details on employee grievances and resolution, refer to the table in section 3.7.
<b>P2: Businesses should provide goods and services in a manner that is sustainable and safe.</b>		
2.1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	<ul style="list-style-type: none"> <li>- Sulphuric Acid</li> <li>- Dye Intermediates</li> <li>- Generation of Solar Power.</li> </ul>
2.2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):	<ul style="list-style-type: none"> <li>- Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?</li> </ul> <p>We are amongst the dyes intermediates manufacturing companies to have processes that ensure minimum waste generated per unit, treat wastes to permissible limits before disposal. Waste water treatment and reused, recycle in process plant &amp; achieved Zero liquid discharge to Environment.</p> <ul style="list-style-type: none"> <li>- Reduction during usage by consumers (energy, water) has been achieved since the previous year?</li> </ul> <p>Water Intake curtailed by 30% as per directive of NGT by reuse/recycle of treated effluent.</p>
2.3	Does the company have procedures in place for sustainable sourcing (including transportation)?  If yes, what percentage of your inputs were sourced sustainably? Also, provide details thereof, in about 50 words or so.	<p>Yes, Company has installed in-house manufacturing facility for one of its key raw material i.e. Sulphuric Acid &amp; its allied product Oleum 65% and 23%.</p> <p>This saves cost of purchase (including transportation cost), time, &amp; also helps in reducing carbon footprint.</p>

Principle No.	Description	Response
2.4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?  If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Bhageria Industries Ltd is a strong believer in procurement of goods and services from local and small producers. Procurement of good and services from local sources is a smart strategy we have been following for years, since it reduces time, cost and efforts in procurement. During installation of Company's Sulphuric Acid Plant, Company has hired local fabricator, civil contractor, ready mixer vendor, brick supplier to fulfill the requirements. Regular interaction, long term association/relationship, provision of timely assistance with financial, sourcing and logistic inputs with local and small producers help in improving their capacity and capability.
2.5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	Yes, company has a mechanism to recycle its product and waste.  1) Company has recycled treated waste water >10% in plant.  2) Recovery of sodium sulfate >10% from waste water & reuse/ recycle in process.  3) Recovery of Nitric Acid (Dilute) 5-10% and re-use in process.

**P3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

3.1	Please indicate the Total number of employees	345												
3.2	Please indicate the Total number of employees hired on temporary / contractual /casual basis	259												
3.3	Please indicate the Number of permanent women employees	25												
3.4	Please indicate the Number of permanent employees with disabilities.	Nil												
3.5	Do you have an employee association that is recognized by management	No												
3.6	What percentage of your permanent employees is members of this recognized employee association?	Not Applicable												
3.7	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.	<p>The Company's policy to deal with issues and concerns raised by our employees are as follows :</p> <ul style="list-style-type: none"> <li>- Whistle Blower Policy and vigil Mechanism.</li> <li>- Anti - Sexual Harassment Policy</li> </ul> <p>The details of concerns and grievances raised during the Financial Year 2021-22 are as follows:</p> <table> <tr> <th>Category</th><th>Grievances Received</th><th>Grievances Pending</th></tr> <tr> <td>Child Labour / Forced Labour / Involuntary labour</td><td>Nil</td><td>Nil</td></tr> <tr> <td>Sexual Harassment</td><td>Nil</td><td>Nil</td></tr> <tr> <td>Discriminatory Employment</td><td>Nil</td><td>Nil</td></tr> </table>	Category	Grievances Received	Grievances Pending	Child Labour / Forced Labour / Involuntary labour	Nil	Nil	Sexual Harassment	Nil	Nil	Discriminatory Employment	Nil	Nil
Category	Grievances Received	Grievances Pending												
Child Labour / Forced Labour / Involuntary labour	Nil	Nil												
Sexual Harassment	Nil	Nil												
Discriminatory Employment	Nil	Nil												

Principle No.	Description	Response
3.8	<p>What percentage of your under mentioned employees were given safety &amp; skill up- gradation training in the last year?</p> <ul style="list-style-type: none"> <li>• Permanent Employees</li> <li>• Permanent Women Employees</li> <li>• Casual/Temporary/Contractual Employees</li> <li>• Employees with Disabilities</li> </ul>	Continuous process, all employees of the Company are provided with EHS (Environment, Health & Safety) Training & the Company believes in continual learning of its employees for skill upgradation.

**P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

4.1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, the internal and external stakeholders of the Company include employees, customers, shareholders, government authorities, suppliers & contractors, community etc.
4.2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	Identifying the disadvantaged, vulnerable & marginalized stakeholders is an ongoing process.
4.3	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.	Yes, as a socially responsible organization, we are committed to work for the welfare of the communities around us. For more details please refer to <b>Annexure II</b> of Board's Report.

**P5: Businesses should respect and promote human rights.**

5.1	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 supports and respects the protection of human rights of all relevant stakeholders at all times. Prime importance is given towards maintaining better working condition in the plants to take care of the health & safety of employees.
5.2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	The Company has not received any complaint with respect to human rights during the financial year 2021-22.

**P6: Businesses should respect and make efforts to protect and restore the environment.**

6.1	Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.	The Company's aim to focus on Environment, Health and Safety is the key to sustainable growth. The Company believes in accomplishing the Environment, Health and Safety (EHS) goal of being harmless to the environment, no risk to employees and no incidents which might create a negative impact on the community.
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Principle No.	Description	Response
6.2	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 web page etc.	<p>At Bhageria, environment sustainability is not just compliance to laws it is more about our concern. It is as important to us as our business growth. We being a proactive organization emphasized on investment to develop environment management systems, install effluent treatment plants and developing a green belt within the factory premises by planting various species of trees. Total sapling for the year is about 135 numbers and total tree plantation is about 2500 numbers including dense plants.</p> <p>The Company continues to adhere environment friendly manufacturing process and set new standards in reducing pollution. Company has set up/installed Sulphuric Acid plant with waste heat recovery boiler and connected to CO-GEN System (Electricity &amp; Steam) which replaced coal fired boiler.</p> <p>ISO 14001 system implementation helps us to regularly review the environmental aspects and potential impact of our operation and setting environment target, monitoring and communicating performance and develop corrective action plan.</p> <p>The Company has also obtained ISO 45001 and adhere to standard, which intended to improve the safety and health of both employees &amp; other personnel and also helps to provide new impetus occupational health &amp; safety practices for employees &amp; contractors.</p>
6.3	Does the company identify and assess potential environmental risks? Y/N	Yes, Company is continuously identifying and assessing potential environmental risks.
6.4	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?	Not Applicable
6.5	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.	<p>To utilize the alternate sources of Energy, the Company has setup a SOLAR POWER Plant. The Company has invested in assets (crystallizer, salt recovery plant or rotary kiln) and the manufacturing facility became zero liquid discharge-compliant.</p> <p>The Company has well-equipped primary &amp; secondary effluent treatment plants with BOD and COD testing apparatus. However, to cope with the highly hazardous effluents, the Company has set up incinerator resulting in zero pollution.</p>
6.6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, our emissions and waste generated lie within the permissible limits of CPCB / SPCB.
6.7	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.	There were no pending show cause/legal notices as on March 31, 2022.



Principle No.	Description	Response
<b>P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.</b>		
7.1	Is your company a member of any trade and chamber or association? If Yes, Name only the major ones that your business deals with:	<p>The following are the significant associations during Financial Year 2020-21:</p> <ul style="list-style-type: none"> <li>- CHEMEXCIL (Chemicals, Cosmetics &amp; Dye Export Promotion Council)</li> <li>- Federation of Indian Export Organisations.</li> <li>- GDMA (Gujarat Dyestuff Manufacturers Association)</li> <li>- TIMA (Tarapur Industrial Manufacture Association)</li> <li>- VIA (Vapi Industrial Association)</li> </ul>
7.2	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):	Not Applicable
<b>P8: Businesses should promote inclusive growth and equitable development.</b>		
8.1	Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.	<p>Our corporate social responsibility supports includes growth of not only communities where we have our operations, but also encompasses the overall development of societies and human capabilities. The Company has established “Bhageria Foundation” for undertaking CSR Activities.</p> <p>For more details please refer to <b>Annexure II</b> of Board's Report.</p>
8.2	Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?	Yes, For more details please refer to <b>Annexure II</b> of Board's Report.
8.3	Have you done any impact assessment of your initiative?	The Company has monitored and reviewed its initiative for its effective implementation, quantitatively and qualitatively.
8.4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?	Refer to <b>Annexure II</b> to Board's Report in our Annual Report.
8.5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Company is committed towards better development of community through its CSR initiatives. The Company is continuously reviewing the implementation of its initiatives and performs impact assessments of its initiatives internally and makes efforts to identify various beneficiaries to ensure that its initiatives are adopted and benefited successfully.

Principle No.	Description	Response
<b>P9: Businesses should engage with and provide value to their consumers in a responsible manner.</b>		
9.1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	None
9.2	Does the company display product information on the product label, over and above what is mandated as per local laws?	Yes, the Company displays product information on the product as mandated under applicable laws.
9.3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	None
9.4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Company is a customer driven company and continuously tries to improve its product quality & services to meet customer's needs. Bhageria engages with its customers and carries consumer reviews for different products to know the customer satisfaction level so that necessary steps may be taken to enhance the customer satisfaction levels. Bhageria also measures customer perceptions on satisfaction, loyalty, advocacy and value for money.

# MANAGEMENT DISCUSSION AND ANALYSIS

## GLOBAL ECONOMY OVERVIEW

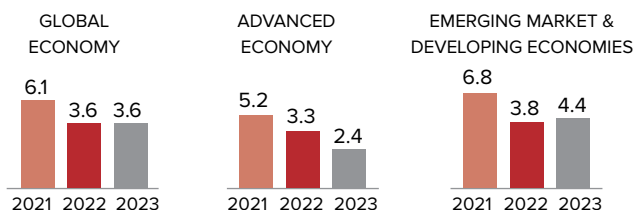
According to the International Monetary Fund, the world economy grew by 6.1 percent in CY2021.<sup>1</sup> The gradual recovery can be attributed to the pandemic's long-term effects and inadequate economic policies because of supply-chain disruptions.

The advanced economies are beginning to show indications of recovery. This is due to increasing economic activity and investments, which are expected to recover to pre-pandemic levels. EMDEs, on the other hand, are experiencing a more sluggish growth as a result of reduced production levels. Slower vaccine rollouts, stricter economic policies, high unemployment, and high inflation are all contributing to the disparity in growth.

The conflict in Ukraine has created a terrible humanitarian disaster that must be resolved peacefully. The conflict's economic consequences resulted in a major halt in global growth in 2022. In many countries, higher, wider, and more persistent price pressures prompted monetary policy tightening. Overall economic risks have increased dramatically, making policy trade-offs challenging.

### WORLD ECONOMIC OUTLOOK APRIL 2022

#### GROWTH PROJECTIONS



Source – IMF World Outlook April 2022

#### Outlook

In 2022 and 2023, global growth is expected to fall down to 3.6 percent. Due to war-induced commodity price rising and growing pricing pressures, inflation is expected to reach 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies. As pent-up demand is exhausted, growth is likely to fall further to 3.3 percent over the medium term. Despite the slowdown, the expected pace of expansion will be sufficient to bring aggregate advanced-economy production to pre-pandemic levels in CY23, completing the cyclical recovery. A robust rebound is projected for investment, based on sustained aggregate demand and broadly favourable financing conditions.<sup>2</sup>

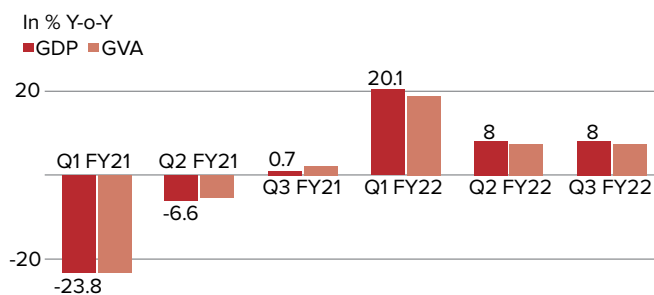
## INDIAN ECONOMY OVERVIEW

The economy recovered in a K shape in fiscal year 2021-22, since the second wave had a significant impact on health but not on the economy. The Indian GDP is expected to grow by 8.9% in real terms in FY 2021-22, after declining by 7.3 percent in FY 2020-21. The pandemic has the greatest impact on the services industry, especially those that required human connection. Industry GVA is expected to increase by 11.8 percent in FY22 after falling the previous year, according to early forecasts.

In FY 2021-22, total consumption is expected to expand by 7.0 percent, with considerable contributions from government expenditure. Similarly, as a result of increased public infrastructure spending, Gross Fixed Capital Formation has reached pre-pandemic levels. Both goods and service exports have been very robust so far in 2021-22, while imports have rebounded significantly as a result of increasing local demand and higher international commodity prices.

Inflation, on the other hand, has been steadily rising since September 2021, reaching ~6.1% in February 2022 as a result of rising oil prices, increased input costs, and supply chain disruptions. A lack of semiconductor chips and excessive commodity costs are also stumbling blocks to the industrial sector's progress. Despite these challenges, the economy is expected to continue on its positive growth path. The RBI's monetary policies and government programmes such as Product Linked Incentives (PLI), the National Monetisation Plan (NMP), and PM Gati Shakti - National Master Plan, are expected to drive the country's economic growth.<sup>3</sup>

#### India GDP Growth At 5.4% In Q3 FY22



Source – National Statistical Office

#### Outlook

In FY2022–23, India's GDP is projected to grow between 7.5 and 8.0 percent, and between 6.7 and 7.1 percent in FY2023–24. Growth is expected to increase in the second quarter of FY2022–23 as uncertainties recede. Early geopolitical difficulties might lead to capital outflows and a fast depreciation of the currency,

<sup>1</sup> <https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>

<sup>2</sup> <https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>

<sup>3</sup> RBI Bulletin April 2022

although both are likely to recover by the end of 2022. Overall, macroeconomic stability indicators show that India's economy would be well-prepared to face its difficulties in 2022-23. One of the reasons for India's success is its distinct response strategy.<sup>4</sup>

## INDUSTRY OVERVIEW

### Global Dyes and Pigment Industry

In 2021, the global dyes and pigments market was valued at USD 36.4 billion. The growth is mainly driven as major producers are actively venturing into improving their products by using advanced technologies for the efficient removal of harmful pollutants throughout the production process. Due to the sheer volatility in the prices of raw materials like benzene, manufacturers are likely to have varying production costs.

Physical retail outlets and online retailing work together to create a large distribution network in the market. The availability of items on e-commerce platforms has boosted the market players' client base. The global construction industry's rapid rise has also been a crucial growth driver for the entire market. Increased use of plastics in consumer items is also expected to boost market growth during the forecast period.<sup>5</sup>

### Key Market Trends

- During the forecast period, dyes are anticipated to be the fastest-growing product sector of the global dyes & pigments market.
- The paints & coatings application segment accounted for the largest market share in the pigments market in 2021, with more than 36.0 percent. It is expected to continue to do so during the forecast period, owing to strong demand from a variety of end-use industries such as automotive, marine, and other industries. With more than 62.0% market share in 2021, the textiles application segment dominated the dyes market, and this dominance is expected to continue from 2022 through 2030.
- Dyes and pigments market in Asia Pacific was valued at USD 22.9 billion in 2021, and it is expected to grow at a CAGR of 5.9% from 2022 to 2030. End-use sectors such as textiles, paper, paints and coatings, construction, and printing inks, among others, are likely to fuel market expansion in the area.<sup>6</sup>

### Outlook

From 2022 to 2030, the global dyes and pigments industry is expected to grow at a compound annual growth rate (CAGR) of 5.2

percent. The market is expected to grow due to rising demand from different application sectors such as textiles, paints and coatings, construction, and plastics. The rising population coupled with rapid industrialization has encouraged governments to increase their construction spending for infrastructural development. As a result, a surge in global construction expenditure is expected to drive huge product demand in the future years.<sup>7</sup>

### Indian Dyes and Dyestuff Industry

India leads in Dyes production and contributes to 16% to 18% of world's dyestuff exports. Indian Dye is exported to over 90+ countries<sup>8</sup>. The Dyes & Pigments market of India is expected to grow at a substantial CAGR of 11% between 2021 and 2026. The growing demand for dyes and pigments in India is being driven by the growing demand for organic pigments, that are the most common type of pigments produced in India, accounting for around 58 % pigment output in India.

The industry's growth is fuelled by rising demand for dyes and dyestuff in the paints and coatings industries. Paints & coatings are one of the fastest-growing application categories, accounting for a considerable portion of the market. Rising construction and infrastructure activities in the country act as a significant driver for the market because architectural and decorative coatings account for a major consumption of pigments.

Another key driver of this sector is customers' increasing purchasing power and changing lifestyles. Their desire for innovative and high-quality goods is propelling the sector forward. With urbanisation, the competition among the major players is also growing. As a result, a wide range of items are now available in the market.<sup>9</sup>

### Outlook

The Dyes and Dyestuff industry in India is expected to rise steadily in the future years due to environmental crackdowns in China, resulting in a shutdown of several domestic dye companies. India is in a stronger position because of the ecosystem, feedstock, technology, and industry compliance requirements. As a result, in the coming years, China's customer base is expected to move to India.<sup>10</sup>

**MAHARASHTRA AND GUJARAT ACCOUNT FOR 58% OF DYESTUFF PRODUCTION IN INDIA DUE TO THE AVAILABILITY OF RAW MATERIALS.**

<sup>4</sup> RBI Bulletin April 2022

<sup>5</sup> <https://www.grandviewresearch.com/industry-analysis/dyes-and-pigments-market>

<sup>6</sup> <https://www.grandviewresearch.com/press-release/global-dyes-pigments-market>

<sup>7</sup> <https://www.grandviewresearch.com/industry-analysis/dyes-and-pigments-market>

<sup>8</sup> <https://pib.gov.in/PressReleaseDetail.aspx?PRID=1820478>

<sup>9</sup> <https://www.expertmarketresearch.com/reports/india-dyes-and-pigments-market#:~:text=The%20production%20value%20of%20the,11%25%20between%202021%20and%202026>

<sup>10</sup> <https://www.expertmarketresearch.com/reports/india-dyes-and-pigments-market#:~:text=The%20production%20value%20of%20the,11%25%20between%202021%20and%202026>

## Indian Solar Energy Market

India installed a record of 10 GW solar capacity in 2021, a 210% increase over the previous year's 3.2 GW. In 2021, newly installed solar capacity set a new high, accounting for 62% of overall electricity capacity increases. By the end of 2021, the country will have a pipeline of utility-scale solar projects reaching 47.5 GW, with auctions for another 24.5 GW pending.<sup>11</sup>

There has been a visible impact of solar energy in the Indian energy scenario during the last few years. Millions of people in Indian communities have benefited from solar energy-based decentralised and distributed applications that satisfy their cooking, lighting, and other energy demands in an environmentally benign manner. Furthermore, India's solar energy sector has grown to become a prominent participant in grid-connected power generation capacity over time. It advances the government's objective of long-term growth while also establishing itself as a key factor in meeting the country's energy demands and ensuring energy security.<sup>12</sup>

### Government Initiatives

- **Development of Solar Parks and Ultra Mega Solar Power Projects** – This scheme was proposed to set up at least 25 Solar Parks and Ultra Mega Solar Power Projects targeting over 20,000 MW of solar power installed capacity within a span of 5 years starting from 2014-15.
- **Grid Connected Solar Rooftop Programme** – This scheme aims at achieving cumulative capacity of 40,000 MW from Rooftop Solar (RTS) Projects by the year 2022.
- **Off-grid and Decentralized Solar PV Applications Programme - Phase III** – This scheme was launched with the objective of installing an additional off-grid solar capacity of 118 MWp by 2021 through the following application-wise targets: 3,00,000 solar street lights, 25,00,000 solar study lamps and 100 MWp of off-grid solar power plants.
- **Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyaan (PM KUSUM)** – This scheme aims to add solar and other renewable capacity of 25,750 MW by 2022 with total central financial support of ₹ 34,422 Crore including service charges to the implementing agencies.

- **Atal Jyoti Yojana (AJAY):** Phase-II – This scheme focuses to cover installation of 3,04,500 Solar Street Lights (SSLs) in states of Uttar Pradesh, Bihar, Jharkhand, Odisha, Assam, Jammu and Kashmir, Himachal Pradesh, Uttarakhand, North Eastern states including Sikkim and Islands including Andaman & Nicobar and Lakshadweep.<sup>13</sup>

## COMPANY OVERVIEW

Bhageria Industries Limited, established in 1989, is a significant manufacturer and exporter of dyes and dye intermediates. The Company has its manufacturing units located in Gujarat and Maharashtra. Company's products are primarily exported to countries like South Korea, Japan, Taiwan, China, Indonesia, Thailand, USA & other European and African. The company is also involved in solar power generating and EPC contracts. The company built a solar facility in Ahmednagar and signed a power purchase agreement with SECI.

Bhageria Industries Limited is a major producer and exporter of intermediates and dyes. Through extensive research and analysis, the Company effectively integrates creative trends, overall quality management, and work process excellence. It is one of the key manufacturers and have been recognised as 'Two Star Export House' by the Government of India.

Since its establishment, Bhageria has achieved great progress in the field of Dye Intermediates and other related goods. It has a staff of professional chemists and highly efficient workers who have resorted to innovations, keeping in mind continual quality improvements and consumer demand, guaranteeing that the product is suitable for a wide range of applications. Constant co-ordination with its customers has earned the Company the reputation of being customer-friendly.

## ANALYSIS OF FINANCIAL PERFORMANCE

### Standalone performance for the year ended March 31, 2022:

The Company's revenues in FY 2021-22 is 605.28 Crore. EBITDA stood at ₹ 125.00 Crore compared to ₹ 107.67 Crore in the previous year. The Company reported profit after tax of ₹ 70.50 Crore during FY 2021-22 compared to profit after tax of ₹ 62.46 Crore in the previous year. The Company proposed a Final Dividend of ₹ 4 per equity shares on the Face Value of ₹ 5 each.

<sup>11</sup> <https://mercomindia.com/indian-solar-markets-top-players-2021/>

<sup>12</sup> <https://mnre.gov.in/solar/current-status/>

<sup>13</sup> <https://mnre.gov.in/solar/current-status/>

	(₹ in Crores)	
PARTICULARS	FY 2021-22	FY 2020-21
Total Revenue*	605.28	403.63
EBITDA	125.00	107.67
EBITDA Margin (%)	20.65	26.68
PAT	70.50	62.46
PAT Margin (%)	11.65	15.47
Net Worth	506.74	451.49

\* It comprises revenue from operations and other income.

#### Financial Ratios

PARTICULARS	FY 2021-22	FY 2020-21
Inventory Turnover Ratio (in times)	8.35	6.78
Interest Coverage Ratio (in times)	75.09	80.72
Current Ratio (in times)	2.68	2.52
Debt Equity Ratio (in times)	0.03	0.06
EBITDA Margin (%)	20.65	26.68
Return on Equity (%)	14.72	14.63
Net Profit Margin (%)	11.65	15.47
Earnings per share (in ₹)	16.15	14.31

Details of significant Changes (Change of 25% or more as Compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

**Debt-Equity Ratio:** Debt Equity Ratio is 0.03 (FY22) compared to 0.06 (FY21) this due to repayment of borrowing in FY 22.

**Net Profit Margin ratio:** The Net profit margin decreased to 11.65% in FY 2021-22 as against 15.47% in FY 2020-21 as increase in cost of material of consumption.

#### Consolidated performance for the year ended March 31, 2022:

The Company's revenues in FY 2021-22 is 610.58 Crore. EBITDA stood at ₹ 125.69 Crore compared to ₹ 107.99 Crore in the previous

year. The Company reported profit after tax of ₹ 70.60 Crore during FY 2021-22 compared to profit after tax of ₹ 62.66 Crore in the previous year.

	(₹ in Crores)	
PARTICULARS	FY 2021-22	FY 2020-21
Total Revenue*	610.58	406.45
EBITDA	125.69	107.99
EBITDA Margin (%)	20.58	26.57
PAT	70.60	62.66
PAT Margin (%)	11.56	15.42
Net Worth	507.02	451.69

\* It comprises revenue from operations and other income.

#### Financial Ratios

PARTICULARS	FY 2021-22	FY 2020-21
Inventory Turnover Ratio (in times)	8.43	6.82
Interest Coverage Ratio (in times)	54.82	84.82
Current Ratio (in times)	2.51	2.43
Debt Equity Ratio (in times)	0.07	0.07
EBITDA Margin (%)	20.58	26.57
Return on Equity (%)	14.73	14.68
Net Profit Margin (%)	11.56	15.42
Earnings per share (in ₹)	16.17	14.36

Details of significant Changes (Change of 25% or more as Compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

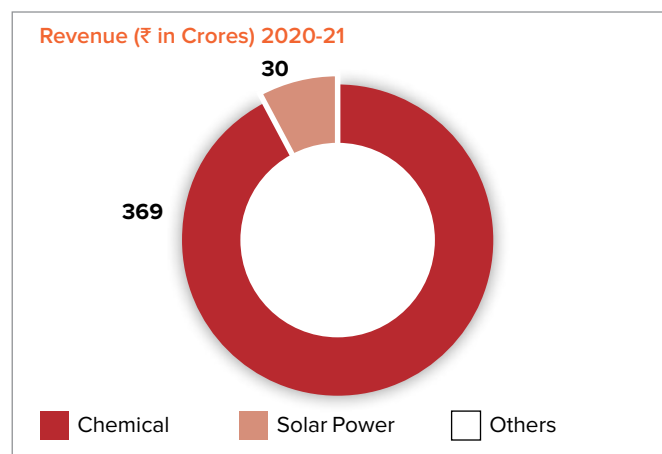
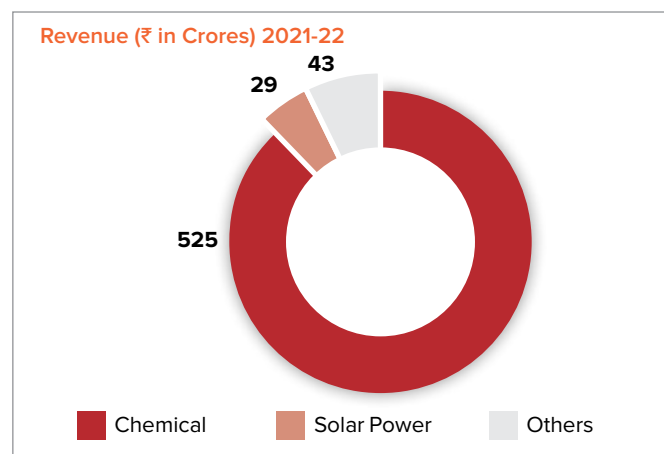
**Interest Coverage ratio:** The Group's interest Coverage ratio stood at 54.82 times against 84.82 times in FY2020-21 this due to higher utilisation of borrowing as compared to previous year.

**Net Profit Margin ratio:** The Net profit margin decreased to 11.56% in FY 2021-22 as against 15.42% in FY 2020-21 as increase in cost of material of consumption

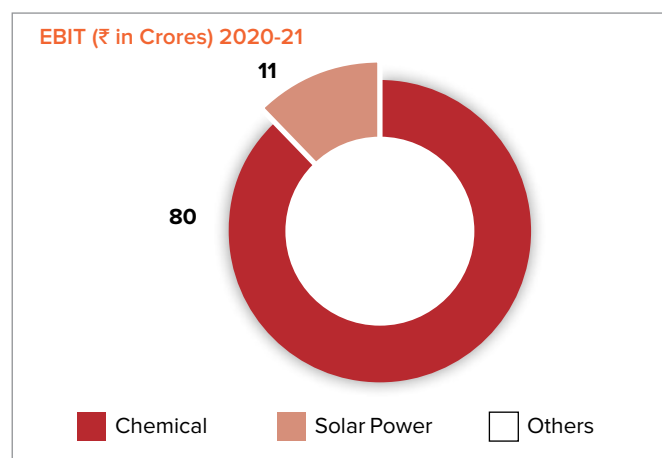
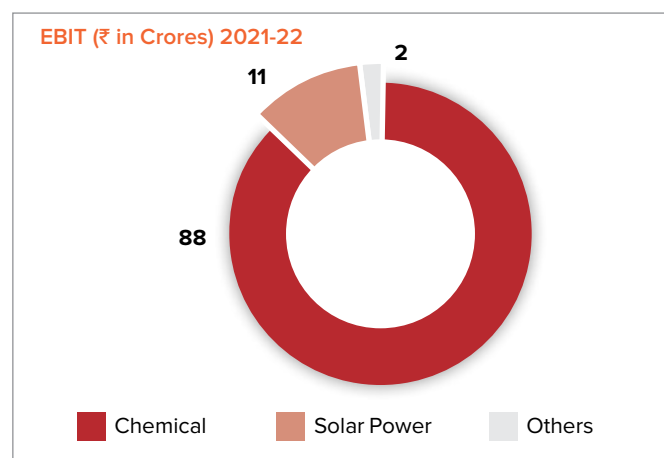


## STANDALONE SEGMENT WISE PERFORMANCE

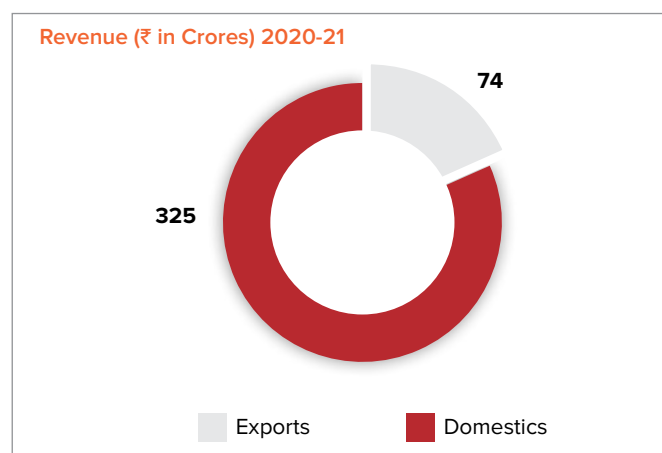
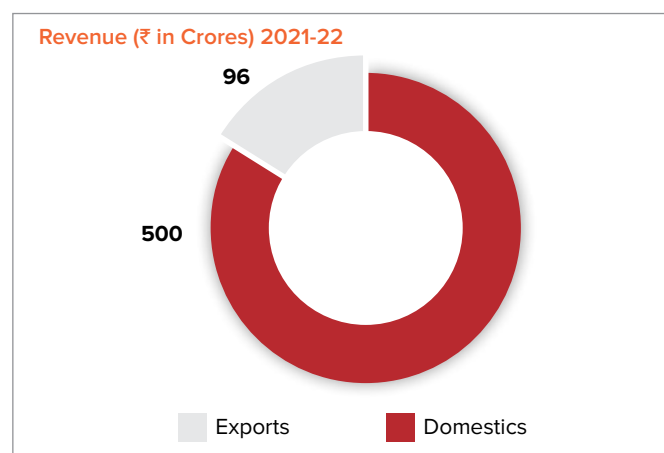
### Segment wise Revenue (net of inter segment revenue)








### Segment wise EBIT



### Geographical Segment wise Revenue



## RISK MANAGEMENT

	RISK	MITIGATION
<b>Technology Risk</b> 	The Company requires to be updated time to time with all the technological advancements to stay competitive in the market and improve product quality.	The company has been committed to innovation and staying updated with new and developing technology. This helps the company to fulfill all of their clientele quality criteria, allowing the company to grow.
<b>Competition Risk</b> 	The global competition is witnessed to have increased in this industry. Many big players are entering the industry to increase their market share.	The company has a strong hold on product innovation, technological integration, and brand creation which helps it to ensure dominant market position. Through technical services and market skills, a stronger focus on customer interaction and engagement can be made for global reach.
<b>Liquidity Risk</b> 	The worldwide tensions like geopolitical conflicts, pandemic and many more might cause serious cash flow problems, wreak havoc on working capital, and cause company interruption.	The Company is well placed with cash flow reserves of 85 Crores Cash Flows from operations and continues to be long-term debt-free as on March 31, 2022.
<b>Regulatory Risk</b> 	The Company has to be updated with the modifications and changes made by the government in the laws and policies in order to safeguard its assets.	The Company has an extensive internal processes and quality monitoring systems to ensure full compliance of its assets and operations.
<b>Human Capital Risk</b> 	The Company's success depends on their ability to retain and attract qualified employees. The inability to retain them or recruit additional qualified employees may make it difficult to successfully develop the business	The Company provides an excellent working environment for its employees. The Company also conducts various training programmes for the employees to keep their skills updated.

## STRATEGY

Our long-term strategy is driven on key principles that ensure long-term business sustainability. First, we intend to sustain our market share across key geographies of our presence, both in India and the world. Second, we remain aggressive to capitalize on emerging opportunities in the pharmaceutical sector with our enriched product portfolio. Third, our backward integration continues to build our economies of scale and strengthen our profitability and reserves for sustained business expansion. Fourth, our commitment to ESG principles remain strong, as we scale up our captive consumption of solar energy and reduce our carbon footprint and optimise costs. Lastly, our strong Environment, Health and Safety (EHS) protocols will continue to ensure safety at our sites for seamless business continuity.

## HUMAN RESOURCE

Bhageria views its human resources as a key asset in achieving progress. The Company views its employees' abilities, commitment, and enthusiasm as essential resources for attaining goals and achieving strategic success. Its People Development Processes plays a high value on honing skills and providing excellent value in order to concentrate on areas that are crucial for achieving the Company's visions and objectives. Through numerous programmes, the Company provides its employees with multiple possibilities to develop their knowledge, skills, and talents, assuring and fostering professional progress.

The Company had 345 employees as of March 31, 2022. The Company gained 38 new personnel in fiscal 2022, net of attrition.

Recruitment, training & development, and remuneration are all important parts of the Company's HR approach.

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company's internal audit system is continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee takes note of the audit observations and takes corrective actions whenever necessary. It maintains a continuous dialogue with the statutory and internal auditors to ensure that internal control systems are operating effectively.

#### **CAUTIONARY STATEMENT**

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results could differ materially from those expressed or implied. The important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, raw material availability and prices, cyclical demand, changes in government regulations, environmental laws, tax regimes, economic developments within India and the world, as well as other factors such as litigation and industrial relations.

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Bhageria Industries Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Standalone Financial Statements of Bhageria Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (Herein after referred to as "standalone financial statements")

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

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies

Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's response to Key Audit Matters
<p>1. We refer to Significant accounting policies on inventory and <b>Note No. 9 on Inventory</b>.</p> <p>Inventories are considered as Key Audit Matter due to nature of business, technical indicators governing inventory valuation, size of balance sheet and because inventory valuation involves management judgment. According to accounting policy followed by the company, inventories are valued at lower of cost or market value. Cost comprise in addition to other things, overheads related to material, labour and other overheads. The company has specific procedures to identify risk for obsolescence and valuation of inventories.</p>	<p>To address the matter our audit procedure included amongst others</p> <ol style="list-style-type: none"> <li>(1) Assessing the compliance of accounting policies over inventory with applicable accounting standards.</li> <li>(2) Assessing the inventory valuation process and practices.</li> <li>(3) Assessing the analysis and assessment made by management with respect to slow moving or obsolete stock.</li> <li>(4) Discussion with those charged with responsibility of overlooking inventory management process.</li> <li>(5) Justification of management estimates and Judgments.</li> <li>(6) Assessing the effectiveness of perpetual and physical inventory verification process.</li> </ol>

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

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the Financial Performance highlights, Board Report including Annexures to the Boards Report, Report on Corporate Governance and Other Information, which is expected to be made available to us after that date but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Financial Performance highlights, Board Report including Annexures to the Boards Report, Report on Corporate Governance and Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

## Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read together with relevant rules issued thereunder and relevant provisions of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of

appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an 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 and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comment in the Annexure A, as required by Section 143(3) of the Act, we report that:

- 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.
- 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.
- The standalone Balance Sheet, the standalone Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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:
  - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 44 to the standalone financial statements.
  - 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, to the Investor Education and Protection Fund by the Company.
- iv. a) According to the information and explanations given to us, no funds have been advanced / loaned / invested by the Company to or in any other person(s) or entity(ies), including foreign entities with the understanding, - that the intermediary shall, whether directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) and not provided any guarantee, security or the like on behalf of Ultimate Beneficiaries.
- b) According to the information and explanations given to us, no funds have been received by the Company from person(s) or entity(ies), including foreign entities on behalf of the Ultimate Beneficiaries. Further the Company has not provided any guarantee or security to person(s) or entity(ies), including foreign entities on behalf of the Ultimate Beneficiaries.
- c) On the basis of our examination of the books of accounts and following appropriate audit procedures considered reasonable and appropriate to the circumstances, nothing has come to the notice that

has caused us to believe that the representations under sub-clause (i) and (ii) of clause contain any material mis-statement.

- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For MRB & Associates**

**Chartered Accountants**

Firm Registration Number.: 136306W

**Manish R Bohra**

**Partner**

Place: Mumbai

Date: May 07, 2022

Membership No.: 058431

UDIN: 22138741AIOED07796

## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in Independent Auditor's Report of even date to the members of **Bhageria Industries Limited** on the standalone financial statements for the year ended March 31, 2022.

Based on audit procedure performed for the purpose of reporting the true and fair view of the standalone financial statements of the company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of our audit, in our opinion and to the best of our knowledge and belief, we report that:

We report that:

### i. In respect of Company's fixed assets

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;
- c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year. Hence reporting under clause 3(i)(d) is not applicable.
- e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence reporting under clause 3(i)(e) is not applicable.

### ii. In respect of Inventory

- a) The Company has a program of verification of inventory at reasonable intervals. In our opinion the coverage and procedures of physical verification of inventory followed by the company are adequate having regard to the size of the Company and the nature of its business. The company has maintained proper records of inventory. Pursuant to the program, inventory was physically verified by the management during the year end. According to

the information and explanations given to us, no material discrepancies 10% or more in the aggregate for each class of inventory were noticed on such verification between physical stock and book records.

- b) As stated in **Note no. 23** to the Notes to accounts, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

### iii. In respect of investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties

- a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- b) In our opinion the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies,

firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

#### iv. In respect of compliance with section 185 and 186 of the Act-

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.

#### v. In respect of acceptance of deposits

The Company has not accepted deposits or amounts which are deemed to be deposits from public in terms of provisions of section 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, as amended and other relevant provisions of the Act, during the year and does not have any unclaimed deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

#### vi. Maintenance of Cost Records

We have reviewed the books of account maintained by the Company pursuant to the rules made by the Central

Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained.

#### vii. According to the information and explanations given to us, in respect of statutory dues

- a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

- c) According to the records of the company, the dues outstanding of employees' state insurance, income tax, sales-tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues, on account of any dispute are as follows:

Name of the Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount (₹ in Lakhs)
The Gujarat Value Added Tax Act, 2006	Sales Tax	Gujarat Value Added Tax Tribunal, Ahmedabad	2008-09	8.81
The Customs Act, 1962	Custom Duty	Additional Commissioner of Customs (Preventive) Mumbai	2011-12	16.33
The Customs Act, 1962	Custom Duty	Additional Commissioner of Customs (Preventive) Mumbai	2012-13	16.96
The Maharashtra Value Added Tax Act, 2002	MVAT	Joint Commissioner of Sales Tax, Mumbai	2015-16	45.39
The Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax, Mumbai	2015-16	16.53
The Maharashtra Value Added Tax Act, 2002	MVAT	Joint Commissioner of Sales Tax, Mumbai	2016-17	19.28
The Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax, Mumbai	2016-17	20.11
The Maharashtra Value Added Tax Act, 2002	MVAT	Joint Commissioner of Sales Tax, Mumbai	2017-18	1.89
The Central Sales Tax Act, 1956	Sales Tax	Joint Commissioner of Sales Tax, Mumbai	2017-18	2.09

### **viii. Previously unrecorded Income**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

### **ix. According to the information and explanations given to us and on the basis of our examination of the records of the Company and audit procedure performed:**

- a) The Company has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been applied for long term purpose.
- e) We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f) We report that The Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

### **x. In respect of moneys raised**

- a) During the year the company has not raised money through initial public offer or further public offer (including debt instruments).
- b) The company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year.

In view of the above reporting under clause 3 (x) (a) and (b) of the order is not applicable.

### **xi. In respect of fraud noticed or reported**

- a) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the company or any material fraud on the Company by its officers or employees has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

In view of the above reporting under clause 3 (xi) (b) of the order is not applicable.

- c) To the best of our knowledge and according to the information and explanations given to us, the company has not received whistle-blower complaints, during the year.

### **xii. Nidhi Company**

The Company is not a Nidhi Company/ Mutual Benefit Fund/ Society and hence reporting under clause 3 (xii) of the Order is not applicable to the Company

### **xiii. In respect of transaction with related parties**

In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable Indian accounting standards.

### **xiv. Internal Audit**

- a) In our opinion and according to the information and explanations given to us the company has an internal audit system commensurate with the size and nature of its business.
- b) On the basis of the report provided by the management, we have considered the report of the Internal Auditors for the period of the audit.

**xv. In respect of non-cash transactions**

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 and reporting under clause (xv) is not applicable.

**xvi. In our opinion and according to the information and explanations given to us:**

- a) Company is not required to register under Section 45 – IA of the Reserve Bank of India Act, 1934.
- b) the company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act 1934;
- c) the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) the group does not have a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

In view of the above, Clause (xvi) (a) (b), (c) and (d) of the Order is not applicable to the Company

**xvii. Cash Losses**

In our opinion company has not incurred cash losses in the financial year and in the immediately preceding financial year.

**xviii. Resignation of statutory auditors**

During the year, there has been no resignation of the statutory auditors and accordingly this clause is not applicable.

**xix. Going Concern**

In our opinion and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, that there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

**xx. In respect of Corporate Social Responsibility**

- a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For MRB & Associates**

**Chartered Accountants**

Firm Registration Number.: 136306W

**Manish R Bohra**

**Partner**

Place: Mumbai

Date: May 07, 2022

Membership No.: 058431

UDIN: 22138741AIOED07796

## ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Annexure Referred to in Independent Auditor's Report on the Standalone Financial Statements of Even date to the members of **Bhageria Industries Limited** for the year ended March 31, 2022

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

We have audited the internal financial controls over financial reporting of Bhageria Industries Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Control 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 standalone 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 standalone 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; (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 standalone financial statements.



### Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were

operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**For MRB & Associates**

**Chartered Accountants**

Firm Registration Number.: 136306W

**Manish R Bohra**

**Partner**

Place: Mumbai

Date: May 07, 2022

Membership No.: 058431

UDIN: 22138741AIOED07796

# STANDALONE BALANCE SHEET

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	4	39,159.24	31,758.29
(b) Capital Work-In-Progress	4	1.00	4,510.24
(c) Investment Property	5	239.00	243.67
(d) Financial Assets			
(i) Investments	6	46.35	46.19
(ii) Other Financial Assets	7	989.48	282.94
(e) Other Non- Current Assets	8	18.26	321.83
		<b>40,453.32</b>	<b>37,163.16</b>
<b>2. Current Assets</b>			
(a) Inventories	9	6,533.02	3,764.85
(b) Financial Assets			
(i) Investments	10	715.20	338.28
(ii) Trade Receivables	11	9,723.03	9,215.98
(iii) Cash and Cash Equivalents	12	2,212.98	1,836.33
(iv) Other Bank Balances other than (iii) above	13	137.68	426.96
(v) Loans	14	25.95	26.79
(vi) Other Financial Assets	15	3,170.43	3,623.44
(c) Current Tax Asset (net)	16	236.86	183.36
(d) Other Current Assets	17	368.02	392.95
		<b>23,123.17</b>	<b>19,808.94</b>
<b>Total Assets</b>		<b>63,576.49</b>	<b>56,972.10</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	18	2,182.21	2,182.21
(b) Other Equity	19	48,491.81	42,966.28
		<b>50,674.02</b>	<b>45,148.49</b>
<b>LIABILITIES</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities		-	-
(b) Provisions	20	216.93	220.32
(c) Deferred Tax Liabilities (Net)	21	3,459.01	3,703.09
(d) Other Non-current Liabilities	22	585.45	41.85
		<b>4,261.39</b>	<b>3,965.26</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	1,761.56	2,690.54
(ii) Trade Payable	24		
Total outstanding dues of micro enterprises and small enterprises		31.60	87.92
Total outstanding dues of creditors other than micro enterprises and small enterprise		5,866.16	3,590.41
(iii) Other Financial Liabilities	25	173.35	595.46
(b) Other Current Liabilities	26	740.12	751.38
(c) Provisions	27	68.29	17.94
(d) Current Tax Liabilities (Net)	28	-	124.68
		<b>8,641.08</b>	<b>7,858.34</b>
<b>Total Equity and Liabilities</b>		<b>63,576.49</b>	<b>56,972.10</b>
Summary of Significant Accounting Policies	2-3		

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**  
Chartered Accountants  
FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**  
Chairman  
DIN: 00540285

**Vinod Bhageria**  
Managing Director  
DIN: 00540308

**Manish R Bohra**  
Partner  
Membership No.058431

**Krunal Wala**  
Company Secretary  
Membership No.42515

**Rakesh Kachhadiya**  
Chief Financial Officer

Place : Mumbai  
Date : May 07, 2022

Place : Mumbai  
Date : May 07, 2022

# STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>I Revenue</b>			
Revenue from Operations	29	59,622.12	39,918.86
Other Income	30	906.18	443.98
<b>Total Income</b>		<b>60,528.30</b>	<b>40,362.84</b>
<b>II Expenses</b>			
Cost of materials consumed	31	33,426.63	18,954.03
Purchase of Stock-in-Trade	32	5,703.09	2,138.87
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	33	(1,861.73)	737.75
Employee Benefits Expenses	34	1,954.73	1,887.48
Finance Costs	35	128.42	101.35
Depreciation and Amortization Expenses	36	2,856.89	2,586.05
Other Expenses	37	8,805.48	5,877.43
<b>Total Expenses</b>		<b>51,013.51</b>	<b>32,282.95</b>
<b>III Profit before tax (I- II)</b>		<b>9,514.78</b>	<b>8,079.88</b>
<b>IV Less: Tax Expense:</b>			
Current Tax		2,694.79	2,436.04
Deferred Tax Charged / (Credited)	21	(245.03)	(601.91)
(Excess) / Short Provision for tax		14.78	-
<b>Total Tax Expense</b>		<b>2,464.54</b>	<b>1,834.13</b>
<b>V Profit for the Year (III-IV)</b>		<b>7,050.25</b>	<b>6,245.75</b>
<b>VI Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit obligations		3.77	(7.24)
Tax Effect on above		(0.95)	1.82
<b>Other Comprehensive Income for the year, net of tax</b>		<b>2.82</b>	<b>(5.42)</b>
<b>VII Total Comprehensive Income for the year (V+VI)</b>		<b>7,053.07</b>	<b>6,240.33</b>
<b>VIII Earnings Per Equity Share (Face Value ₹ 5 Per Share):</b>	38		
Basic and Diluted (₹)		16.15	14.31
Summary of Significant Accounting Policies	2-3		

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**

**Chartered Accountants**

FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**

Chairman

DIN: 00540285

**Vinod Bhageria**

Managing Director

DIN: 00540308

**Manish R Bohra**

Partner

Membership No.058431

Place : Mumbai

Date : May 07, 2022

**Krunal Wala**

Company Secretary

Membership No.42515

Place : Mumbai

Date : May 07, 2022

**Rakesh Kachhadiya**

Chief Financial Officer

# STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

## A : Equity Share Capital (Equity shares of ₹ 5 each issued, subscribed and fully paid)

(₹ in Lakhs)

Particulars	Note No.	No. of Shares	Amount
<b>Balance as at April 1, 2020</b>		<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital due to prior period errors		-	-
<b>Restated balance at the beginning of the year</b>		<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital during the previous year		-	-
<b>Balance as at March 31, 2021</b>	18	<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital due to prior period errors		-	-
<b>Restated balance at the beginning of the year</b>		<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital during the current year		-	-
<b>Balance as at March 31, 2022</b>		<b>4,36,44,180</b>	<b>2,182.21</b>

## B : Other Equity

(₹ in Lakhs)

Particulars	Note No.	Reserve and Surplus				Total Other Equity
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
<b>Balance as at April 1, 2020</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>23,525.97</b>	<b>38,035.27</b>
Changes due to accounting policy/prior period errors		-	-	-	-	-
<b>Restated balance at the beginning of the year</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>23,525.97</b>	<b>38,035.27</b>
Profit for the year		-	-	-	6,245.75	6,245.75
Other Comprehensive Income		-	-	-	-	-
Remeasurements of defined benefit plans		-	-	-	(5.42)	(5.42)
<b>Total Comprehensive income for the year</b>		-	-	-	-	<b>6,240.33</b>
Final Dividend		-	-	-	(1,309.33)	(1,309.33)
<b>Balance as at March 31, 2021</b>	19	<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>28,456.98</b>	<b>42,966.28</b>
Changes due to accounting policy/prior period errors		-	-	-	-	-
<b>Restated balance at the beginning of the year</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>28,456.98</b>	<b>42,966.28</b>
Profit for the year		-	-	-	7,050.25	7,050.25
Other Comprehensive Income		-	-	-	-	-
Remeasurements of defined benefit plans		-	-	-	2.82	2.82
<b>Total Comprehensive income for the year</b>		-	-	-	-	<b>7,053.07</b>
Final Dividend		-	-	-	(1,527.55)	(1,527.55)
<b>Balance as at March 31, 2022</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>33,982.51</b>	<b>48,491.81</b>

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**

**Chartered Accountants**

FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**

Chairman

DIN: 00540285

**Vinod Bhageria**

Managing Director

DIN: 00540308

**Manish R Bohra**

Partner

Membership No.058431

**Krunal Wala**

Company Secretary

Membership No.42515

**Rakesh Kachhadiya**

Chief Financial Officer

Place : Mumbai

Date : May 07, 2022

Place : Mumbai

Date : May 07, 2022

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>A. Cash Flow from Operating Activities</b>		
Net Profit Before Tax	9,514.78	8,079.88
<b>Adjustments:</b>		
Depreciation and Amortization on Property, Plant and Equipment	2,856.89	2,586.05
Loss/ (Profit) on Sale of property, plant and equipment (net)	-	(2.24)
Interest Income	(247.16)	(248.39)
Net (gains) / loss arising on financial assets measured at FVTPL	(288.93)	(39.79)
Dividend Income	(30.13)	-
Profit on Sale of Current Investment	(1.14)	(5.95)
Finance Costs (Including Fair Value Change in Financial Instruments)	128.42	101.35
<b>Operating cash flows before working capital changes</b>	<b>11,932.73</b>	<b>10,470.91</b>
Adjustments for Changes in Working Capital		
Decrease/ (Increase) in Inventories	(2,768.18)	38.00
Decrease/ (Increase) in Trade receivables	(507.05)	(1,401.63)
Decrease/ (Increase) in Non-Current Financial Assets - Others	(16.23)	(24.08)
Decrease/ (Increase) in Financial Assets - Other	(43.88)	102.22
Decrease/ (Increase) in Other Current Assets	24.93	67.19
Increase/ (Decrease) in Trade Payables	2,219.43	(1,473.04)
Increase/ (Decrease) in Current Financial Liabilities - Other	(50.18)	(166.80)
Increase/ (Decrease) in Other Current Liabilities	(11.26)	607.71
Increase/ (Decrease) in Other Non-current liabilities	543.60	41.85
Increase/ (Decrease) in Provisions	50.73	49.59
<b>Cash generated from operations</b>	<b>11,374.67</b>	<b>8,311.94</b>
Income taxes paid (net of refund)	(2,887.77)	(2,065.99)
<b>Net cash flow from operating activities (A)</b>	<b>8,486.90</b>	<b>6,245.95</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase or Construction of Property, Plant and Equipment (including capital work-in-progress and capital advances)	(5,812.29)	(3,963.87)
Proceeds from/ (Investment in) fixed deposits (net)	100.03	(440.16)
Investments in Equity Shares in Subsidiaries	(0.51)	(1.00)
Dividend Received	30.13	-
Sale of Property, Plant and Equipment	-	22.94
(Investments in) / Proceeds from Current Investments (net)	(86.50)	(293.25)
Interest Received	247.16	248.39
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(5,521.97)</b>	<b>(4,426.96)</b>

# STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	(1,530.89)	(1,316.75)
Increase / (Decrease) in Current Borrowings	(928.99)	622.48
Finance Costs	(128.42)	(101.35)
<b>Net cash flow from financing activities (C)</b>	<b>(2,588.29)</b>	<b>(795.62)</b>
<b>Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>376.64</b>	<b>1,023.37</b>
Cash and cash equivalents at the beginning of the year (refer note 12)	1,836.33	812.96
Cash and cash equivalents at the end of the year (refer note 12)	2,212.98	1,836.33
<b>Net cash Increase/(decrease) in cash and cash equivalent</b>	<b>376.64</b>	<b>1,023.37</b>

Note : The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - "Statement of Cash Flows".

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**

**Chartered Accountants**

FRN : 136306W

**For and on behalf of the Board of Directors**

**Suresh Bhageria**

Chairman  
DIN: 00540285

**Vinod Bhageria**

Managing Director  
DIN: 00540308

**Manish R Bohra**

Partner  
Membership No.058431

**Krunal Wala**

Company Secretary  
Membership No.42515

**Rakesh Kachhadiya**

Chief Financial Officer

Place : Mumbai  
Date : May 07, 2022

Place : Mumbai  
Date : May 07, 2022



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 1: Company Overview

Bhageria Industries Limited is a public limited company domiciled in India having its registered office at 1002, 10th Floor, Topiwala Centre, Off. S.V. Road, Near Goregaon Railway Station, Goregaon (West), Mumbai – 400062. The Company was incorporated on July 12, 1989 under the provision of the Companies Act, 1956. The Company is engaged in manufacturing and trading of Dyes & Dyes Intermediate, Chemicals and generation and distribution of solar power. The equity shares of the Company are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

## Note 2: Summary of Significant Accounting Policies

### a) Statement of Compliance

The financial statements of the company have been prepared in accordance with Indian Accounting Standards ("Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

### b) Basis of Measurement

The financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities (including financial instruments) which have been measured at fair value at the end of each reporting period as explained in the accounting policies stated below. The Financial Statements have been prepared on accrual and going concern basis.

### c) Current versus non-current classification

The Company has classified all its assets and liabilities under current and non-current as required by Ind AS 1 - Presentation of Financial Statements.

The asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realizations in cash and cash equivalents. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The Company's functional currency is the Indian Rupee. These financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.

### d) Use of Estimates, Judgments and Assumptions

The preparation of the financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 3(i) below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### e) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment including excise duty collected which flows to the Company on its own account but excluding taxes or duties collected on behalf of the government.

Revenue from contracts with customers Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied i.e. when control of the goods and service underlying the particular performance obligation is transferred to the customer.

The Company follows specific recognition criteria as described below before the revenue is recognized.

- **Sale of goods**
  - Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of goods, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
  - Revenue is measured at the fair value of the consideration received or receivable. The amount recognized as revenue is exclusive of Goods and Service Tax (GST), Value Added Taxes (VAT), and is net of discounts.
- **Sale of solar power**
  - Sale is recognized when the power is delivered by the Company at the delivery point in conformity with the parameters and technical limits and fulfilment of other conditions specified in the Power Purchase Agreement. Sale of power is accounted for as per tariff specified in the Power Purchase Agreement.
  - The sale of power is accounted for net of all local taxes and duties as may be leviable on sale of electricity for all electricity made available and sold to customers.
- **Other Operating Revenue**
  - Other Operating revenue comprises of following Items
    1. Job work income
    2. Duty drawback and other export incentives

- Revenue from manufacturing charges is recognized on completion of contractual obligation of manufacturing and delivery of product manufactured.
- Revenue from export incentives are recognized upon adherence to the compliances as may be prescribed with regard to export and / or realization of export proceeds as per foreign trade policy and its related guidelines.
- Revenue from sale of scrap is recognized on delivery of scrap items.
- **Other Income**
  - Other income comprises of interest income, rent income, dividend from investment and profits on redemption of investments.
  - Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to the principal outstanding and at the effective rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
  - Dividend income from investment is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably).
  - Profit on redemption of investment is recognized by upon exercise of power by the company to redeem the investment held in any particular security / instrument (non-current as well as current investment).

## f) Foreign Currency-Transactions and Balances

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Company's functional currency is Indian Rupee and accordingly, the financial statements are presented in Indian Rupee.

Transactions in foreign currencies are initially recorded by the company in functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognized in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of that item (i.e. translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## g) Employee Benefits

### • Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### • Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period. Regardless of when the actual settlement is expected to occur.

### • Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.
- I. Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation. The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## II. Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

## h) Tax Expenses

The tax expense for the period comprises current and deferred tax. Taxes are recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in the Other Comprehensive Income or in Equity.

### • Current tax:

Current tax payable is calculated based on taxable profit for the year. Current tax is recognized based on the amount expected to be paid to or recovered from the tax authorities based on applicable tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### • Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary timing difference. Deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax

laws) that have been enacted or substantively enacted on the reporting date. Current and deferred tax for the year are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### • Minimum Alternate Tax (MAT) Credit:

MAT credit is recognized as asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

## i) Property, Plant and Equipment

Land is carried at historical cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized as expense in the statement of profit and loss account as and when incurred.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work- in- Progress.

Cost of the assets less its residual value (estimated at 5% of the cost) is depreciated over its useful life. Depreciation is calculated on written down basis over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

The management believes that the estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. At each financial year end, management reviews the residual values, useful lives and method of depreciation of property, plant and equipment and values of the same are adjusted prospectively where needed.

## j) Investment Properties

Investment properties are properties that is held for long- term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Company, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Fair values are determined based on reasonable interval performed by an accredited external independent valuer.

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of de- recognition.

## k) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

## l) Impairment of Non-Financial Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## m) Inventories

Inventories are valued at lower of cost (on First-In-First- Out) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense related to a provision is presented in the statement of profit and loss net of any reimbursement/contribution towards provision made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability:

Contingent liability is disclosed in the case;

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

- When there is a possible obligation which could arise from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or;
- A present obligation that arises from past events but is not recognized as expense because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or;
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent asset:

Contingent asset is disclosed in case a possible asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## **o) Leases**

### **As lessee**

#### **Initial measurement**

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets: initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

#### **Subsequent measurement**

Lease Liability: Company measure the lease liability by

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment: Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

### **Short term Lease**

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

### **As a lessor**

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

## **p) Financial Instruments**

The Company recognizes financial assets and financial liabilities when it becomes party to the contractual provision of the instrument.

### **Part I - Financial Assets**

- Initial recognition and measurement

Financial assets are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the concerned Financial assets, as appropriate, on initial recognition.

Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

- Subsequent measurement

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

- Financial Assets at amortized cost
- Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income)
- Financial Assets at FVTPL (Fair Value through Profit or Loss)
- Financial Assets at amortized cost:

A Financial Assets is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

- Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income):

A Financial Assets is classified as at the FVTOCI if following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised

in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Financial Assets at FVTPL (Fair Value through Profit or Loss):

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any financial instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss.

- De-recognition:

A financial asset is primarily derecognized when rights to receive cash flows from the asset have expired or the Company has transferred its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risk and reward of the ownership of the financial asset.

- Impairment of financial assets:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss'(ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

For trade receivables, Company applies 'simplified approach', which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

## Part II - Financial Liabilities

- Initial recognition and measurement

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

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

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

- Subsequent measurement

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

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

- Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

- De-recognition:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## Part-III Fair Value Measurement:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## q) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

## r) Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred;

- Liabilities incurred to the former owners of the acquired business;
- Equity interest issued by the group; and
- Fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

Business Combination involving entities or business under common control shall be accounted for using the pooling of interest method.

## s) Statement of Cash Flows:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Company is segregated.

## t) Derivative Financial Instruments and Hedge Accounting

### Initial recognition and subsequent measurement:

Company uses derivative financial instruments such as forward currency contracts to mitigate its foreign currency fluctuation risks. Such derivative financial instruments are initially recognized 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 date. Gain or loss arising from changes in the fair value of hedging instrument is recognized in the Statement of Profit or Loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## u) Earnings Per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, other than conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

In case of a bonus issue, the number of ordinary shares outstanding is increased by number of shares issued as bonus shares in current year and comparative period presented as if the event had occurred at the beginning of the earliest year presented.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## v) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

## w) Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

## Note 3(i): Key Accounting Judgements, Estimates & Assumptions

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### A. Income taxes and Deferred tax assets:

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profit will be available while recognizing the deferred tax assets.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## B. Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life as prescribed in the Schedule II of the Companies Act, 2013 and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

## C. Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

## D. Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## E. Recognition and measurement of defined benefit obligation:

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

## F. Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

## G. Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

## H. Allowances for uncollected trade receivable and advances:

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated amounts which are irrecoverable. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

## Note 3(ii): Recent accounting developments

The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 4 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Leasehold Land	Freehold Land	Office & Residential Building	Godown	Factory Building	Boundary Wall	Safety & Lab Equipments	Plant & Machinery	E.T.P	Generator	Solar Power Plant	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Water Pond	Total	Capital Work-in Progress
<b>Gross Carrying Amount as at April 1, 2020</b>	<b>9,701.29</b>	<b>955.21</b>	<b>110.23</b>	<b>6.06</b>	<b>2,253.55</b>	<b>386.87</b>	<b>9.18</b>	<b>7150.63</b>	<b>771.26</b>	<b>0.52</b>	<b>19,809.54</b>	<b>307.68</b>	<b>175.74</b>	<b>39.19</b>	<b>41.70</b>	<b>-</b>	<b>41,718.66</b>	<b>1,797.11</b>
Additions / Transfer	-	33.57	248.88	-	-	17.58	4.30	13.08	956.04	-	110.64	4.10	39.83	2.09	8.78	22.69	1,461.58	4,077.43
Re-Classification of Assets*	-	(43.27)	-	-	-	-	-	-	-	-	-	-	(8.02)	-	-	-	(43.27)	-
Disposals	-	(20.40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(28.42)	(1,364.29)
<b>As at March 31, 2021</b>	<b>9,701.29</b>	<b>925.11</b>	<b>359.10</b>	<b>6.06</b>	<b>2,253.55</b>	<b>404.45</b>	<b>13.48</b>	<b>7,163.71</b>	<b>1,727.31</b>	<b>0.52</b>	<b>19,920.18</b>	<b>311.78</b>	<b>207.55</b>	<b>41.28</b>	<b>50.48</b>	<b>22.69</b>	<b>43,108.54</b>	<b>4,510.24</b>
Additions / Transfer	700.20	8.02	15.00	-	2,387.33	-	3.48	5,391.45	-	-	1,596.95	107.19	-	20.56	16.89	-	10,247.07	3,281.56
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,790.80)	-
<b>As at March 31, 2022</b>	<b>10,401.50</b>	<b>933.13</b>	<b>374.10</b>	<b>6.06</b>	<b>4,640.89</b>	<b>404.45</b>	<b>16.97</b>	<b>12,555.16</b>	<b>1,727.31</b>	<b>0.52</b>	<b>21,571.13</b>	<b>418.96</b>	<b>207.55</b>	<b>61.84</b>	<b>67.36</b>	<b>22.69</b>	<b>53,355.62</b>	<b>1.00</b>
<b>Accumulated depreciation as at April 1, 2020</b>	<b>3.38</b>	<b>-</b>	<b>6.26</b>	<b>4.84</b>	<b>457.59</b>	<b>203.68</b>	<b>7.38</b>	<b>1,626.63</b>	<b>582.18</b>	<b>0.52</b>	<b>5,540.27</b>	<b>178.83</b>	<b>99.67</b>	<b>32.92</b>	<b>39.14</b>	<b>-</b>	<b>8,783.31</b>	<b>-</b>
Depreciation charged during the year	-	-	5.63	0.19	105.22	84.46	1.14	820.71	129.75	-	1,359.62	33.43	26.26	2.76	3.58	1.92	2,574.69	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	(7.73)	-	-	-	(7.73)	-
<b>As at March 31, 2021</b>	<b>3.38</b>	<b>-</b>	<b>11.90</b>	<b>5.03</b>	<b>562.81</b>	<b>288.13</b>	<b>8.52</b>	<b>2,447.34</b>	<b>711.93</b>	<b>0.52</b>	<b>6,899.89</b>	<b>212.26</b>	<b>118.21</b>	<b>35.69</b>	<b>42.72</b>	<b>1.92</b>	<b>11,350.27</b>	<b>-</b>
Depreciation charged during the year	-	-	18.91	0.16	190.88	52.18	1.70	1,037.55	151.54	-	1,316.64	28.07	27.31	9.42	9.43	2.35	2,846.12	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>3.38</b>	<b>-</b>	<b>30.81</b>	<b>5.19</b>	<b>753.69</b>	<b>340.31</b>	<b>10.22</b>	<b>3,484.89</b>	<b>863.47</b>	<b>0.52</b>	<b>8,216.52</b>	<b>240.33</b>	<b>145.52</b>	<b>45.10</b>	<b>52.15</b>	<b>4.27</b>	<b>14,196.39</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>10,398.11</b>	<b>933.13</b>	<b>343.30</b>	<b>0.87</b>	<b>3,887.20</b>	<b>64.14</b>	<b>6.75</b>	<b>9,070.27</b>	<b>863.84</b>	<b>0.00</b>	<b>13,300.61</b>	<b>178.63</b>	<b>62.03</b>	<b>16.74</b>	<b>15.21</b>	<b>18.42</b>	<b>39,159.24</b>	<b>1.00</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>9,697.91</b>	<b>925.11</b>	<b>347.20</b>	<b>1.03</b>	<b>1,690.74</b>	<b>116.32</b>	<b>4.96</b>	<b>4,716.37</b>	<b>1,015.37</b>	<b>0.00</b>	<b>13,020.29</b>	<b>99.52</b>	<b>89.35</b>	<b>5.60</b>	<b>7.76</b>	<b>20.77</b>	<b>31,758.29</b>	<b>4,510.24</b>

Notes :

- No depreciation has been claimed on assets, to the extent of input credit claimed.
- Refer Note 45 for disclosure of contractual commitment for acquisition of property, plant and equipment.
- Refer Note 23 for information on property, plant and equipment hypothecated / mortgaged as security by the Company.
- Capital work-in-progress mainly comprises addition / expansion projects in progress.
- \*Re-Classification to Investment Property
- The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 4 : Property, Plant and Equipment (Contd..)

### 7. Ageing schedule of CWIP :

(₹ in Lakhs)

Particulars	Amount of CWIP for the year ended March 31, 2022				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(a) Projects in progress	1.00	-	-	-	1.00
(b) Projects temporarily suspended	-	-	-	-	-

(₹ in Lakhs)

Particulars	Amount of CWIP for the year ended March 31, 2021				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(a) Projects in progress	3,793.63	716.61			4,510.24
(b) Projects temporarily suspended	-	-	-	-	-

### 8. Completion is overdue/has exceeded its cost compared to original plan - Nil

## Note 5 : Investment Property

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Gross Carrying Amount</b>		
Opening gross carrying amount	314.75	271.48
Additions	6.09	43.27
Closing gross carrying amount	320.84	314.75
<b>Accumulated Depreciation</b>		
Opening accumulated depreciation	71.08	59.72
Depreciation charged for the year	10.77	11.36
Closing accumulated depreciation	81.84	71.08
Net carrying amount	239.00	243.67

Notes:

- The Investment Property consist of offices situated at Goregaon, Mumbai, Maharashtra and Land situated at Kombhalne, Ahmednagar, Maharashtra.
- Net revenue recognised in the statement of profit and loss for the above investment properties is Profit of ₹ 8.82 Lakhs (P.Y. Profit of ₹ 10.75 Lakhs) during the financial year ended March 31, 2022 and March 31, 2021 respectively.
- Disclosure for Fair Value

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	586.24	475.07

- Description of valuation techniques used and key inputs to valuation on investment properties.

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

- Current prices in an active market for investment properties of different nature or recent prices of similar investment properties in less active markets, adjusted to reflect those differences.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 5 : Investment Property (Contd..)

- ii) Discounted cash flow projections based on reliable estimates of future cash flows.
- iii) Capitalised income projections based upon a estimated net market income from investment properties and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by reputed third party and independent valuers. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 2.

- e) Investment Property pledged/ mortgaged as security :

Refer Note 23 for information on Investment Property hypothecated / mortgaged as security by the Company.

- f) The Company does not have any contractual obligations to purchase, construct or develop, for maintenance or enhancements of investment property.

## Note 6 : Non-Current Financial Assets - Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>- Quoted Equity Instruments</b>		
<b>Investments carried at fair value through profit or loss</b>		
6,500 (March 31, 2021: 6,500) Equity Shares of Kisan Mouldings Limited of ₹ 10 each fully paid up	0.73	1.09
<b>- Unquoted Equity Instruments</b>		
<b>Investments in Other Entities -</b>		
<b>Investments carried at fair value through profit or loss</b>		
200 (March 31, 2021: 200) Equity Shares of The Thane Janta Sahakari Bank Limited of ₹ 50 each fully paid up	1.05	1.05
<b>Investments carried at Cost</b>		
43,061 (March 31, 2021 : 43,061) Equity Shares of The Tarapur Environmental Protection Society of ₹ 100 each fully paid up	43.06	43.06
<b>Investment in Subsidiaries -</b>		
<b>Investments carried at Cost</b>		
10,000 (March 31, 2021 : 10,000) Equity Shares of Bhageria Exim Private Limited of ₹ 10 each fully paid up	1.00	1.00
5,100 (March 31, 2021 : Nil) Equity Shares of Bhageria & Jajodia Pharmaceuticals Private Limited of ₹ 10 each fully paid up	0.51	-
<b>Total</b>	<b>46.35</b>	<b>46.19</b>
Aggregate amount of quoted investments -At Cost	2.60	2.60
Aggregate amount of quoted investments -At Market Value	0.73	1.09
Aggregate amount of unquoted investments -At Cost	44.16	44.16
Aggregate amount of unquoted investments -At Market Value	45.11	45.11
<b>Category-wise Non current investment</b>		
Financial assets measured at fair value through profit & loss	1.77	2.13
Financial assets carried at amortised cost	44.57	44.06
<b>Total</b>	<b>46.35</b>	<b>46.19</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 7 : Non-Current Financial Assets - Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
<b>Carried at amortised cost</b>		
Telephone Deposit	0.49	0.49
Electricity Deposit	179.00	176.83
Rent Deposit	4.18	4.62
Other Security Deposits	68.01	53.51
Fixed Deposit - For original maturity more than twelve month*	737.81	47.49
[*₹ 5 Lakhs (P.Y. ₹ 45.99 Lakhs) under lien against bank guarantee and loans from banks]		
<b>Total</b>	<b>989.48</b>	<b>282.94</b>

## Note 8 : Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Capital Advances	18.26	321.83
<b>Total</b>	<b>18.26</b>	<b>321.83</b>

## Note 9 : Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(Valued at the lower of Cost or Net Realisable Value)</b>		
Raw Materials	3,929.06	3,187.92
Goods-in-transit /at port	147.19	98.81
Work-in-progress	577.79	305.97
Finished Goods	1,692.39	124.59
Stock in Trade	22.11	-
Power and Fuel	50.40	9.92
Stores and Spares	114.09	37.65
<b>Total</b>	<b>6,533.02</b>	<b>3,764.85</b>

## Note 10 : Current Financial Assets - Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>- Quoted Equity Instruments</b>		
<b>Investments carried at fair value through profit or loss</b>		
Nil (March 31, 2021: 30,000) Equity Shares of Bandhan Bank Limited of ₹ 10 each fully paid up	-	101.67
2,00,000 (March 31, 2021: 2,00,000) Equity Shares of CG Power and Industrial Solutions Limited of ₹ 2 each fully paid up	378.90	133.80
Nil (March 31, 2021: 65,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited of ₹ 2 each fully paid up	-	52.85
2,977 (March 31, 2021: 2,000) Equity Shares of Housing Development Finance Corporation Limited of ₹ 2 each fully paid up	71.64	49.96
52,752 (March 31, 2021: Nil) Equity Shares of Hindustan Copper Ltd. of ₹ 5 each fully paid up	60.01	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 10 : Current Financial Assets - Investments (contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
47 (March 31, 2021: Nil) Equity Shares of Adani Enterprises Limited of ₹ 1 each fully paid up	0.95	-
18,958 (March 31, 2021: Nil) Equity Shares of Adani Wilmar Limited of ₹ 2 each fully paid up	97.99	-
2,079 (March 31, 2021: Nil) Equity Shares of HCL Technologies Limited of ₹ 2 each fully paid up	24.19	-
22,115 (March 31, 2021: Nil) Equity Shares of ZEE Entertainment Enterprises Ltd of ₹ 1 each fully paid up	63.77	-
<b>- Unquoted Mutual Fund Instruments</b>		
502.932 (March 31, 2021: Nil) Units Mutual Fund of Nippon India Ultra Short Duration Fund - Direct of ₹1,000 each fully paid up	17.75	-
<b>Total</b>	<b>715.20</b>	<b>338.28</b>
Aggregate amount of quoted investments - At Cost	369.35	299.21
Aggregate amount of quoted investments - At Market Value	697.45	338.28
Aggregate amount of unquoted investments -At Cost	17.50	-
Aggregate amount of unquoted investments -At Market Value	17.75	-
<b>Category-wise Current investment</b>		
Financial assets measured at fair value through profit & loss	715.20	338.28
<b>Total</b>	<b>715.20</b>	<b>338.28</b>

## Note 11 : Current Financial Assets - Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	9,723.03	8,902.56
Receivables from related parties (refer note 48 )	-	313.42
Less: Allowance for doubtful trade receivables	-	-
<b>Total Receivables</b>	<b>9,723.03</b>	<b>9,215.98</b>

### Break-up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables -Secured, considered good	186.42	153.95
Trade receivables -Unsecured, considered good	9,536.60	9,062.03
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowances for credit losses	-	-
Less: Allowance for doubtful trade receivables	-	-
<b>Total</b>	<b>9,723.03</b>	<b>9,215.98</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 11 : Current Financial Assets - Trade Receivables (Contd..)

### Ageing of Trade Receivables As at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed Trade receivables – considered good	8,142.50	1,277.91	6.67	4.04	-	1.36	9,432.48
(b) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(c) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(d) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Total Trade receivables - Billed</b>	<b>8,142.50</b>	<b>1,277.91</b>	<b>6.67</b>	<b>4.04</b>	<b>-</b>	<b>1.36</b>	<b>9,432.48</b>
<b>Trade receivables - Unbilled</b>							<b>290.55</b>
<b>Total Trade receivables</b>							<b>9,723.03</b>

### Ageing of Trade Receivables As at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed Trade receivables – considered good	8,374.90	527.47	7.00	-	4.86	-	8,914.23
(b) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(c) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(d) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Total Trade receivables - Billed</b>	<b>8,374.90</b>	<b>527.47</b>	<b>7.00</b>	<b>-</b>	<b>4.86</b>	<b>-</b>	<b>8,914.23</b>
<b>Trade receivables - Unbilled</b>							<b>301.76</b>
<b>Total Trade receivables</b>							<b>9,215.98</b>

## Note 12 : Current Financial Assets - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Balances		
- In current accounts	807.92	153.74
- In fixed deposits with maturity of less than 3 months*	1,402.61	1,680.25
Cash on Hand	2.45	2.34
<b>Total</b>	<b>2,212.98</b>	<b>1,836.33</b>

\*₹ 103.23 Lakhs (P.Y. ₹ Nil Lakhs) lien against bank guarantee and loan arrangements from Bank

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 13 : Current Financial Assets - Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with maturity period of more than 3 months but less than 12 months (include accrued interest)*	60.00	352.62
Unpaid Dividend Accounts**	77.68	74.34
<b>Total</b>	<b>137.68</b>	<b>426.96</b>

\*₹ 17.38 Lakhs (P.Y. ₹ 21.98 Lakhs) lien against bank guarantee and loan arrangements from Bank

\*\*The amount is to be utilised towards settlement of respective unpaid dividends.

## Note 14 : Current Financial Assets - Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Advance Payment to Employees	25.95	26.79
<b>Total</b>	<b>25.95</b>	<b>26.79</b>

## Note 15 : Current Financial Assets - Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Duty Drawback Receivable	25.38	19.17
Incentive Licenses	45.34	0.47
Foreign Currency Forward Contracts Receivable	11.97	2.89
Fixed Deposits with maturity period of more than 12 months (include accrued interest) of original maturity but expected to mature within 12 months from balance sheet date*	2,783.18	3,280.91
Interest Receivable	4.55	-
Security Deposits	300.00	320.00
<b>Total</b>	<b>3,170.43</b>	<b>3,623.44</b>

\*₹ 756.83 Lakhs (P.Y. ₹ 820.02 Lakhs) lien against bank guarantee and loan arrangements from Bank

## Note 16 : Current Tax Assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax Refund Receivable	217.86	183.36
Taxes Paid (incl. Tax Deducted at Source)	2,713.79	-
Less : Provision for Income Taxes	(2,694.79)	-
<b>Total</b>	<b>236.86</b>	<b>183.36</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 16 : Current Tax Assets (net) (Contd..)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Accounting profit before tax from continuing operations	9,514.78	8,079.88
Tax at income tax at the rate of 25.168% (March 31, 2021: 34.944%)	2,394.68	2,823.43
<b>Tax effect of :</b>		
Difference in Depreciation and Amortisation	137.09	5.07
Income exempt from tax and items not deductible	206.93	(402.52)
MTM Gain on Investment	(59.98)	(15.75)
Gain on Sale of Investments	(1.55)	(1.04)
Other Items deductible	(2.18)	(3.58)
Provision for Interest on Income Tax and Adjustments for Current Tax	19.80	30.43
<b>Income tax expense reported in the statement of Profit and Loss</b>	<b>2,694.79</b>	<b>2,436.04</b>
Tax adjustment for earlier year	14.78	-
Deferred Tax Expense Reported in the statement of Profit and Loss	(245.03)	(601.91)
	<b>2,464.54</b>	<b>1,834.13</b>

The recently promulgated Taxation Laws (Amendment) Ordinance 2019 has inserted section 115BAA in the Income Tax Act, 1961 providing existing domestic companies with the option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961 for assessment year (AY) 2020-21 or subsequent AYs. Once exercised such an option cannot be withdrawn for the same or subsequent AYs. The Company has exercised this option in F.Y. 2021-22 and continues to pay tax as per the new regime.

## Note 17 : Other Current Assets

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Advances other than Capital Advances:		
Advance Payment to Vendors	60.61	107.25
Balance with Government Authorities:		
- Cenvat Credit Receivables	37.35	98.29
- Vat Refund Receivables	27.14	42.14
- GST Refund Receivables	142.60	97.54
Prepaid Expenses	100.31	47.72
<b>Total</b>	<b>368.02</b>	<b>392.95</b>

## Note 18 : Equity Share Capital

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Authorised Capital</b>		
5,00,00,000 (March 31, 2021: 5,00,00,000) Equity Shares of ₹ 5 each	2,500.00	2,500.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, Subscribed and Paid up Capital</b>		
4,36,44,180 (March 31, 2021: 4,36,44,180) Equity Shares of ₹ 5 each fully paid up	2,182.21	2,182.21
<b>Total</b>	<b>2,182.21</b>	<b>2,182.21</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 18 : Equity Share Capital (Contd..)

### (a) Terms/rights attached to:

#### Equity Shares

The Company has only one class of Equity Shares having par value of ₹ 5/- each. (p.y. equity shares of ₹ 5/-each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount to various stakeholders of the company.

#### Dividend

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### (b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year.

#### Equity Shares:

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Balance as at Beginning of the year	4,36,44,180	2,182.21	4,36,44,180	2,182.21
Add : Allotment of shares during the year	-	-	-	-
<b>Balance as at end of the year</b>	<b>4,36,44,180</b>	<b>2,182.21</b>	<b>4,36,44,180</b>	<b>2,182.21</b>

### (c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Shares held by	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	%	Number of Shares	%
<b>Equity shares with voting rights</b>				
Bhageria Trade Invest Pvt. Ltd.	66,17,850	15.16%	65,10,530	14.92%
Suresh Keshavdeo Bhageria	39,90,334	9.14%	39,78,334	9.12%
Akashdeep International Pvt. Ltd.	39,98,372	9.16%	39,98,372	9.16%
Deepak Vishwambharlal Bhageria	23,97,274	5.49%	23,97,274	5.49%

### (d) Shares issued during the last five years for consideration other than cash

Particulars	Year (Aggregate No. of Shares)					
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Equity Shares :</b>						
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	59,42,530	-	-
Fully paid up by way of bonus shares	-	-	2,18,22,090	-	-	-
Shares bought back	-	-	-	-	-	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 18 : Equity Share Capital (Contd..)

(e) Shareholding details of Promoter / Promoter Group :

Name of Promoter / Promoter Group	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
1. Suresh Keshavdeo Bhageria	39,90,334	9.14	39,78,334	9.12	0.30%
2. Vinodkumar Keshavdeo Bhageria	9,036	0.02	9,036	0.02	0.00%
3. Vishambharlal Keshavdeo Bhageria	39,200	0.09	39,200	0.09	0.00%
4. Aditya V Bhageria	1,48,985	0.34	1,13,729	0.26	31.00%
5. Rahul Bhageria (HUF)	2,24,242	0.51	2,24,242	0.51	0.00%
6. Vikas Bhageria (HUF)	2,35,666	0.54	2,33,666	0.54	0.86%
7. Rakesh Bhageria (HUF)	2,37,518	0.54	2,08,128	0.48	14.12%
8. Dinesh Bhageria (HUF)	2,55,662	0.59	2,55,662	0.59	0.00%
9. Snehlata A Bhageria	3,22,000	0.74	3,21,488	0.74	0.16%
10. Deepak Bhageria (HUF)	3,27,964	0.75	3,27,964	0.75	0.00%
11. Chandadevi Vishambharlal Bhageria	3,31,312	0.76	3,31,012	0.76	0.09%
12. Sonika Rakesh Bhageria	4,08,786	0.94	4,08,786	0.94	0.00%
13. Dhvani Rahul Bhageria	4,99,116	1.14	4,98,966	1.14	0.03%
14. Archana Deepak Bhageria	5,90,024	1.35	5,90,024	1.35	0.00%
15. Dinesh Vishambharlal Bhageria	7,06,168	1.62	7,06,168	1.62	0.00%
16. Harshita Vikas Bhageria	8,10,194	1.86	8,08,842	1.85	0.17%
17. Asha Dinesh Bhageria	8,84,520	2.03	8,84,520	2.03	0.00%
18. Chandrababha Suresh Bhageria	9,12,915	2.09	9,00,706	2.06	1.36%
19. Suresh Bhageria (HUF)	9,84,192	2.26	9,69,192	2.22	1.55%
20. Rahul Niranjallal Bhageria	12,11,391	2.78	11,89,913	2.73	1.81%
21. Vikas Suresh Bhageria	15,71,456	3.60	15,67,864	3.59	0.23%
22. Rakesh Niranjallal Bhageria	21,32,436	4.89	21,19,436	4.86	0.61%
23. Deepak Vishwambharlal Bhageria	23,97,274	5.49	23,97,274	5.49	0.00%
24. Vanita Saraf	32,000	0.07	32,000	0.07	0.00%
25. Anjushree A Bhageria	-	-	26,000	0.06	(100.00%)
26. Allied Rainbow Asia Steel Private Limited	12,98,000	2.97	12,98,000	2.97	0.00%
27. Akashdeep International Private Limited	39,98,372	9.16	39,98,372	9.16	0.00%
28. Bhageria Trade Invest Private Limited	66,17,850	15.16	65,10,530	14.92	1.65%

## Note 19 : Other Equity

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(i) Securities Premium	0.51	0.51
(ii) Capital Reserve	14,068.69	14,068.69
(iii) General Reserve	440.10	440.10
(iv) Retained Earnings	33,982.51	28,456.98
<b>Total</b>	<b>48,491.81</b>	<b>42,966.28</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 19 : Other Equity (Contd..)

### (i) Securities Premium :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	0.51	0.51
Add : Additions during the year	-	-
<b>Balance as at end of the year</b>	<b>0.51</b>	<b>0.51</b>

### (ii) Capital Reserve:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	14,068.69	14,068.69
Add : Additions during the year	-	-
<b>Balance as at end of the year</b>	<b>14,068.69</b>	<b>14,068.69</b>

### (iii) General Reserve:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	440.10	440.10
Less: Utilised during the year	-	-
<b>Balance as at end of the year</b>	<b>440.10</b>	<b>440.10</b>

### (iv) Retained Earnings:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	28,456.98	23,525.97
Add: Profit for the year	7,050.25	6,245.75
<b>Add: Items of Other Comprehensive Income recognised directly in Retained Earnings</b>		
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)	2.82	(5.42)
Less: Utilised for Final Dividend	(1,527.55)	(1,309.33)
<b>Balance as at end of the year</b>	<b>33,982.51</b>	<b>28,456.98</b>

### Nature and Purpose of Reserves

- Capital Reserve : Capital Reserve is utilised in accordance with provision of the Act.
- Security Premium : Security Premium is used to record the premium on issue of shares. This reserve is utilised in accordance with the provision of the Act.
- General Reserve : The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- Retained Earnings : Retained earnings are the profit that the Company has earned till date, less any transfer to general reserve, dividend or other distributions paid to shareholders.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 20 : Non-Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for Employee Benefits:</b>		
Provision for Gratuity	216.93	220.32
<b>Total</b>	<b>216.93</b>	<b>220.32</b>

## Note 21 : Deferred Tax Liabilities (Net)

The major components of Deferred Tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:</b>		
Property, Plant and Equipment - Depreciation	3,628.14	3,765.24
Gratuity	(71.79)	(59.97)
Unearned Revenue	(153.70)	(10.99)
Changes in Fair Value of Investment	56.36	8.81
<b>Deferred Tax Liabilities (net)</b>	<b>3,459.01</b>	<b>3,703.09</b>

## Movement in Deferred Tax Liabilities/ (Assets)

(₹ in Lakhs)

Particulars	Depreciation	Gratuity	Changes in Fair Value of Investment	Unearned Revenue	Total
<b>As at April 01, 2020</b>	<b>4,358.23</b>	<b>(51.11)</b>	<b>(0.30)</b>	<b>-</b>	<b>4,306.82</b>
Charged/ (Credited):					
To Profit or Loss	(592.99)	(7.04)	9.11	(10.99)	(601.91)
To Other Comprehensive Income	-	(1.82)	-	-	(1.82)
<b>As at March 31, 2021</b>	<b>3,765.24</b>	<b>(59.97)</b>	<b>8.81</b>	<b>(10.99)</b>	<b>3,703.09</b>
Charged/ (Credited):					
To Profit or Loss	(137.10)	(12.77)	47.55	(142.71)	(245.03)
To Other Comprehensive Income	-	0.95	-	-	0.95
<b>As at March 31, 2022</b>	<b>3,628.14</b>	<b>(71.79)</b>	<b>56.36</b>	<b>(153.70)</b>	<b>3,459.01</b>

## Note 22 : Other Non-current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unearned Income	585.45	41.85
<b>Total</b>	<b>585.45</b>	<b>41.85</b>

## Note 23 : Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured Loans (Repayable on demand)</b>		
Working Capital Loans from Banks	1,175.36	1,638.02
Buyer's Credit from Bank	586.19	1,052.52
<b>Total</b>	<b>1,761.56</b>	<b>2,690.54</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 23 : Current Financial Liabilities - Borrowings (Contd..)

### Note:

These working capital facilities are secured against the following charge on various assets of the Company :

1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
2. Collateral : Extension of mortgage charge on factory land and building situated at Plot No. 6310, Phase IV, GIDC, Vapi, Gujarat and Office premises situated at A1/101, Virwani Industrial Estate, Goregaon (E), Mumbai - 400063 and Fixed Deposits owned by the Company.
3. Personal Guarantees of some of the Directors of the company.
4. The Company has taken working capital loans at interest ranging from 5.75% to 6.75% per annum.
5. Quarterly statements of current assets filed by the Company with banks are in agreement with the books of accounts
6. The Company is not declared as wilful defaulter by any bank or financial institution or any other lender.
7. The Company has not utilised any funds raised on short term basis for long term purpose.
8. The Company has not raised any loans during the year on the pledge of securities held in its Subsidiaries.

## Note 24 : Current Financial Liabilities - Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Payable</b>		
Total outstanding dues of micro enterprises and small enterprises	31.60	87.92
Total outstanding dues of creditors other than micro enterprises and small enterprise		
(i) Related party (Refer Note 48)	781.04	-
(ii) Others	5,085.12	3,590.41
<b>Total</b>	<b>5,897.76</b>	<b>3,678.33</b>

### Ageing of trade payables As at March 31, 2022

(₹ in Lakhs)

Particulars (Trade Payable due for payment)	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed due - MSME	-	31.60	-	-	-	-	31.60
(b) Undisputed due - Others	146.70	5,519.57	184.89	3.89	11.11	-	5,866.16
(c) Disputed dues –MSME	-	-	-	-	-	-	-
(d) Disputed dues -Others	-	-	-	-	-	-	-
<b>Total</b>	<b>146.70</b>	<b>5,551.18</b>	<b>184.89</b>	<b>3.89</b>	<b>11.11</b>	<b>-</b>	<b>5,897.76</b>

### Ageing of Trade Receivables As at 31st March, 2021

(₹ in Lakhs)

Particulars (Trade Payable due for payment)	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed due - MSME	-	87.92	-	-	-	-	87.92
(b) Undisputed due - Others	9.27	3,468.27	100.36	12.00	0.50	-	3,590.41
(c) Disputed dues –MSME	-	-	-	-	-	-	-
(d) Disputed dues -Others	-	-	-	-	-	-	-
<b>Total</b>	<b>9.27</b>	<b>3,556.20</b>	<b>100.36</b>	<b>12.00</b>	<b>0.50</b>	<b>-</b>	<b>3,678.33</b>

### Note :

1. The Micro and Small Enterprises have been identified on the basis of information available with the Company.



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 24 : Current Financial Liabilities - Trade Payables (Contd..)

Details of dues to such parties are given below:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid as at the end of the year	31.60	87.92
The amount of interest accrued and remaining unpaid at the end of the year	-	-
Amount of interest paid by the Company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-
Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act 2006).	-	-
The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006).	-	-

## Note 25 : Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest Accrued	1.68	2.13
Unpaid Dividend	77.68	74.34
Liabilities for Acquisition of Property, Plant and Equipment	92.14	464.08
Employee Related Liabilities	1.85	54.91
<b>Total</b>	<b>173.35</b>	<b>595.46</b>

## Note 26 : Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	507.66	278.11
Advances from Customers	85.42	436.32
Current Unearned Income	25.20	1.80
Other Liabilities	121.85	35.16
<b>Total</b>	<b>740.12</b>	<b>751.38</b>

## Note 27 : Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Provision for Employee benefits:</b>		
Provision for Gratuity	68.29	17.94
<b>Total</b>	<b>68.29</b>	<b>17.94</b>

## Note 28 : Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax	-	2,190.66
Less: Income Tax Assets	-	(2,065.98)
<b>Total</b>	<b>-</b>	<b>124.68</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 29 : Revenue from Operations

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of Products	56,303.96	36,688.61
Revenue from Sale of Solar Electricity	2,845.42	2,992.77
<b>Other Operating Revenue:</b>		
Job work Income	131.88	108.32
Duty drawback and other export incentives	321.44	124.56
Other Revenue	19.41	4.60
<b>Total</b>	<b>59,622.12</b>	<b>39,918.86</b>

## Note 30 : Other Incomes

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Interest income earned on financial assets that are not designated as at fair value through profit or loss</b>		
From Bank deposits (at amortised cost)	247.16	248.39
From Others (at amortised cost)	15.59	-
<b>Dividend income</b>		
Dividends from investment in equity shares (designated at cost or at FVTPL)	30.13	-
<b>Other gains or losses:</b>		
Net gains / (loss) arising on financial assets measured at FVTPL	288.93	39.79
Profit on Sale of Current Investment	1.14	5.95
Profit on Sale of Property, Plant and Equipments	-	2.24
<b>Other non-operating income</b>		
Rental Income	25.54	23.74
Commission Income	85.81	-
Foreign Exchange Gain (Net)	148.45	111.41
Miscellaneous Income	63.42	12.45
<b>Total</b>	<b>906.18</b>	<b>443.98</b>

## Note 31 : Cost of Materials

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Opening Stock	3,286.73	2,524.24
Add: Purchases	34,216.15	19,716.52
Less: Closing Stock	4,076.24	3,286.73
<b>Total</b>	<b>33,426.63</b>	<b>18,954.03</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 32 : Purchase of Stock in Trade

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Traded goods	5,703.09	2,138.87
<b>Total</b>	<b>5,703.09</b>	<b>2,138.87</b>

## Note 33 : Change in Inventories of finished goods, work-in-progress and stock in trade

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Inventories at the end of the year :		
Finished Goods	1,692.39	124.59
Work-in-progress	577.79	305.97
Stock-in-trade	22.11	-
	<b>2,292.29</b>	<b>430.56</b>
Inventories at the beginning of the year :		
Finished Goods	124.59	996.33
Work-in-progress	305.97	171.98
	<b>430.56</b>	<b>1,168.31</b>
<b>Total</b>	<b>(1,861.73)</b>	<b>737.75</b>

## Note 34 : Employee Benefits Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, Wages and Bonus	1,771.91	1,734.06
Contributions to Provident and Other Funds	35.79	31.80
Gratuity Expenses	60.46	57.98
Staff Welfare Expenses	86.57	63.64
<b>Total</b>	<b>1,954.73</b>	<b>1,887.48</b>

## Note 35 : Finance Costs

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest on Borrowings from Banks	99.48	77.50
Bank Charges and Commission	28.93	23.85
<b>Total</b>	<b>128.42</b>	<b>101.35</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 36 : Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation on property, plant and equipment	2,846.12	2,574.69
Depreciation on investment property	10.77	11.36
<b>Total</b>	<b>2,856.89</b>	<b>2,586.05</b>

## Note 37 : Other Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Manufacturing Expenses</b>		
Job Work and Labour Charges	1,159.15	864.61
Repairs and Maintenance - Machinery	276.28	205.51
Repairs and Maintenance - Buildings	2.21	-
Power, Fuel and Water Charges	3,376.79	2,048.80
Stores & Spares	721.48	544.84
Lab Expenses	103.27	86.94
Factory Expenses	18.61	13.31
Effluent Treatment Charges	62.69	76.14
(A)	<b>5,720.47</b>	<b>3,840.14</b>
<b>Selling &amp; Distribution Expenses</b>		
Commission	28.08	15.41
Freight and Forwarding	1,386.34	958.15
Business Promotion	26.97	3.98
Loading and Unloading Charges	6.46	9.40
(B)	<b>1,447.85</b>	<b>986.95</b>
<b>Establishment Expenses</b>		
Contribution towards CSR	175.72	166.81
Legal and professional Charges	130.20	75.87
Donations and contributions	21.37	160.86
Solar Operating Expenses	340.49	317.43
EPC Contract Expenses	489.57	-
Rent, Rates and Taxes	75.52	68.79
Miscellaneous Expenses	33.43	18.70
Land Aggregation expenses	31.97	-
Travelling and Conveyance	53.77	33.14
Indirect Tax Expenses	75.26	71.74
Insurance Expenses	87.81	69.22
Vehicle Expenses	37.49	22.28
Repairs and Maintenance - Others	7.44	5.44
Printing and Stationery	9.16	6.29
Communication	11.08	10.67
Membership Fees	0.75	0.29
Director Sitting Fees	9.50	11.00
RTA Charges	4.53	2.82
Repairs and maintenance - Computer	3.13	4.41

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 37 : Other Expenses (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Other Share Charges	32.00	0.55
Postage & Courier Expense	6.99	4.02
(C)	<b>1,637.17</b>	<b>1,050.34</b>
<b>Total (A+B+C)</b>	<b>8,805.48</b>	<b>5,877.43</b>

## 37 (a) : Payment to the Auditors

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) Payments to the auditors comprises (net of input tax credit, where applicable)(incl. in Legal and Professional Charges)		
<b>Payments to Statutory Auditor</b>		
i) Audit Fees	6.00	6.00
ii) Other Services	-	-
<b>Payments to Cost Auditor</b>		
i) Audit Fees	1.05	0.90
<b>Total</b>	<b>7.05</b>	<b>6.90</b>

## Note 38 : Earnings Per Equity Share

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net Profit attributable to Equity Shareholders (₹ in Lakhs)	7,050.25	6,245.75
Weighted Average Number of Equity Shares	4,36,44,180	4,36,44,180
Basic and Diluted Earnings Per Share (₹)	16.15	14.31
Face value per Share (₹)	5.00	5.00

## Note 39 : Financial Assets and Financial Liabilities at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-Current Financial Assets</b>		
Investments	44.06	44.06
Other Financial Assets	989.48	282.94
<b>Current Financial Assets</b>		
Trade receivables	9,723.03	9,215.98
Cash and Cash Equivalents	2,212.98	1,836.33
Other bank balances	137.68	426.96
Loans	25.95	26.79
Other Financial Assets	3,158.46	3,620.55
<b>Total</b>	<b>16,291.63</b>	<b>15,453.61</b>

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 39 : Financial Assets and Financial Liabilities at Amortised Cost Method (Contd..)

The carrying value of the following financial liabilities recognised at amortised cost:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-Current Financial Liabilities</b>		
Borrowings	-	-
Other Financial Liabilities	-	-
<b>Current Financial Liabilities</b>		
Borrowings	1,761.56	2,690.54
Trade Payable	5,897.76	3,678.33
Other Financial Liabilities	173.35	595.46
<b>Total</b>	<b>7,832.67</b>	<b>6,964.34</b>

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

## Note 40 : Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- Current Financial Assets</b>		
Investments	2.28	2.13
<b>Current Financial Assets</b>		
Investments	715.20	338.28
Other Financial Assets	11.97	2.89
<b>Total</b>	<b>729.45</b>	<b>343.30</b>

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current Financial Liabilities</b>		
Other Financial Liabilities	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Fair Value Hierarchy :**

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets and Liabilities measured at fair value March 31, 2022				
<b>Measured at fair value through profit or loss</b>				
<b>Financial Assets</b>				
Investments	715.93	1.05	-	716.97
Foreign Currency Forward Contracts Receivable	-	11.97	-	11.97
<b>Financial Liabilities</b>				
Foreign Currency Forward Contracts Payable	-	-	-	-
Financial Assets and Liabilities measured at fair value March 31, 2021				
<b>Measured at fair value through profit or loss</b>				
<b>Financial Assets</b>				
Investments	339.36	1.05	-	340.41
Foreign Currency Forward Contracts Receivable	-	2.89	-	2.89
<b>Financial Liabilities</b>				
Foreign Currency Forward Contracts Payable	-	-	-	-

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 40 : Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss (Contd..)

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

### Valuation technique used to determine fair value:

The Company evaluates the fair value of financial assets and financial liabilities on periodic basis using the best and most relevant data available.

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date
- The fair value of investments in Mutual Fund Units is based on Net Asset Value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet Date. NAV represents the price at which the issuer will issue further units of Mutual Fund and the price at which issuers will redeem such units from investors.

## Note 41 : Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis and Credit ratings	Diversification of bank deposits and credit limits Unutilised from Consortium Bankers.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - Interest rate	Borrowings at variable rates	Sensitivity analysis	Not used any Interest rate derivatives.
Market Risk - Price risk	Equity Instruments		Company maintains its portfolio in accordance with the framework set by the Risk Management policies.
Market Risk - Foreign exchange risk	Export, Import and Borrowings		Forward contracts and Currency options



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 41 : Financial Risk Management Objectives and Policies (Contd..)

### Credit Risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

#### Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company does not expect any credit risk on account of trade receivables.

#### Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### Liquidity Risk :

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit, equity and liquid schemes of mutual funds.

The table below provides details regarding the maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 Months	More than 12 Months	Total
<b>Year ended March 31, 2022</b>				
Secured Loans	1,761.56	1,761.56	-	1,761.56
Trade Payables	5,897.76	5,897.76	-	5,897.76
Interest Accrued	1.68	1.68	-	1.68
Liabilities for Acquisition of Property, Plant and Equipment	92.14	92.14	-	92.14
Others Liabilities	819.65	819.65	-	819.65

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 Months	More than 12 Months	Total
<b>Year ended March 31, 2021</b>				
Secured Loans	2,690.54	2,690.54	-	2,690.54
Trade Payables	3,678.33	3,678.33	-	3,678.33
Interest Accrued	2.13	2.13	-	2.13
Liabilities for Acquisition of Property, Plant and Equipment	464.08	464.08	-	464.08
Others Liabilities	880.63	880.63	-	880.63

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 41 : Financial Risk Management Objectives and Policies (Contd..)

### Market Risk :

Market risk comprises three types of risk: price risk, interest rate risk and currency risk. The risks may affect income and expenses, or the value of its financial instruments of the Company. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the Management of, these risks is explained below:

#### a) Security Price Risk

Equity price risk is related to the change in market price of the investments in quoted equity securities.

The Company's exposure to securities price risk arises from investments held by the Company and classified in the Balance Sheet at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

#### Security Price Sensitivity (+/-5%)

(₹ in Lakhs)

Particulars	Investment in Quoted Securities			
	As At March 31, 2022		As At March 31, 2021	
Movement in Rate	+5%	-5%	+5%	-5%
Impact on Profit or (Loss)	35.85	(35.85)	17.02	(17.02)

#### b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since, the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is very low. The Company has not used any interest rate derivatives.

#### Interest Rate Sensitivity

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's results arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

#### c) Foreign Exchange Risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and foreign currency borrowings, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

(USD in Lakhs)

Particulars	As At	As At
	March 31, 2022	March 31, 2021
<b>USD exposure</b>		
Assets	15.58	18.49
Liabilities	16.32	36.77
<b>Net</b>	<b>(0.73)</b>	<b>(18.28)</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 41 : Financial Risk Management Objectives and Policies (Contd..)

(USD in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>Derivatives to hedge USD exposure</b>		
Forward contracts (USD)	19.95	14.28
Option contracts- (USD)	-	-
<b>Total Hedge USD</b>	<b>19.95</b>	<b>14.28</b>
<b>Net exposure</b>	<b>19.22</b>	<b>(4.00)</b>

The Company's exposure to foreign currency changes for all other currencies is not material.

### Foreign Currency Sensitivity Analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

If ₹ had (strengthened) / weakened against USD by 5%

(₹ in Lakhs)

Particulars	Gain or (Loss) Impact on Profit before tax	
	Strengthening	Weakening
<b>As At March 31, 2022</b>	<b>(72.85)</b>	<b>72.85</b>
<b>As At March 31, 2021</b>	<b>14.71</b>	<b>(14.71)</b>

## Note 42 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The company consider net debt, interest bearing loans and borrowings, less cash and cash equivalents and Equity comprises all components including other comprehensive income.

(₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>A) Net Debt</b>		
Borrowings (Current and Non-Current)	1,763.23	2,692.68
Cash and Cash Equivalents (refer note 12)	(2,212.98)	(1,836.33)
<b>Net Debt (A)</b>	<b>(449.74)</b>	<b>856.35</b>
<b>B) Equity</b>		
Equity Share Capital	2,182.21	2,182.21
Other Equity	48,491.81	42,966.28
<b>Total Equity (B)</b>	<b>50,674.02</b>	<b>45,148.49</b>
<b>Net Gearing Ratio (Net Debt / Capital) i.e. (A / B)*</b>	<b>NA*</b>	<b>0.02</b>

\*This ratio is not relevant for the current year as the Cash and cash equivalents exceed the Loans and Borrowings.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 43 : Dividend on Equity Shares

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Dividends recognised and paid during the reporting period</b>		
Final Dividend paid for the year ended March 31, 2021 of ₹3.50 (March 31, 2020 - ₹3.00) per fully paid share	1,527.55	1,309.33
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
Final Dividend recommended by the board of directors for the year ended March 31, 2022 of ₹ 4.00 per fully paid equity share ( March 31, 2021: ₹ 3.50 per share) subject to approval of shareholders in the ensuing annual general meeting.	1,745.77	1,527.55

## Note 44 : Contingent Liabilities not Provided for

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Disputed Liabilities in respect of Sales Tax	114.11	52.18
Bank Guarantee given by Bank on behalf of the Company	170.88	206.86
Bill Discounted with Banks	1,620.77	-
Disputed Custom Liabilities	33.29	33.29
<b>Total</b>	<b>1,939.04</b>	<b>292.33</b>

## Note 45 : Capital Commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated value of Contracts in respect of Property, Plants and Equipment remaining to be Executed (Net of Capital Advances)	46.44	398.71
<b>Total</b>	<b>46.44</b>	<b>398.71</b>

## Note 46 : Segment Information

### Information about Primary Business Segment

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in Dyes, Dyes Intermediates and Basic Chemicals and Generation and Distribution of Solar Power during the year, consequently the Company have separate reportable business segment for the year ended March 31, 2022.

### Information about Secondary Geographical Segment

The Company is engaged in providing services to customers located in India and outside India, consequently the Company have separate reportable geographical segment for the year ended March 31, 2022. i.e. Domestic and Export.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 46 : Segment Information (Contd..)

### (a) Primary Segment

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>1. Segment Revenue (net of taxes)</b>		
(a) Segment - A (Chemical)	52,463.94	36,924.74
(b) Segment - B (Solar Power)	2,889.38	2,994.12
(c) Segment - C (Others)	5,733.75	-
Less: Inter Segment Revenue	(1,464.95)	-
<b>Net Sales / Income from Operations</b>	<b>59,622.12</b>	<b>39,918.86</b>
<b>2. Segment Results Profit/(Loss) (before tax and interest from each segment)</b>		
(a) Segment - A (Chemical)	8,761.78	8,034.80
(b) Segment - B (Solar Power)	1,098.67	1,113.16
(c) Segment - C (Others)	186.20	-
Less: Interest	128.42	101.35
Add: Other Un-allocable Income (net off)	(403.45)	(966.72)
<b>Total Profit Before Tax</b>	<b>9,514.78</b>	<b>8,079.88</b>

(₹ in Lakhs)

Particulars	As At March 31, 2022	As At March 31, 2021
<b>3. Assets</b>		
(a) Segment - A (Chemical)	46,885.62	39,563.77
(b) Segment - B (Solar Power)	14,228.85	16,357.86
(c) Segment - C (Others)	1,069.94	44.38
(d) Unallocated	1,392.08	1,006.09
<b>Total Assets</b>	<b>63,576.49</b>	<b>56,972.10</b>
<b>4. Liabilities</b>		
(a) Segment - A (Chemical)	7,203.55	6,897.17
(b) Segment - B (Solar Power)	654.49	146.13
(c) Segment - C (Others)	1,172.26	435.97
(d) Unallocated	3,872.18	4,344.34
<b>Total Liabilities</b>	<b>12,902.48</b>	<b>11,823.60</b>

### (b) Secondary Segment

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Revenue from Domestic Sales	49,973.78	32,483.12
Revenue from Exports	9,648.34	7,435.74
<b>Total</b>	<b>59,622.12</b>	<b>39,918.86</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 47 : Employee Benefits

The Company has classified the various benefits provided to employees as under:

### I. Defined Contribution Plans

- a. Employers' Contribution to Provident Fund and Employee's Pension Scheme
- b. Employers' Contribution to Employee's State Insurance

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Employers' Contribution to Provident Fund and Employee's Pension Scheme	26.56	23.15
Employers' Contribution to Employee's State Insurance	9.24	8.65
<b>Total Expenses recognised in the Statement of Profit and Loss (Refer Note 34)</b>	<b>35.79</b>	<b>31.80</b>

### II. Defined Benefit Plan

#### Gratuity Fund

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>a. Major Assumptions</b>	(% p.a.)	(% p.a.)
Discount Rate	7.45%	7.05%
Salary Escalation Rate @	5.00%	5.00%
@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		
Employee Turnover	2.00%	2.00%
<b>b. Change in Present Value of Obligation</b>		
<b>Present Value of Obligation as at the beginning of the year</b>	<b>265.96</b>	<b>215.74</b>
Current Service Cost	42.79	44.64
Past Service Cost	-	-
Interest Cost	19.63	15.65
Benefit paid	(9.73)	(17.15)
Total Actuarial (Gain)/ Loss on Obligations	(3.86)	7.07
a. Effect of Change in Financial Assumptions	(9.26)	(7.33)
b. Effect of Change in Demographic Assumptions	-	-
c. Experience (Gains)/ Losses	5.40	14.39
Due to Acquisition/Business Combination/Divestiture	-	-
<b>Present Value of Obligation as at the end of the year</b>	<b>314.78</b>	<b>265.96</b>
<b>c. Change in Fair value of Plan Assets during the Period</b>		
<b>Fair value of Plan Assets, Beginning of Period</b>	<b>27.69</b>	<b>34.31</b>
Interest Income Plan Assets	1.95	2.31
Actual Company Contributions	-	-
Actuarial Gains/(Losses)	(0.08)	(0.18)
Benefits Paid	-	(8.76)
Acquisition/Business Combination/Divestiture	-	-
<b>Fair value of Plan Assets, End of Period</b>	<b>29.56</b>	<b>27.69</b>
<b>d. Net (assets) / liability recognized in the balance sheet</b>		
and the Fair Value of Assets		
Present Value of Obligation at the end of the year	314.78	265.96
Fair Value of Plan Assets at the end of the year	29.56	27.69

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 47 : Employee Benefits (Contd..)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net (assets) / liability recognized in the balance sheet	285.22	238.26
Net liability - current (refer note 27)	68.29	17.94
Net liability - non current (refer note 21)	216.93	220.32
<b>e. Expenses Recognised in the Statement of Profit and Loss</b>		
Current Service Cost	42.79	44.64
Net Interest Cost / (Income)	17.67	13.34
Past Service Cost	-	-
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>60.46</b>	<b>57.98</b>
<b>f. Expense Recognised in the Statement of Other Comprehensive Income</b>		
<b>Amount recognized in OCI, Beginning of Period</b>	<b>53.73</b>	<b>46.48</b>
Remeasurements due to :		
Effect of Change in financial assumptions*	(9.26)	(7.33)
Effect of Change in demographic assumptions	-	-
Effect of experience adjustments	5.40	14.39
Return on plan assets (excluding interest)	0.08	0.18
Amount recognized in OCI, Current Year	(3.77)	7.24
<b>Amount recognized in OCI, End of Period</b>	<b>49.95</b>	<b>53.73</b>
*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.		
<b>g. Maturity profile of defined benefit obligation</b>		
With in 1 year	70.79	18.57
1-2 year	25.51	46.94
2-3 year	10.51	22.72
3-4 year	20.70	9.10
4-5 year	35.95	18.34
Above 5 years	133.42	139.94
<b>h. Sensitivity Analysis for significant assumption is as below</b>		
Defined Benefit Obligation - Discount Rate + 100 basis points	(20.75)	(19.86)
Defined Benefit Obligation - Discount Rate - 100 basis points	24.32	23.20
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	20.12	20.39
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(19.75)	(16.90)

## Note 48 : Related Party Disclosure

### i) Relationship

#### Description of relationship

Directors & Key Management Personnel :

#### Names of Related Parties

Mr. Suresh Bhageria (Chairman)  
 Mr. Vinod Bhageria (Managing Director)  
 Mr. Vikas Bhageria (Jt. Managing Director)  
 Mrs. Chandrabhabha Bhageria (Whole Time Director)\*  
 Mr. S.P. Tulsian (Independent Non-Executive Director)\*\*  
 Mr. Surendra Shriram Gupta (Independent Non-Executive Director)  
 Mr. Mukund M. Chitale (Independent Non-Executive Director)  
 Prof. (Dr). Ganapati Dadasaheb Yadav (Independent Non-Executive Director)  
 Mrs. Ameya Jadhav (Independent Non-Executive Director) \*\*\*\*\*  
 Mr. Sandeep Kumar Singh (Independent Non-Executive Director)\*\*\*\*\*



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 48 : Related Party Disclosure (Contd..)

### Description of relationship

### Names of Related Parties

Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence :

Mr. Omprakash Anandilal Bubna (Independent Non-Executive Director)\*\*\*\*  
Mr. Rakesh L Kachhadiya (Chief Financial Officer)  
Mr. Ketan Gaur (Company Secretary)\*\*\*\*\*  
Mr. Krunal Wala (Company Secretary)\*\*\*\*\*

Close family members of Key Management Personnel :

Akashdeep International Private Limited  
Smt. Ratnadevi Bhageria Charitable Trust  
Agarwal Global Foundation

Wife of Mr. Vikas Suresh Bhageria

Mrs. Harshita Vikas Bhageria

Subsidiary :

1. Name of entity

Bhageria Exim Private Limited

% of holding as at March 31, 2022

100%

2. Name of entity

Bhageria & Jajodia Pharmaceuticals Private Limited (w.e.f. November 25, 2021)

% of holding as at March 31, 2022

51%

### Notes:

- 1) The list of related parties above has been limited to entities with which transactions have taken place.
- 2) Related party transactions have been disclosed till the time the relationship existed.
- 3) Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis.
- 4) \* Ms. Chandraprabha Bhageria, Whole Time Director resigned from the Company on July 2, 2020.
- 5) \*\* Mr. S. P. Tulsian, Independent Non-Executive Director resigned from the Company on May 17, 2021.
- 6) \*\*\* Mr. Sandeep Kumar Singh, Independent Non-Executive Director resigned from the Company on July 2, 2020.
- 7) \*\*\*\* Mr. Omprakash Anandilal Bubna, Independent Non-Executive Director resigned from the Company on July 1, 2020.
- 8) \*\*\*\*\* Mrs. Ameya Jadhav, Independent Non-Executive Director appointed from the Company on April 1, 2020.
- 9) \*\*\*\*\* Mr. Ketan Gaur, Company Secretary resigned from the Company on January 27, 2021.
- 10) \*\*\*\*\* Mr. Krunal Wala, Company Secretary appointed from the Company on January 28, 2021.
- 11) During the year, Company has acquired 51 % shareholding of Bhageria & Jajodia Pharmaceuticals Private Limited

### ii) Transaction with Related Parties during the year

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>KMP Remuneration and Salary ^</b>		
Mr. Suresh Bhageria	108.00	192.00
Mr. Vikas Bhageria	90.00	184.80
Mr. Vinod Bhageria	10.50	10.50
Ms. Chandraprabha Bhageria	-	20.36
Mr. Rakesh L Kachhadiya	11.55	10.52
Mr. Ketan Gaur (Upto January 27, 2021)	-	5.44
Mr. Krunal Wala (w.e.f. January 28, 2021)	7.24	2.00
	<b>227.29</b>	<b>425.63</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 48 : Related Party Disclosure (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Sitting Fees</b>		
Mr. O. P. Bubna	-	0.50
Mr. S. P. Tulsian	-	2.00
Mr. Surendra Shriram Gupta	2.60	2.00
Mr. Sandeep Singh	-	0.50
Mr. Mukund Manohar Chitale	2.30	2.00
Prof. (Dr). Ganapati Dadasaheb Yadav	2.20	2.00
Ms. Ameya Prakash Jadhav	2.40	2.00
	<b>9.50</b>	<b>11.00</b>
<b>Salary to Relatives</b>		
Mrs. Vanita Saraf	-	12.90
	-	<b>12.90</b>
<b>Sale of Goods</b>		
Akashdeep International Private Limited	-	265.41
	-	<b>265.41</b>
<b>Purchase of Investments</b>		
Mr. Vikas Suresh Bhageria	0.50	0.50
Mrs. Harshita Vikas Bhageria	0.01	-
	<b>0.51</b>	<b>0.50</b>
<b>Purchases of Goods</b>		
Akashdeep International Private Limited	-	4.43
Bhageria Exim Private Limited	791.04	-
	<b>791.04</b>	<b>4.43</b>
<b>Rent Expenses</b>		
Mr. Suresh Bhageria	-	1.13
Mrs. Vanita Saraf	-	0.44
Mrs. Chandraprabha Bhageria	-	0.57
Akashdeep International Private Limited	-	0.44
	-	<b>2.57</b>
<b>Donations and CSR Expenses</b>		
Smt. Ratnadevi Bhageria Charitable Trust	8.50	24.50
Agarwal Global Foundation	12.50	-
	<b>21.00</b>	<b>24.50</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 48 : Related Party Disclosure (Contd..)

### iii) Balance with Related Parties :

(₹ in Lakhs)

Particulars	Balances as at March 31, 2022	Balances as at March 31, 2021
<b>Receivables</b>		
M/s Akashdeep International Private Limited	-	313.42
	-	<b>313.42</b>
<b>Remuneration / Salary / Other Payable</b>		
Mr. Suresh Bhageria	-	28.67
Mr. Vikas Bhageria	-	22.88
	-	<b>51.55</b>
<b>Payables</b>		
Bhageria Exim Private Limited	781.04	-
	<b>781.04</b>	-
<b>Investment in Equity Shares</b>		
Bhageria Exim Private Limited	1.00	1.00
Bhageria & Jajodia Pharmaceuticals Private Limited	0.51	-
	<b>1.51</b>	<b>1.00</b>

^This aforesaid amount does not includes amount in respect of gratuity as the same is not determinable.

## Note 49 : CSR Expenditure

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(i) Amount required to be spent during the year (excluding previous shortfall)	175.02	163.44
(ii) Amount of expenditure actually incurred	175.72	166.81
(iii) Short fall / (excess) at the end of the Year (Including previous year)	(0.70)	(3.37)
(iv) Total of Previous year shortfall	-	-
(v) Reasons for Shortfall	Excess spent during the year	Excess spent during the year
(vi) Nature of CSR activities :		
Promoting Healthcare and Literacy including preventive healthcare	21.62	41.81
Rural Development	21.00	16.50
Livelihood enhancement project	5.00	-
Ensuring Environmental Sustainability	5.50	-
Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	75.00	-
Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	25.00	-
Disaster Relief	-	11.00
Promoting Education	22.61	97.50
<b>Total</b>	<b>175.72</b>	<b>166.81</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 49 : CSR Expenditure (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Indian Accounting Standard :		
(a) Contribution to Smt. Ratnadevi Bhageria Charitable Trust in relation to CSR expenditure	8.50	-
(b) Contribution to Agarwal Global Foundation in relation to CSR expenditure	12.50	-
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Nil	Nil

## Note 50 : Lease

### As Lessee:

The company has availed the exemption given under Ind AS 116 for the Short term lease. Correspondingly company has recognized the lease payment on straight line basis in Statement of Profit and Loss over the life of lease term (Refer Note no. 37). Therefore, no right to use assets and lease liability is recognized in financial statement.

### As Lessor:

Operating Lease income are recognised in the Statement of Profit and Loss. (Refer Note no. 30)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	17.86	19.91
One to five years	9.60	25.06
More than five years	53.51	55.91

## Note 51 : Key Financial Ratios

Details of Statutory Ratios is as follows:

Sr. No.	Ratios	Numerator	Denominator	Current Year	Previous Year	Changes	Remarks
1	Current Ratio (times)	Current Assets	Current Liabilities	2.68	2.52	6.16%	Not Applicable
2	Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	0.03	0.06	-41.67%	Debt Repayment
3	Debt Service Coverage Ratio (times)	Net Profit after Taxes + Depreciations and Amortisations + Interest + Loss on sale of Fixed assets etc	Interest and Principal Repayments	78.15	88.14	-11.34%	Not Applicable
4	Return on Equity Ratio (%)	Net Profits after Taxes	Average Shareholder's Equity	14.72%	14.63%	0.56%	Not Applicable

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 51 : Key Financial Ratios

Sr. No.	Ratios	Numerator	Denominator	Current Year	Previous Year	Changes	Remarks
5	Inventory turnover Ratio (times)	Cost of Goods Sold (Cost of material consumed + Purchases + Changes in Inventory + Manufacturing expenses)	Average Inventories of Finished Goods, Workin- Progress and Stock-in-Trade	8.35	6.78	23.06%	Not Applicable
6	Trade Receivables Turnover Ratio (times)	Revenue from Operations	Average Trade Receivable	6.30	4.69	34.31%	The ratio has improved primarily due to effective collection of receivables, conservative credit policy even though revenue from operations has increased by 49% YoY.
7	Trade payables Turnover Ratio (times)	Purchases	Average Trade Payables	8.34	4.95	68.42%	The ratio has increased due to higher purchases to meet the order requirements.
8	Net Capital Turnover Ratio (times)	Revenue from Operations	Current Assets - Current Liabilities	4.12	3.34	23.25%	Not Applicable
9	Net Profit Margin (%)	Profit after Tax (after exceptional items)	Revenue from Operations	11.82%	15.65%	-24.42%	Increase in Cost of Material of Consumption
10	Return on Capital Employed (%)	Earning before Interest and Taxes	Capital Employed (Average Total Equity + Total Debt)	19.23%	18.16%	5.94%	Not Applicable
11	Return on Investment (%)	EBIT	Average Total Assets	16.00%	14.93%	7.17%	Not Applicable

## Note 52 : Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020. However, the date on which the code will come into effect has not been notified. The Company will assess the impact and will record any related impact in the period once the code becomes effective.

## Note 53 : Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

## Note 54 : Title deeds of Immovable Property not held in name of the Company

The Title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## **Note 55 : Relationship with Struck off Companies**

The Company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

## **Note 56 : Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

## **Note 57 : Details of Benami Property held**

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

## **Note 58 : Crypto currency or Virtual currency**

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

## **Note 59 : Compliance with number of layers of companies**

The Company is in compliance with number of layers of companies.

## **Note 60 : Utilisation of borrowed funds and share premium**

- 1) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 2) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

## **Note 61 : Acquisition of Bhageria & Jajodia Pharmaceuticals Private Limited**

During the year 2021-22, the Company has acquired 51 % stake in Bhageria & Jajodia Pharmaceuticals Private Limited, a Company registered under Companies Act, 2013.

## **Note 62 : Events after the Reporting Period**

There was no significant event after the end of the reporting period which requires any adjustment or disclosure in the Standalone Financial Statements.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 63 : Approval of Financial Statements

The Standalone Financial Statements were approved for issue by the Board of Directors on May 07, 2022

## Note 64 : Previous Years' Figures

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous period's figures have been regrouped or rearranged wherever necessary.

As per our report of even date attached

For **MRB & Associates**

Chartered Accountants

FRN : 136306W

**Manish R Bohra**

Partner

Membership No.058431

Place : Mumbai

Date : May 07, 2022

**For and on behalf of the Board of Directors**

**Suresh Bhageria**

Chairman

DIN: 00540285

**Krunal Wala**

Company Secretary

Membership No.42515

Place : Mumbai

Date : May 07, 2022

**Vinod Bhageria**

Managing Director

DIN: 00540308

**Rakesh Kachhadiya**

Chief Financial Officer



# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Bhageria Industries Limited**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of Bhageria Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of its consolidated profit and consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated 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 consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's response to Key Audit Matters
1	<p>We refer to Significant accounting policies on inventory and <b>Note No. 9 on inventory</b>.</p> <p>Inventories are considered as Key Audit Matter due to nature of business, technical indicators governing inventory valuation, size of Balance sheet and because inventory valuation involves management judgment. According to accounting policy followed by the Group, inventories are valued at lower of cost or market value. Cost comprise in addition to other things, overheads related to material, labour and other overheads. The Group has specific procedures to identify risk for obsolescence and valuation of inventories.</p>	<p>To address the matter our audit procedure included amongst others:</p> <ol style="list-style-type: none"> <li>(1) Assessing the compliance of accounting policies over inventory with applicable accounting standards.</li> <li>(2) Assessing the inventory valuation process and practices.</li> <li>(3) Assessing the analysis and assessment made by management with respect to slow moving or obsolete stock.</li> <li>(4) Discussion with those charged with responsibility of overlooking inventory management process.</li> <li>(5) Justification of management estimates and Judgments.</li> <li>(6) Assessing the effectiveness of perpetual and physical inventory verification process.</li> </ol>

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the standalone and consolidated financial statements and our auditors' report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the consolidated financial statements of the subsidiary companies audited by the other Auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other Auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their Financial Statements audited by other Auditors.

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 and Board of Directors' responsibilities for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the entity 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 in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiaries) to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities or business activities included in the consolidated financial statements of which we are the Independent Auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other Auditors, such other Auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,

in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matters

We did not audit the financial statements and other financial information of the subsidiary included in the consolidated financial statements, whose financial statements reflect total assets of Rs. 1784.56 lakhs as at March 31, 2022, total Income (before consolidation adjustment) of Rs. 1321.68 lakhs for the year ended March 31, 2022, total net profit/(loss) after tax of Rs. 8.33 lakhs for the year ended March 31, 2022 and total comprehensive income of Rs. 8.33 lakhs for the year ended March 31, 2022 and net cash inflows of Rs. 1.20 lakhs for the year ended March 31, 2022, as considered in the financial statement. These financial statements of the subsidiary have been audited by other auditor whose reports have been furnished to us by the Management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the Directors of the Holding Company as on March 31, 2022 taken

on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in **Annexure A**, which is based on the Auditor's reports of the Holding company and subsidiary companies incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies, for the reasons stated therein.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated AS financial statements – **Refer Note No 44** to the consolidated financial statements;
  - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
  - iv.
    - a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited

under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act.

In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Holding Company, its subsidiaries, incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated Financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For MRB & Associates**  
**Chartered Accountants**  
 Firm Registration Number.: 136306W

**Manish R Bohra**  
**Partner**

Place: Mumbai  
 Date: May 07, 2022

Membership No.: 058431  
 UDIN: 22138741AIOED07796

# ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

In conjunction with our audit of the consolidated Financial statements of Bhageria Industries Limited (“the Holding Company”) as of March 31, 2022, We have audited the internal financial controls with reference to the financial statements of the Holding Company and its subsidiaries, which are incorporated in India as of that date.

## Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiaries which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its subsidiaries, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 internal financial control system with reference to financial statements of the Holding Company and its subsidiaries which are incorporated in India.

## Meaning of company’s internal financial control over financial reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of

controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary companies which are entities incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

**For MRB & Associates**

**Chartered Accountants**

Firm Registration Number.: 136306W

**Manish R Bohra**

**Partner**

Place: Mumbai

Date: May 07, 2022

Membership No.: 058431

UDIN: 22138741AIOED07796



# CONSOLIDATED BALANCE SHEET

as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment	4	39,159.24	31,758.29
(b) Capital Work-In-Progress	4	1.00	4,510.24
(c) Investment Property	5	239.00	243.67
(d) Intangible Assets	4	1.34	—
(e) Financial Assets			
(i) Investments	6	44.84	45.19
(ii) Other Financial Assets	7	989.61	283.04
(f) Other Non- Current Assets	8	18.26	321.83
		<b>40,453.29</b>	<b>37,162.26</b>
<b>2. Current Assets</b>			
(a) Inventories	9	6,533.02	3,764.85
(b) Financial Assets			
(i) Investments	10	715.20	338.28
(ii) Trade Receivables	11	10,394.48	9,544.63
(iii) Cash and Cash Equivalents	12	2,215.37	1,837.23
(iv) Other Bank Balances other than (iii) above	13	421.06	426.96
(v) Loans	14	25.95	26.79
(vi) Other Financial Assets	15	3,170.43	3,623.44
(c) Current Tax Asset (net)	16	236.96	183.36
(d) Other Current Assets	17	414.08	575.23
		<b>24,126.55</b>	<b>20,320.76</b>
<b>Total Assets</b>		<b>64,579.84</b>	<b>57,483.02</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	18	2,182.21	2,182.21
(b) Other Equity	19	48,520.08	42,986.72
(c) Non-Controlling Interests		0.81	—
		<b>50,703.10</b>	<b>45,168.93</b>
<b>LIABILITIES</b>			
<b>1. Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		—	—
(ii) Other Financial Liabilities		—	—
(b) Provisions	20	216.93	220.32
(c) Deferred Tax Liabilities (Net)	21	3,459.01	3,703.09
(d) Other Non-current Liabilities	22	585.45	41.85
		<b>4,261.39</b>	<b>3,965.26</b>
<b>2. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	3,478.58	3,143.12
(ii) Trade Payable	24		
Total outstanding dues of micro enterprises and small enterprises		31.60	87.92
Total outstanding dues of creditors other than micro enterprises and small enterprise		5,123.16	3,615.15
(iii) Other Financial Liabilities	25	173.35	595.46
(b) Other Current Liabilities	26	740.12	762.07
(c) Provisions	27	68.29	17.94
(d) Current Tax Liabilities (Net)	28	0.24	127.16
		<b>9,615.34</b>	<b>8,348.82</b>
<b>Total Equity and Liabilities</b>		<b>64,579.84</b>	<b>57,483.02</b>
Summary of Significant Accounting Policies	2-3		

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**  
**Chartered Accountants**  
FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**  
Chairman  
DIN: 00540285

**Vinod Bhageria**  
Managing Director  
DIN: 00540308

**Manish R Bohra**  
Partner  
Membership No.058431

**Krunal Wala**  
Company Secretary  
Membership No.42515

**Rakesh Kachhadiya**  
Chief Financial Officer

Place : Mumbai  
Date : May 07, 2022

Place : Mumbai  
May 07, 2022



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>I Revenue</b>			
Revenue from Operations	29	60,129.75	40,198.24
Other Income	30	928.38	446.50
<b>Total Income</b>		<b>61,058.14</b>	<b>40,644.74</b>
<b>II Expenses</b>			
Cost of materials consumed	31	33,426.63	18,954.03
Purchase of Stock-in-Trade	32	6,143.86	2,266.26
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	33	(1,861.73)	737.75
Employee Benefits Expenses	34	1,954.73	1,887.48
Finance Costs	35	184.24	105.61
Depreciation and Amortization Expenses	36	2,856.89	2,586.05
Other Expenses	37	8,826.02	6,000.37
<b>Total Expenses</b>		<b>51,530.64</b>	<b>32,537.55</b>
<b>III Profit before tax (I- II)</b>		<b>9,527.49</b>	<b>8,107.20</b>
<b>IV Less: Tax Expense:</b>			
Current Tax		2,698.05	2,442.91
Deferred Tax Charged / (Credited)	21	(245.03)	(601.91)
(Excess) / Short Provision for tax		14.78	—
<b>Total Tax Expense</b>		<b>2,467.80</b>	<b>1,841.00</b>
<b>V Profit for the Year (III-IV)</b>		<b>7,059.70</b>	<b>6,266.19</b>
<b>VI Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit obligations		3.77	(7.24)
Tax Effect on above		(0.95)	1.82
<b>Other Comprehensive Income for the year, net of tax</b>		<b>2.82</b>	<b>(5.42)</b>
<b>VII Total Comprehensive Income for the year (V+VI)</b>		<b>7,062.52</b>	<b>6,260.77</b>
<b>VIII Profit/(Loss) for the period attributable to:</b>			
– Owners of the Company		7,058.09	6,266.19
– Non Controlling Interest		1.61	—
<b>IX Other Comprehensive Income/(Loss) for the period attributable to:</b>			
– Owners of the Company		2.82	(5.42)
– Non Controlling Interest		—	—
<b>X Total Comprehensive Income/(Loss) for the period attributable to:</b>			
– Owners of the Company		7,060.91	6,260.77
– Non Controlling Interest		1.61	—
<b>XI Earnings Per Equity Share (Face Value ₹5 Per Share):</b>	38		
Basic and Diluted (₹)		16.17	14.36
Summary of Significant Accounting Policies	2-3		

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates****Chartered Accountants**

FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**

Chairman

DIN: 00540285

**Vinod Bhageria**

Managing Director

DIN: 00540308

**Manish R Bohra**

Partner

Membership No.058431

**Krunal Wala**

Company Secretary

Membership No.42515

**Rakesh Kachhadiya**

Chief Financial Officer

Place : Mumbai

May 07, 2022

Place : Mumbai

May 07, 2022

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2022

## A : Equity Share Capital (Equity shares of ₹ 5 each issued, subscribed and fully paid)

(₹ in Lakhs)

Particulars	Note No.	No. of Shares	Amount
<b>Balance as at April 1, 2020</b>		<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital due to prior period errors		—	—
<b>Restated balance at the beginning of the year</b>		<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital during the previous year		—	—
<b>Balance as at March 31, 2021</b>	18	<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital due to prior period errors		—	—
<b>Restated balance at the beginning of the year</b>		<b>4,36,44,180</b>	<b>2,182.21</b>
Changes in Equity Share Capital during the current year		—	—
<b>Balance as at March 31, 2022</b>		<b>4,36,44,180</b>	<b>2,182.21</b>

## B : Other Equity

(₹ in Lakhs)

Particulars	Note No.	Reserve and Surplus				Total Other Equity	Non-Controlling Interests	Total
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings			
<b>Balance as at April 1, 2020</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>23,525.97</b>	<b>38,035.27</b>	<b>—</b>	<b>38,035.27</b>
Changes due to accounting policy/prior period errors		—	—	—	—	—	—	—
<b>Restated balance at the beginning of the year</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>23,525.97</b>	<b>38,035.27</b>	<b>—</b>	<b>38,035.27</b>
Profit for the year		—	—	—	6,266.19	6,266.19	—	6,266.19
Other Comprehensive Income		—	—	—	—	—	—	—
Remeasurements of defined benefit plans		—	—	—	(5.42)	(5.42)	—	(5.42)
<b>Total Comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>6,260.77</b>	<b>—</b>	<b>6,260.77</b>
Final Dividend		—	—	—	(1,309.33)	(1,309.33)	—	(1,309.33)
<b>Balance as at March 31, 2021</b>	19	<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>28,477.42</b>	<b>42,986.72</b>	<b>—</b>	<b>42,986.72</b>
Changes due to accounting policy/prior period errors		—	—	—	—	—	—	—
<b>Restated balance at the beginning of the year</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>28,477.42</b>	<b>42,986.72</b>	<b>—</b>	<b>42,986.72</b>
Profit for the year		—	—	—	7,058.09	7,058.09	1.61	7,059.70
Other Comprehensive Income		—	—	—	—	—	—	—
Remeasurements of defined benefit plans		—	—	—	2.82	2.82	—	2.82
<b>Total Comprehensive income for the year</b>		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>7,060.91</b>	<b>—</b>	<b>7,062.52</b>
Non-controlling interests on acquisition of subsidiary		—	—	—	—	—	(0.80)	(0.80)
Final Dividend		—	—	—	(1,527.55)	(1,527.55)	—	(1,527.55)
<b>Balance as at March 31, 2022</b>		<b>14,068.69</b>	<b>0.51</b>	<b>440.10</b>	<b>34,010.78</b>	<b>48,520.08</b>	<b>0.81</b>	<b>48,520.89</b>

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**

**Chartered Accountants**

FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**

Chairman  
DIN: 00540285

**Vinod Bhageria**

Managing Director  
DIN: 00540308

**Manish R Bohra**

Partner  
Membership No.058431

**Krunal Wala**

Company Secretary  
Membership No.42515

**Rakesh Kachhadiya**

Chief Financial Officer

Place : Mumbai

May 07, 2022

Place : Mumbai

May 07, 2022

# CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>A. Cash Flow from Operating Activities</b>		
Net Profit Before Tax	9,527.49	8,107.20
<b>Adjustments:</b>		
Depreciation and Amortization on Property, Plant and Equipment	2,856.89	2,586.05
Loss/ (Profit) on Sale of property, plant and equipment (net)	—	(2.24)
Interest Income	(248.21)	(248.39)
Net (gains) / loss arising on financial assets measured at FVTPL	(288.93)	(39.79)
Dividend Income	(30.13)	—
Profit on Sale of Current Investment	(1.14)	(5.95)
Finance Costs (Including Fair Value Change in Financial Instruments)	184.24	105.61
<b>Operating cash flows before working capital changes</b>	<b>12,000.22</b>	<b>10,502.48</b>
Adjustments for Changes in Working Capital		
Decrease/ (Increase) in Inventories	(2,768.18)	38.00
Decrease/ (Increase) in Trade receivables	(849.85)	(1,730.27)
Decrease/ (Increase) in Non-Current Financial Assets - Others	(16.26)	(24.18)
Decrease/ (Increase) in Financial Assets - Other	(43.88)	102.22
Decrease/ (Increase) in Other Current Assets	161.15	(115.09)
Increase/ (Decrease) in Trade Payables	1,451.69	(1,448.30)
Increase/ (Decrease) in Current Financial Liabilities - Other	(50.18)	(166.80)
Increase/ (Decrease) in Other Current Liabilities	(21.94)	618.40
Increase/ (Decrease) in Other Non-current liabilities	543.60	41.85
Increase/ (Decrease) in Provisions	50.73	49.59
<b>Cash generated from operations</b>	<b>10,457.10</b>	<b>7,867.90</b>
Income taxes paid (net of refund)	(2,895.50)	(2,070.37)
<b>Net cash flow from operating activities (A)</b>	<b>7,561.61</b>	<b>5,797.53</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase or Construction of Property, Plant and Equipment (including capital work-in-progress and capital advances)	(5,812.29)	(3,963.87)
Proceeds from/ (Investment in) fixed deposits (net)	(183.34)	(440.16)
Dividend Received	30.13	—
Sale of Property, Plant and Equipment	—	22.94
(Investments in) / Proceeds from Current Investments (net)	(86.50)	(293.25)
Interest Received	248.21	248.39
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(5,803.80)</b>	<b>(4,425.96)</b>
<b>C. Cash Flow from Financing Activities</b>		
Dividend Paid	(1,530.89)	(1,316.75)
Increase / (Decrease) in Current Borrowings	335.46	1,075.06
Finance Costs	(184.24)	(105.61)
<b>Net cash flow from financing activities (C)</b>	<b>(1,379.67)</b>	<b>(347.30)</b>
<b>Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>378.14</b>	<b>1,024.27</b>
Cash and cash equivalents at the beginning of the year (refer note 12)	1,837.23	812.96
Cash and cash equivalents at the end of the year (refer note 12)	2,215.37	1,837.23
<b>Net cash Increase/(decrease) in cash and cash equivalent</b>	<b>378.14</b>	<b>1,024.27</b>

Note : The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - "Statement of Cash Flows".

The notes referred to above are an integral part of the financial statements

As per our report of even date attached

For **MRB & Associates**

**Chartered Accountants**

FRN : 136306W

For and on behalf of the Board of Directors

**Suresh Bhageria**

Chairman

DIN: 00540285

**Vinod Bhageria**

Managing Director

DIN: 00540308

**Manish R Bohra**

Partner

Membership No.058431

**Krunal Wala**

Company Secretary

Membership No.42515

**Rakesh Kachhadiya**

Chief Financial Officer

Place : Mumbai

May 07, 2022

Place : Mumbai

May 07, 2022

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 1: Group Overview

Bhageria Industries Limited (the "Company") is a public limited company domiciled in India having its registered office at 1002, 10th Floor, Topiwala Centre, Off. S.V. Road, Near Goregaon Railway Station, Goregaon (West), Mumbai – 400062. The company was incorporated on July 12, 1989 under the provision of the Companies Act, 1956.

The company has two subsidiaries in the name of "Bhageria Exim Private Limited" & "Bhageria & Jajodia Pharmaceuticals Private Limited" together referred as the "Group" hereinafter.

The Group is engaged in manufacturing and trading of Dyes & Dyes Intermediate, Generation and Distribution of Solar Power and Engineering, Procurement & Commissioning/construction (EPC) contractor. The equity shares of the company are listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

## Note 2: Summary of Significant Accounting Policies

### a) Statement of Compliance

The consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards ("Ind-AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

### b) Basis of consolidation

The Group consolidates entities which it owns or controls. The consolidated financial statements comprise the financial statements of the company and its subsidiary Bhageria Exim Private Limited. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The subsidiary company is consolidated from the date control commences until the date control ceases.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/ loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Profit and loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results

in the non- controlling interests having a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The excess of cost to the Group of its investments in the Subsidiary Companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the Subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements.

"Non-Controlling Interest" (NCI) represents the amount of equity attributable to minority shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since that date. Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/ loss for the year and each component of Other Comprehensive Income of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company. Consolidated statement of profit or loss and each component of OCI are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

### c) Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities (including financial instruments) which have been measured at fair value at the end of each reporting period as explained in the accounting policies stated below. The consolidated financial statements have been prepared on accrual and going concern basis.

### d) Current versus non-current classification

The Group has classified all its assets and liabilities under current and non-current as required by Ind AS 1- Presentation of consolidated financial statements.

The asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

- Held primarily for purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisations in cash and cash equivalents. The Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The Group's functional currency is the Indian Rupee. These consolidated financial statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise stated.

## e) Use of Estimates, Judgments and Assumptions

The preparation of the consolidated financial statements in conformity with Ind-AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed in Note 3(i) below. Accounting estimates could change from period to period. Actual results could differ from

those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

## f) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment including excise duty collected which flows to the Group on its own account but excluding taxes or duties collected on behalf of the government.

Revenue from contracts with customers Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied i.e. when control of the goods and service underlying the particular performance obligation is transferred to the customer.

The Group follows specific recognition criteria as described below before the revenue is recognized.

### • Sale of goods

- Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of goods, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably
- Revenue is measured at the fair value of the consideration received or receivable. The amount recognized as revenue is exclusive of Goods and Service Tax (GST), Value Added Taxes (VAT), and is net of discounts.

### • Sale of solar power

- Sale is recognized when the power is delivered by the Group at the delivery point in conformity with the parameters and technical limits and fulfilment of other conditions specified in the Power Purchase Agreement. Sale of power is accounted for as per tariff specified in the Power Purchase Agreement.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

- The sale of power is accounted for net of all local taxes and duties as may be leviable on sale of electricity for all electricity made available and sold to customers.
- **Other Operating Revenue**
  - Other Operating revenue comprises of following Items
    1. Job work income
    2. Duty drawback and other export incentives
  - Revenue from manufacturing charges is recognized on completion of contractual obligation of manufacturing and delivery of product manufactured.
  - Revenue from export incentives are recognized upon adherence to the compliances as may be prescribed with regard to export and / or realization of export proceeds as per foreign trade policy and its related guidelines.
  - Revenue from sale of scrap is recognized on delivery of scrap items.
- **Other Income**
  - Other income comprises of interest income, rent income, dividend from investment and profits on redemption of investments.
  - Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to the principal outstanding and at the effective rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
  - Dividend income from investment is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably).
  - Profit on redemption of investment is recognized by upon exercise of power by the Group to redeem the investment held in any particular security / instrument (non-current as well as current investment).

## g) Foreign Currency-Transactions and Balances

Items included in the consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('functional currency'). The Group's functional currency is Indian Rupee and accordingly, the consolidated financial statements are presented in Indian Rupee.

Transactions in foreign currencies are initially recorded by the Group in functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognized in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of that item (i.e. translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## h) Employee Benefits

### • Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

- **Other Long-term employee benefit obligations**

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet, if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period. Regardless of when the actual settlement is expected to occur.

- **Post-employment obligations**

The Group operates the following post- employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

- I. **Defined benefit plan - Gratuity Obligations**

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have a terms

approximating to the terms of the obligation. The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

- II. **Defined Contribution Plan**

The Group pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Group has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

- i) **Tax Expenses**

- The tax expense for the period comprises current and deferred tax. Taxes are recognised in the statement of profit and loss, except to the extent that it relates to the items recognised in the Other Comprehensive Income or in Equity. In which case, the tax is also recognised in the Other Comprehensive Income or in Equity.

- **Current tax:**

Current tax payable is calculated based on taxable profit for the year. Current tax is recognized based on the amount expected to be paid to or recovered from the tax authorities based on applicable tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Deferred tax liabilities are generally recognized for all taxable temporary timing difference. Deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted on the reporting date. Current and deferred tax for the year are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

- **Minimum Alternate Tax (MAT) Credit:**

MAT credit is recognized as asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period.

## j) **Property, Plant and Equipment**

Land is carried at historical cost. All other items of property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized as expense in the statement of profit and loss account as and when incurred.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work- in- Progress.

Cost of the assets less its residual value (estimated at 5% of the cost) is depreciated over its useful life. Depreciation is calculated on written down basis over the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on additions/ deletions to fixed assets is calculated pro-rata from/ up to the date of such additions/ deletions.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

The management believes that the estimated useful lives are realistic and reflects fair approximation of the period over which the assets are likely to be used. At each financial year end, management reviews the residual values, useful lives and method of depreciation of property, plant and equipment and values of the same are adjusted prospectively where needed.

## k) **Investment Properties**

Investment properties are properties that is held for long- term rentals yields or for capital appreciation (including property under construction for such purposes) or both, and that is not occupied by the Group, is classified as investment property.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated impairment loss, if any.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit and loss in the period of de- recognition.

## l) Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

## m) Impairment of Non-Financial Assets

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## n) Inventories

Inventories are valued at lower of cost (on First-In-First- Out) or net realizable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

## o) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense related to a provision is presented in the statement of profit and loss net of any reimbursement/contribution towards provision made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates

### Contingent Liability:

Contingent liability is disclosed in the case;

- When there is a possible obligation which could arise from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or;
- A present obligation that arises from past events but is not recognized as expense because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or;
- The amount of the obligation cannot be measured with sufficient reliability.

### Contingent asset:

Contingent asset is disclosed in case a possible asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## p) Leases

### As lessee

#### Initial measurement

**Lease Liability:** At the commencement date, a Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

**Right-of-use assets:** initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

## Subsequent Measurement

Lease Liability: Group measure the lease liability by

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment: Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Group elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit

## As a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease income is

recognised in the statement of profit and loss on straight line basis over the lease term.

## q) Financial Instruments

The Group recognizes financial assets and financial liabilities when it becomes party to the contractual provision of the instrument.

## Part I - Financial Assets

### Initial recognition and measurement

Financial assets are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the concerned Financial assets, as appropriate, on initial recognition.

Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.

### Subsequent measurement

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

- Financial Assets at amortized cost
- Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income)
- Financial Assets at FVTPL (Fair Value through Profit or Loss)
- Financial Assets at amortized cost:

A Financial Assets is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

- **Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income):**

A Financial Assets is classified as at the FVTOCI if following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Financial Assets at FVTPL (Fair Value through Profit or Loss):**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss.

- **De-recognition:**

A financial asset is primarily derecognized when rights to receive cash flows from the asset have expired or the Group has transferred its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risk and reward of the ownership of the financial asset.

- **Impairment of financial assets:**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss'(ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

For trade receivables, Group applies 'simplified approach', which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward- looking estimates are analyzed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Part II - Financial Liabilities

### • Initial recognition and measurement

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

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

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

### • Subsequent measurement

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

### • Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

### • Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are

subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process.

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

### • Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

### • De-recognition:

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

### • Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## Part-III Fair Value Measurement:

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## r) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

## s) Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred;

- Liabilities incurred to the former owners of the acquired business;
- Equity interest issued by the group; and
- Fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Business Combination involving entities or business under common control shall be accounted for using the pooling of interest method.

## t) Statement of Cash Flows:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Group is segregated.

## u) Derivative Financial Instruments and Hedge Accounting

### Initial recognition and subsequent measurement:

Group uses derivative financial instruments such as forward currency contracts to mitigate its foreign currency fluctuation risks. Such derivative financial instruments are initially recognized 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 date. Gain or loss arising from changes in the fair value of heading instrument is recognized in the Statement of Profit or Loss.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## v) Earnings Per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, other than conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

In case of a bonus issue, the number of ordinary shares outstanding is increased by number of shares issued as bonus shares in current year and comparative period presented as if the event had occurred at the beginning of the earliest year presented.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## w) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

## x) Segment Reporting

The Group identifies operating segments based on the internal reporting provided to the chief operating decision- maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

## Note 3(i): Key Accounting Judgements, Estimates & Assumptions

The preparation of the Group consolidated financial statements requires the management to make judgments, estimates and

assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

### A. Income taxes and Deferred tax assets:

The Group's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions. Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profit will be available while recognizing the deferred tax assets.

### B. Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life as prescribed in the Schedule II of the Companies Act, 2013 and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

### C. Impairment of non-financial assets:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of assets. Where the carrying amount of an asset or CGU exceeds its



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used

## D. Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## E. Recognition and measurement of defined benefit obligation:

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

## F. Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

## G. Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

## H. Allowances for uncollected trade receivable and advances:

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated amounts which are irrecoverable. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

## Note 3(ii): Recent accounting developments

The Ministry of Corporate Affairs has vide notification dated March 22, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 01, 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022



BHAGERIA INDUSTRIES LIMITED

## Note 4 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Leasehold Land	Freehold Land	Office & Residential Building	Godown	Factory Building	Boundary Wall	Safety Equip-ments	Plant & Machinery	E.T.P	Generator	Solar Power Plant	Furniture & Fixtures	Vehicles	Office Equip-ment	Com-puter	Water Pond	Total	Capital Work-in Progress	Intangible Assets (Goodwill)
Gross Carrying Amount as at April 1, 2020	9,701.29	955.21	110.23	6.06	2,253.55	386.87	9.18	7150.63	771.26	0.52	19,809.54	307.68	175.74	39.19	4170	-	41,718.66	1,797.11	-
Additions / Transfer	-	33.57	248.88	-	-	17.58	4.30	13.08	956.04	-	10.64	4.10	39.83	2.09	8.78	22.69	1,461.58	4,077.43	-
Re-Classification of Assets*	-	(43.27)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(43.27)	-	-
Disposals	-	(20.40)	-	-	-	-	-	-	-	-	-	-	(8.02)	-	-	-	(28.42)	(1,364.29)	-
<b>As at March 31, 2021</b>	<b>9,701.29</b>	<b>925.11</b>	<b>359.10</b>	<b>6.06</b>	<b>2,253.55</b>	<b>404.45</b>	<b>13.48</b>	<b>7163.71</b>	<b>1727.31</b>	<b>0.52</b>	<b>19,920.18</b>	<b>311.78</b>	<b>207.55</b>	<b>41.28</b>	<b>50.48</b>	<b>22.69</b>	<b>43,108.54</b>	<b>4,510.24</b>	<b>-</b>
Additions / Transfer	700.20	8.02	15.00	-	2,387.33	-	3.48	5,391.45	-	-	1,596.95	107.19	-	20.56	16.89	-	10,247.07	3,281.56	-
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.34
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,790.80)	-
<b>As at March 31, 2022</b>	<b>10,401.50</b>	<b>933.13</b>	<b>374.10</b>	<b>6.06</b>	<b>4,640.89</b>	<b>404.45</b>	<b>16.97</b>	<b>12,555.16</b>	<b>1,727.31</b>	<b>0.52</b>	<b>21,517.13</b>	<b>418.96</b>	<b>207.55</b>	<b>61.84</b>	<b>67.36</b>	<b>22.69</b>	<b>53,355.62</b>	<b>1.00</b>	<b>1.34</b>
Accumulated depreciation as at April 1, 2020	3.38	-	6.26	4.84	457.59	203.68	7.38	1,626.63	582.18	0.52	5,540.27	178.83	99.67	32.92	39.14	-	8,783.31	-	-
Depreciation charged during the year	-	-	5.63	0.19	105.22	84.46	1.14	820.71	129.75	-	1,359.62	33.43	26.26	2.76	3.58	1.92	2,574.69	-	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	(7.73)	-	-	-	(7.73)	-	-
<b>As at March 31, 2021</b>	<b>3.38</b>	<b>-</b>	<b>11.90</b>	<b>5.03</b>	<b>562.81</b>	<b>288.13</b>	<b>8.52</b>	<b>2,447.34</b>	<b>711.93</b>	<b>0.52</b>	<b>6,899.89</b>	<b>212.26</b>	<b>118.21</b>	<b>35.69</b>	<b>42.72</b>	<b>1.92</b>	<b>11,350.27</b>	<b>-</b>	<b>-</b>
Depreciation charged during the year	-	-	18.91	0.16	190.88	52.18	1.70	1,037.55	151.54	-	1,316.64	28.07	27.31	9.42	9.43	2.35	2,846.12	-	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>3.38</b>	<b>-</b>	<b>30.81</b>	<b>5.19</b>	<b>753.69</b>	<b>340.31</b>	<b>10.22</b>	<b>3,484.89</b>	<b>863.47</b>	<b>0.52</b>	<b>8,216.52</b>	<b>240.33</b>	<b>145.52</b>	<b>45.10</b>	<b>52.15</b>	<b>4.27</b>	<b>14,196.39</b>	<b>-</b>	<b>-</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>10,398.11</b>	<b>933.13</b>	<b>343.30</b>	<b>0.87</b>	<b>3,887.20</b>	<b>64.14</b>	<b>6.75</b>	<b>9,070.27</b>	<b>863.84</b>	<b>0.00</b>	<b>13,300.61</b>	<b>178.63</b>	<b>62.03</b>	<b>16.74</b>	<b>15.21</b>	<b>18.42</b>	<b>39,159.24</b>	<b>1.00</b>	<b>1.34</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>9,697.91</b>	<b>925.11</b>	<b>347.20</b>	<b>1.03</b>	<b>1,690.74</b>	<b>116.32</b>	<b>4.96</b>	<b>4,716.37</b>	<b>1,015.37</b>	<b>0.00</b>	<b>13,020.29</b>	<b>99.52</b>	<b>89.35</b>	<b>5.60</b>	<b>7.76</b>	<b>20.77</b>	<b>31,758.29</b>	<b>4,510.24</b>	<b>-</b>

Notes :

1. No depreciation has been claimed on assets, to the extent of input credit claimed.
2. Refer Note 45 for disclosure of contractual commitment for acquisition of property, plant and equipment.
3. Refer Note 23 for information on property, plant and equipment hypothecated / mortgaged as security by the Company.
4. Capital work-in-progress mainly comprises addition / expansion projects in progress.
5. \* Re-Classification to Investment Property
6. The Group has not revalued its property, plant and equipment (including right of use assets) and intangible assets.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 4 : Property, Plant and Equipment (Contd..)

### 7. Ageing schedule of CWIP :

(₹ in Lakhs)

Particulars	Amount of CWIP for the year ended March 31, 2022				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(a) Projects in progress	1.00	—	—	—	1.00
(b) Projects temporarily suspended	—	—	—	—	—

(₹ in Lakhs)

Particulars	Amount of CWIP for the year ended March 31, 2021				Total
	Less than 1 Years	1-2 Years	2-3 Years	More than 3 Years	
(a) Projects in progress	3,793.63	716.61	—	—	4,510.24
(b) Projects temporarily suspended	—	—	—	—	—

8. Completion is overdue/has exceeded its cost compared to original plan - Nil

## Note 5 : Investment Property

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Gross Carrying Amount</b>		
Opening gross carrying amount	314.75	271.48
Additions	6.09	43.27
<b>Closing gross carrying amount</b>	<b>320.84</b>	<b>314.75</b>
<b>Accumulated Depreciation</b>		
Opening accumulated depreciation	71.08	59.72
Depreciation charged for the year	10.77	11.36
<b>Closing accumulated depreciation</b>	<b>81.84</b>	<b>71.08</b>
<b>Net carrying amount</b>	<b>239.00</b>	<b>243.67</b>

### Notes:

- The Investment Property consist of offices situated at Goregaon, Mumbai, Maharashtra and Land situated at Kumbhalne, Ahmednagar, Maharashtra.
- Net revenue recognised in the statement of profit and loss for the above investment properties is Profit of ₹ 8.82 Lakhs (P.Y. Profit of ₹10.75 Lakhs) during the financial year ended March 31, 2022 and March 31, 2021 respectively.
- Disclosure for Fair Value

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	586.24	475.07

- Description of valuation techniques used and key inputs to valuation on investment properties.

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

- Current prices in an active market for investment properties of different nature or recent prices of similar investment properties in less active markets, adjusted to reflect those differences.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 5 : Investment Property (Contd..)

- ii) Discounted cash flow projections based on reliable estimates of future cash flows.
- iii) Capitalised income projections based upon a estimated net market income from investment properties and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by reputed third party and independent valuers. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 2.

- e) Investment Property pledged/ mortgaged as security :

Refer Note 23 for information on Investment Property hypothecated / mortgaged as security by the Company.

- f) The Group does not have any contractual obligations to purchase, construct or develop, for maintenance or enhancements of investment property.

## Note 6 : Non-Current Financial Assets - Investments

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>– Quoted Equity Instruments</b>		
<b>Investments carried at fair value through profit or loss</b>		
6,500 (March 31, 2021: 6,500) Equity Shares of Kisan Mouldings Limited of ₹ 10 each fully paid up	0.73	1.09
<b>– Unquoted Equity Instruments</b>		
<b>Investments in Other Entities -</b>		
<b>Investments carried at fair value through profit or loss</b>		
200 (March 31, 2021 : 200) Equity Shares of The Thane Janta Sahakari Bank Limited of ₹ 50 each fully paid up	1.05	1.05
<b>Investments carried at Cost</b>		
43,061 (March 31, 2021 : 43,061) Equity Shares of The Tarapur Environmental Protection Society of ₹ 100 each fully paid up	43.06	43.06
<b>Total</b>	<b>44.84</b>	<b>45.19</b>
Aggregate amount of quoted investments -At Cost	2.60	2.60
Aggregate amount of quoted investments -At Market Value	0.73	1.09
Aggregate amount of unquoted investments -At Cost	43.16	43.16
Aggregate amount of unquoted investments -At Market Value	44.11	44.11
<b>Category-wise Non current investment</b>		
Financial assets measured at fair value through profit & loss	1.77	2.13
Financial assets carried at amortised cost	43.06	43.06
<b>Total</b>	<b>44.84</b>	<b>45.19</b>

## Note 7 : Non-Current Financial Assets - Other Financial Assets

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
<b>Carried at amortised cost</b>		
Telephone Deposit	0.49	0.49
Electricity Deposit	179.00	176.83
Rent Deposit	4.28	4.72
Other Security Deposits	68.04	53.51
Fixed Deposit - For original maturity more than twelve month*	737.81	47.49
[* ₹ 5 Lakhs (P.Y. ₹ 45.99 Lakhs) under lien against bank guarantee and loans from banks]		
<b>Total</b>	<b>989.61</b>	<b>283.04</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 8 : Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Capital Advances	18.26	321.83
<b>Total</b>	<b>18.26</b>	<b>321.83</b>

## Note 9 : Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(Valued at the lower of Cost or Net Realisable Value)</b>		
Raw Materials	3,929.06	3,187.92
Goods-in-transit /at port	147.19	98.81
Work-in-progress	577.79	305.97
Finished Goods	1,692.39	124.59
Stock in Trade	22.11	—
Power and Fuel	50.40	9.92
Stores and Spares	114.09	37.65
<b>Total</b>	<b>6,533.02</b>	<b>3,764.85</b>

## Note 10 : Current Financial Assets - Investments

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>– Quoted Equity Instruments</b>		
<b>Investments carried at fair value through profit or loss</b>		
Nil (March 31, 2021: 30,000) Equity Shares of Bandhan Bank Limited of ₹ 10 each fully paid up	—	101.67
2,00,000 (March 31, 2021: 2,00,000) Equity Shares of CG Power and Industrial Solutions Limited of ₹ 2 each fully paid up	378.90	133.80
Nil (March 31, 2021: 65,000) Equity Shares of Gujarat State Fertilizers & Chemicals Limited of ₹ 2 each fully paid up	—	52.85
2,977 (March 31, 2021: 2,000) Equity Shares of Housing Development Finance Corporation Limited of ₹ 2 each fully paid up	71.64	49.96
52,752 (March 31, 2021: Nil) Equity Shares of Hindustan Copper Ltd. of ₹ 5 each fully paid up	60.01	—
47 (March 31, 2021: Nil) Equity Shares of Adani Enterprises Limited of ₹ 1 each fully paid up	0.95	—
18,958 (March 31, 2021: Nil) Equity Shares of Adani Wilmar Limited of ₹ 1 each fully paid up	97.99	—
2,079 (March 31, 2021: Nil) Equity Shares of HCL Technologies Limited of ₹ 2 each fully paid up	24.19	—
22,115 (March 31, 2021: Nil) Equity Shares of ZEE Entertainment Enterprises Ltd of ₹ 1 each fully paid up	63.77	—
<b>– Unquoted Mutual Fund Instruments</b>		
502.932 (March 31, 2021: Nil) Units Mutual Fund of Nippon India Ultra Short Duration Fund - Direct of ₹ 1,000 each fully paid up	17.75	—
<b>Total</b>	<b>715.20</b>	<b>338.28</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 10 : Current Financial Assets - Investments (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investments - At Cost	369.35	299.21
Aggregate amount of quoted investments - At Market Value	697.45	338.28
Aggregate amount of unquoted investments -At Cost	17.50	-
Aggregate amount of unquoted investments -At Market Value	17.75	-
<b>Category-wise Current investment</b>		
Financial assets measured at fair value through profit & loss	715.20	338.28
<b>Total</b>	<b>715.20</b>	<b>338.28</b>

## Note 11 : Current Financial Assets - Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	10,394.48	9,231.20
Receivables from related parties (refer note 48 )	-	313.42
Less: Allowance for doubtful trade receivables	-	-
<b>Total Receivables</b>	<b>10,394.48</b>	<b>9,544.63</b>

### Break-up of security details

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables -Secured, considered good	186.42	153.95
Trade receivables -Unsecured, considered good	10,208.05	9,390.68
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowances for credit losses	-	-
Less: Allowance for doubtful trade receivables	-	-
<b>Total</b>	<b>10,394.48</b>	<b>9,544.63</b>

### Ageing of Trade Receivables As at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed Trade receivables – considered good	8,142.50	1,277.91	607.60	74.56	-	1.36	10,103.93
(b) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(c) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(d) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
<b>Total Trade receivables - Billed</b>	<b>8,142.50</b>	<b>1,277.91</b>	<b>607.60</b>	<b>74.56</b>	<b>-</b>	<b>1.36</b>	<b>10,103.93</b>
<b>Trade receivables - Unbilled</b>							<b>290.55</b>
<b>Total Trade receivables</b>							<b>10,394.48</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 11 : Current Financial Assets - Trade Receivables (Contd..)

### Ageing of Trade Receivables As at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed Trade receivables – considered good	8,541.67	689.33	7.00	–	4.86	–	9,242.87
(b) Undisputed Trade Receivables – considered doubtful	–	–	–	–	–	–	–
(c) Disputed Trade Receivables – considered good	–	–	–	–	–	–	–
(d) Disputed Trade Receivables – considered doubtful	–	–	–	–	–	–	–
<b>Total Trade receivables - Billed</b>	<b>8,541.67</b>	<b>689.33</b>	<b>7.00</b>	<b>–</b>	<b>4.86</b>	<b>–</b>	<b>9,242.87</b>
<b>Trade receivables - Unbilled</b>							<b>301.76</b>
<b>Total Trade receivables</b>							<b>9,544.63</b>

## Note 12 : Current Financial Assets - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank Balances		
- In current accounts	810.13	154.37
- In fixed deposits with maturity of less than 3 months	1,402.61	1,680.25
Cash on Hand	2.62	2.61
<b>Total</b>	<b>2,215.37</b>	<b>1,837.23</b>

## Note 13 : Current Financial Assets - Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with maturity period of more than 3 months but less than 12 months (include accrued interest)*	343.38	352.62
Unpaid Dividend Accounts**	77.68	74.34
<b>Total</b>	<b>421.06</b>	<b>426.96</b>

\*₹ 297.91 Lakhs (P.Y. ₹ 21.98 Lakhs) lien against bank guarantee and loan arrangements from Bank

\*\* The amount is to be utilised towards settlement of respective unpaid dividends.

## Note 14 : Current Financial Assets - Loans

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Advance Payment to Employees	25.95	26.79
<b>Total</b>	<b>25.95</b>	<b>26.79</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 15 : Current Financial Assets - Other Financial Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Duty Drawback Receivable	25.38	19.17
Incentive Licenses	45.34	0.47
Foreign Currency Forward Contracts Receivable	11.97	2.89
Fixed Deposits with maturity period of more than 12 months (include accrued interest) of original maturity but expected to mature within 12 months from balance sheet date*	2,783.18	3,280.91
Interest Receivable	4.55	—
Security Deposits	300.00	320.00
<b>Total</b>	<b>3,170.43</b>	<b>3,623.44</b>

\*₹ 756.83 Lakhs (P.Y. ₹ 820.02 Lakhs) lien against bank guarantee and loan arrangements from Bank

## Note 16 : Current Tax Assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax Refund Receivable	217.86	183.36
Taxes Paid (incl. Tax Deducted at Source)	2,716.15	—
Less : Provision for Income Taxes	(2,697.05)	—
<b>Total</b>	<b>236.96</b>	<b>183.36</b>

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Accounting profit before tax from continuing operations	9,527.49	8,107.20
Tax at income tax at the rate of 25.168% (March 31, 2021: 34.944%)	2,397.88	2,830.31
<b>Tax effect of :</b>		
Difference in Depreciation and Amortisation	137.09	5.07
Income exempt from tax and items not deductible	206.93	(402.52)
MTM Gain on Investment	(59.98)	(15.75)
Gain on Sale of Investments	(1.55)	(1.04)
Other Items deductible	(2.18)	(3.58)
Provision for Interest on Income Tax and Adjustments for Current Tax	19.86	30.43
<b>Income tax expense reported in the statement of Profit and Loss</b>	<b>2,698.05</b>	<b>2,442.91</b>
Tax adjustment for earlier year	14.78	—
<b>Deferred Tax Expense Reported in the statement of Profit and Loss</b>	<b>(245.03)</b>	<b>(601.91)</b>
	<b>2,467.80</b>	<b>1,841.00</b>

The recently promulgated Taxation Laws (Amendment) Ordinance 2019 has inserted section 115BAA in the Income Tax Act, 1961 providing existing domestic companies with in option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961 for assessment year (AY) 2020-21 or subsequent AYs. Once exercised such an option cannot be withdrawn for the same or subsequent AYs. The Group has exercised this option and continues to pay tax as per the new regime.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 17 : Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
<b>Advances other than Capital Advances:</b>		
Advance Payment to Vendors	101.90	283.53
<b>Balance with Government Authorities:</b>		
- Cenvat Credit Receivables	37.35	104.29
- Vat Refund Receivables	27.14	42.14
- GST Refund Receivables	147.37	97.54
Prepaid Expenses	100.31	47.72
<b>Total</b>	<b>414.08</b>	<b>575.23</b>

## Note 18 : Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised Capital</b>		
5,00,00,000 (March 31, 2021: 5,00,00,000) Equity Shares of ₹ 5 each	2,500.00	2,500.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
<b>Issued, Subscribed and Paid up Capital</b>		
4,36,44,180 (March 31, 2021: 4,36,44,180) Equity Shares of ₹ 5 each fully paid up	2,182.21	2,182.21
<b>Total</b>	<b>2,182.21</b>	<b>2,182.21</b>

### (a) Terms / rights attached to:

#### Equity Shares

The Company has only one class of Equity Shares having par value of ₹5/- each. (p.y. equity shares of ₹5/-each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount to various stakeholders of the company.

#### Dividend

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the shareholders in the ensuing Annual General Meeting.

### (b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year.

#### Equity Shares:

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Balance as at Beginning of the year	4,36,44,180	2,182.21	4,36,44,180	2,182.21
Add : Allotment of shares during the year	—	—	—	—
Balance as at end of the year	4,36,44,180	2,182.21	4,36,44,180	2,182.21

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 18 : Equity Share Capital (Contd..)

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Shares held by	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	%	Number of Shares	%
<b>Equity shares with voting rights</b>				
Bhageria Trade Invest Pvt. Ltd.	66,17,850	15.16%	65,10,530	14.92%
Suresh Kumar Keshavdeo Bhageria	39,90,334	9.14%	39,78,334	9.12%
Akashdeep International Pvt. Ltd.	39,98,372	9.16%	39,98,372	9.16%
Deepak Vishwambharlal Bhageria	23,97,274	5.49%	23,97,274	5.49%

(d) Shares issued during the last five years for consideration other than cash

Particulars	Year (Aggregate No. of Shares)					
	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Equity Shares :</b>						
Fully paid up pursuant to contract(s) without payment being received in cash	–	–	–	59,42,530	–	–
Fully paid up by way of bonus shares	–	–	2,18,22,090	–	–	–
Shares bought back	–	–	–	–	–	–

(e) Shareholding details of Promoter / Promoter Group :

Name of Promoter / Promoter Group	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of Shares	% of total Shares	Number of Shares	% of total Shares	
1. Suresh Keshavdeo Bhageria	39,90,334	9.14	39,78,334	9.12	0.30%
2. Vinodkumar Keshavdeo Bhageria	9,036	0.02	9,036	0.02	0.00%
3. Vishambharlal Keshavdeo Bhageria	39,200	0.09	39,200	0.09	0.00%
4. Aditya V Bhageria	1,48,985	0.34	1,13,729	0.26	31.00%
5. Rahul Bhageria (HUF)	2,24,242	0.51	2,24,242	0.51	0.00%
6. Vikas Bhageria (HUF)	2,35,666	0.54	2,33,666	0.54	0.86%
7. Rakesh Bhageria (HUF)	2,37,518	0.54	2,08,128	0.48	14.12%
8. Dinesh Bhageria (HUF)	2,55,662	0.59	2,55,662	0.59	0.00%
9. Snehlata A Bhageria	3,22,000	0.74	3,21,488	0.74	0.16%
10. Deepak Bhageria (HUF)	3,27,964	0.75	3,27,964	0.75	0.00%
11. Chandadevi Vishambharlal Bhageria	3,31,312	0.76	3,31,012	0.76	0.09%
12. Sonika Rakesh Bhageria	4,08,786	0.94	4,08,786	0.94	0.00%
13. Dhvani Rahul Bhageria	4,99,116	1.14	4,98,966	1.14	0.03%
14. Archana Deepak Bhageria	5,90,024	1.35	5,90,024	1.35	0.00%
15. Dinesh Vishambharlal Bhageria	7,06,168	1.62	7,06,168	1.62	0.00%
16. Harshita Vikas Bhageria	8,10,194	1.86	8,08,842	1.85	0.17%
17. Asha Dinesh Bhageria	8,84,520	2.03	8,84,520	2.03	0.00%
18. Chandraprabha Suresh Bhageria	9,12,915	2.09	9,00,706	2.06	1.36%
19. Suresh Bhageria (HUF)	9,84,192	2.26	9,69,192	2.22	1.55%
20. Rahul Niranjallal Bhageria	12,11,391	2.78	11,89,913	2.73	1.81%
21. Vikas Suresh Bhageria	15,71,456	3.60	15,67,864	3.59	0.23%
22. Rakesh Niranjallal Bhageria	21,32,436	4.89	21,19,436	4.86	0.61%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 18 : Equity Share Capital (Contd..)

Name of Promoter / Promoter Group	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of Shares	% of total Shares	Number of Shares	% of total Shares	
23. Deepak Vishwambharial Bhageria	23,97,274	5.49	23,97,274	5.49	0.00%
24. Vanita Saraf	32,000	0.07	32,000	0.07	0.00%
25. Anjushree A Bhageria	—	—	26,000	0.06	(100.00%)
26. Allied Rainbow Asia Steel Private Limited	12,98,000	2.97	12,98,000	2.97	0.00%
27. Akashdeep International Private Limited	39,98,372	9.16	39,98,372	9.16	0.00%
28. Bhageria Trade Invest Private Limited	66,17,850	15.16	65,10,530	14.92	1.65%

## Note 19 : Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Securities Premium	0.51	0.51
(ii) Capital Reserve	14,068.69	14,068.69
(iii) General Reserve	440.10	440.10
(iv) Retained Earnings	34,010.78	28,477.42
<b>Total</b>	<b>48,520.08</b>	<b>42,986.72</b>

### (i) Securities Premium :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	0.51	0.51
Add : Additions during the year	—	—
<b>Balance as at end of the year</b>	<b>0.51</b>	<b>0.51</b>

### (ii) Capital Reserve:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	14,068.69	14,068.69
Add : Additions during the year	—	—
<b>Balance as at end of the year</b>	<b>14,068.69</b>	<b>14,068.69</b>

### (iii) General Reserve:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	440.10	440.10
Less: Utilised during the year	—	—
<b>Balance as at end of the year</b>	<b>440.10</b>	<b>440.10</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 19 : Other Equity (Contd..)

### (iv) Retained Earnings:

(₹ in Lakhs)		
Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance as at beginning of the year	28,477.42	23,525.97
Add: Profit for the year	7,058.09	6,266.19
<b>Add: Items of Other Comprehensive Income recognised directly in Retained Earnings</b>		
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)	2.82	(5.42)
Less: Utilised for Final Dividend	(1,527.55)	(1,309.33)
<b>Balance as at end of the year</b>	<b>34,010.78</b>	<b>28,477.42</b>

### Nature and Purpose of Reserves

- Capital Reserve : Capital Reserve is utilised in accordance with provision of the Act.
- Security Premium : Security Premium is used to record the premium on issue of shares. This reserve is utilised in accordance with the provision of the Act.
- General Reserve : The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- Retained Earnings : Retained earnings are the profit that the Company has earned till date, less any transfer to general reserve, dividend or other distributions paid to shareholders.

## Note 20 : Non-Current Provisions

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits:		
Provision for Gratuity	216.93	220.32
<b>Total</b>	<b>216.93</b>	<b>220.32</b>

## Note 21 : Deferred Tax Liabilities (Net)

The major components of Deferred Tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:</b>		
Property, Plant and Equipment - Depreciation	3,628.14	3,765.24
Gratuity	(71.79)	(59.97)
Unearned Revenue	(153.70)	(10.99)
Changes in Fair Value of Investment	56.36	8.81
<b>Deferred Tax Liabilities (net)</b>	<b>3,459.01</b>	<b>3,703.09</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 21 : Deferred Tax Liabilities (Net) (Contd..)

### Movement in Deferred Tax Liabilities/ (Assets)

(₹ in Lakhs)

Particulars	Depreciation	Gratuity	Changes in Fair Value of Investment	Unearned Revenue	Total
<b>As at April 01, 2020</b>	<b>4,358.23</b>	<b>(51.11)</b>	<b>(0.30)</b>	<b>–</b>	<b>4,306.82</b>
Charged/ (Credited):					
To Profit or Loss	(592.99)	(7.04)	9.11	(10.99)	(601.91)
To Other Comprehensive Income	–	(1.82)	–	–	(1.82)
<b>As at March 31, 2021</b>	<b>3,765.24</b>	<b>(59.97)</b>	<b>8.81</b>	<b>(10.99)</b>	<b>3,703.09</b>
Charged/ (Credited):					
To Profit or Loss	(137.10)	(12.77)	47.55	(142.71)	(245.03)
To Other Comprehensive Income	–	0.95	–	–	0.95
<b>As at March 31, 2022</b>	<b>3,628.14</b>	<b>(71.79)</b>	<b>56.36</b>	<b>(153.70)</b>	<b>3,459.01</b>

## Note 22 : Other Non-current liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unearned Income	585.45	41.85
<b>Total</b>	<b>585.45</b>	<b>41.85</b>

## Note 23 : Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured Loans (Repayable on demand)</b>		
Working Capital Loans from Banks	2,076.10	2,090.60
Buyer's Credit from Bank	1,372.48	1,052.52
<b>Unsecured Loans</b>		
Loan taken from Director	30.00	–
<b>Total</b>	<b>3,478.58</b>	<b>3,143.12</b>

Note:

### Bhageria Industries Limited

These working capital facilities are secured against the following charge on various assets of the Company :

1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
2. Collateral : Extension of mortgage charge on factory land and building situated at Plot No. 6310, Phase IV, GIDC, Vapi, Gujarat and Office premises situated at A1/101, Virwani Industrial Estate, Goregaon (E), Mumbai - 400063 and Fixed Deposits owned by the Company.
3. Personal Guarantees of some of the Directors of the company.
4. The Company has taken working capital loans at interest ranging from 5.75% to 6.75% per annum.
5. Quarterly statements of current assets filed by the Company with banks are in agreement with the books of accounts
6. The Company is not declared as wilful defaulter by any bank or financial institution or any other lender.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 23 : Current Financial Liabilities - Borrowings (Contd..)

7. The Company has not utilised any funds raised on short term basis for long term purpose.
8. The Company has not raised any loans during the year on the pledge of securities held in its Subsidiaries.

### Bhageria Exim Private Limited

These working capital facilities are secured against the following charge of the Company :

1. Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
2. Collateral : Fixed Deposits owned by the Company.
3. Personal Guarantees of the Directors of the company.
4. Quarterly statements of current assets filed by the Company with banks are in agreement with the books of accounts
5. The Company is not declared as wilful defaulter by any bank or financial institution or any other lender.
6. The Company has taken working capital loans at interest ranging from 7.00% to 8.00% per annum.

## Note 24 : Current Financial Liabilities - Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade Payable</b>		
Total outstanding dues of micro enterprises and small enterprises	31.60	87.92
Total outstanding dues of creditors other than micro enterprises and small enterprise		
(i) Related party (Refer Note 48)	781.04	–
(ii) Others	4,342.12	3,615.15
<b>Total</b>	<b>5,154.76</b>	<b>3,703.07</b>

### Ageing of Trade Payables as at March 31, 2022

(₹ in Lakhs)

Particulars (Trade Payable due for payment)	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed due - MSME	–	31.60	–	–	–	–	31.60
(b) Undisputed due - Others	146.90	4,738.52	222.73	3.89	11.11	–	5,123.15
(c) Disputed dues –MSME	–	–	–	–	–	–	–
(d) Disputed dues -Others	–	–	–	–	–	–	–
<b>Total</b>	<b>146.90</b>	<b>4,770.13</b>	<b>222.73</b>	<b>3.89</b>	<b>11.11</b>	<b>–</b>	<b>5,154.76</b>

### Ageing of Trade Payables as at March 31, 2021

(₹ in Lakhs)

Particulars (Trade Payable due for payment)	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(a) Undisputed due - MSME	–	87.92	–	–	–	–	87.92
(b) Undisputed due - Others	9.27	3,468.27	125.10	12.00	0.50	–	3,615.15
(c) Disputed dues –MSME	–	–	–	–	–	–	–
(d) Disputed dues -Others	–	–	–	–	–	–	–
<b>Total</b>	<b>9.27</b>	<b>3,556.20</b>	<b>125.10</b>	<b>12.00</b>	<b>0.50</b>	<b>–</b>	<b>3,703.07</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 24 : Current Financial Liabilities - Trade Payables (Contd..)

Note :

- The Micro and Small Enterprises have been identified on the basis of information available with the Company.

Details of dues to such parties are given below:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
The principal amount remaining unpaid as at the end of the year	31.60	87.92
The amount of interest accrued and remaining unpaid at the end of the year	—	—
Amount of interest paid by the Company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year.	—	—
Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act 2006)."	—	—
The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006).	—	—

## Note 25 : Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest Accrued	1.68	2.13
Unpaid Dividend	77.68	74.34
Liabilities for Acquisition of Property, Plant and Equipment	92.14	464.08
Employee Related Liabilities	1.85	54.91
<b>Total</b>	<b>173.35</b>	<b>595.46</b>

## Note 26 : Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	507.66	288.80
Advances from Customers	85.42	436.32
Current Unearned Income	25.20	1.80
Other Liabilities	121.85	35.16
<b>Total</b>	<b>740.12</b>	<b>762.07</b>

## Note 27 : Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee benefits		
Provision for Gratuity	68.29	17.94
<b>Total</b>	<b>68.29</b>	<b>17.94</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 28 : Current Tax Liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax	0.44	2,197.53
Less: Income Tax Assets	(0.20)	(2,070.37)
<b>Total</b>	<b>0.24</b>	<b>127.16</b>

## Note 29 : Revenue from Operations

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Sale of Products	56,694.71	36,823.34
Sale of Services	116.88	144.67
Revenue from Sale of Solar Electricity	2,845.42	2,992.77
<b>Other Operating Revenue:</b>		
Job work Income	131.88	108.32
Duty drawback and other export incentives	321.44	124.56
Other Revenue	19.41	4.60
<b>Total</b>	<b>60,129.75</b>	<b>40,198.24</b>

## Note 30 : Other Incomes

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Interest income earned on financial assets that are not designated as at fair value through profit or loss</b>		
From Bank deposits (at amortised cost)	248.21	248.39
From Others (at amortised cost)	15.59	—
<b>Dividend income</b>		
Dividends from investment in equity shares (designated at cost or at FVTPL)	30.13	—
<b>Other gains or losses:</b>		
Net gains / (loss) arising on financial assets measured at FVTPL	288.93	39.79
Profit on Sale of Current Investment	1.14	5.95
Profit on Sale of Property, Plant and Equipments	—	2.24
<b>Other non-operating income</b>		
Rental Income	25.54	23.74
Commission Income	95.43	—
Foreign Exchange Gain (Net)	148.45	111.41
Miscellaneous Income	74.97	14.97
<b>Total</b>	<b>928.38</b>	<b>446.50</b>

## Note 31 : Cost of Materials

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Opening Stock	3,286.73	2,524.24
Add: Purchases	34,216.15	19,716.52
Less: Closing Stock	4,076.24	3,286.73
<b>Total</b>	<b>33,426.63</b>	<b>18,954.03</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 32 : Purchase of Stock in Trade

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Traded goods	6,143.86	2,266.26
<b>Total</b>	<b>6,143.86</b>	<b>2,266.26</b>

## Note 33 : Change in Inventories of finished goods, work-in-progress and stock in trade

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Inventories at the end of the year :		
Finished Goods	1,692.39	124.59
Work-in-progress	577.79	305.97
Stock-in-trade	22.11	—
	<b>2,292.29</b>	<b>430.56</b>
Inventories at the beginning of the year :		
Finished Goods	124.59	996.33
Work-in-progress	305.97	171.98
	<b>430.56</b>	<b>1,168.31</b>
<b>Total</b>	<b>(1,861.73)</b>	<b>737.75</b>

## Note 34 : Employee Benefits Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, Wages and Bonus	1,771.91	1,734.06
Contributions to Provident and Other Funds	35.79	31.80
Gratuity Expenses	60.46	57.98
Staff Welfare Expenses	86.57	63.64
<b>Total</b>	<b>1,954.73</b>	<b>1,887.48</b>

## Note 35 : Finance Costs

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Interest on Borrowings from Banks	151.84	81.76
Bank Charges and Commission	32.40	23.85
<b>Total</b>	<b>184.24</b>	<b>105.61</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 36 : Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Depreciation on property, plant and equipment	2,846.12	2,574.69
Depreciation on investment property	10.77	11.36
<b>Total</b>	<b>2,856.89</b>	<b>2,586.05</b>

## Note 37 : Other Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>Manufacturing Expenses</b>		
Job Work and Labour Charges	1,159.15	864.61
Repairs and Maintenance - Machinery	276.28	205.51
Repairs and Maintenance - Buildings	2.21	–
Power, Fuel and Water Charges	3,376.83	2,048.80
Stores & Spares	721.48	544.84
Lab Expenses	103.27	86.94
Factory Expenses	18.61	13.31
Effluent Treatment Charges	62.69	76.14
	<b>(A) 5,720.51</b>	<b>3,840.14</b>
<b>Selling &amp; Distribution Expenses</b>		
Commission	28.08	15.41
Freight and Forwarding	1,386.34	958.15
Business Promotion	26.97	3.98
Loading and Unloading Charges	6.46	9.40
	<b>(B) 1,447.85</b>	<b>986.95</b>
<b>Establishment Expenses</b>		
Contribution towards CSR	175.72	166.81
Legal and professional Charges	127.91	76.30
Donations and contributions	21.37	160.86
Solar Operating Expenses	340.49	317.43
EPC Contract Expenses	489.57	–
Project Operating Expenses	–	121.85
Rent, Rates and Taxes	75.88	69.10
Miscellaneous Expenses	36.39	18.80
Land Aggregation expenses	31.97	–
Travelling and Conveyance	54.11	33.40
Indirect Tax Expenses	75.28	71.74
Insurance Expenses	88.24	69.22
Vehicle Expenses	38.74	22.28
Repairs and Maintenance - Others	7.66	5.44
Printing and Stationery	9.52	6.29
Operating Expenses	8.48	–
Foreign Exchange Fluctuation	8.24	–
Communication	11.08	10.67
Membership Fees	0.75	0.29
Director Sitting Fees	9.50	11.00
RTA Charges	4.57	2.82

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 37 : Other Expenses (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Repairs and maintenance - Computer	3.13	4.41
Other Share Charges	32.00	0.55
Postage & Courier Expense	7.06	4.02
(C)	1,657.66	1,173.28
<b>Total (A+B+C)</b>	<b>8,826.02</b>	<b>6,000.37</b>

## 37(a): Payment to the Auditors

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(a) Payments to the auditors comprises (net of input tax credit, where applicable)(incl. in Legal and Professional Charges)		
<b>Payments to Statutory Auditor</b>		
i) Audit Fees	6.00	6.00
ii) Other Services	—	—
<b>Payments to Cost Auditor</b>		
i) Audit Fees	1.05	0.90
<b>Total</b>	<b>7.05</b>	<b>6.90</b>

## Note 38 : Earnings Per Equity Share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Net Profit attributable to Equity Shareholders (₹ in Lakhs)	7,058.09	6,266.19
Weighted Average Number of Equity Shares	4,36,44,180	4,36,44,180
Basic and Diluted Earnings Per Share (₹)	16.17	14.36
Face value per Share (₹)	5.00	5.00

## Note 39 : Financial Assets and Financial Liabilities at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-Current Financial Assets</b>		
Investments	43.06	43.06
Other Financial Assets	989.61	283.04
<b>Current Financial Assets</b>		
Trade receivables	10,394.48	9,544.63
Cash and Cash Equivalents	2,215.37	1,837.23
Other bank balances	421.06	426.96
Loans	25.95	26.79
Other Financial Assets	3,158.46	3,620.55
<b>Total</b>	<b>17,247.99</b>	<b>15,782.26</b>

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 39 : Financial Assets and Financial Liabilities at Amortised Cost Method (Contd..)

The carrying value of the following financial liabilities recognised at amortised cost:

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-Current Financial Liabilities</b>		
Borrowings	—	—
Other Financial Liabilities	—	—
<b>Current Financial Liabilities</b>		
Borrowings	3,478.58	3,143.12
Trade Payable	5,154.76	3,703.07
Other Financial Liabilities	173.35	595.46
<b>Total</b>	<b>8,806.69</b>	<b>7,441.65</b>

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

## Note 40 : Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- Current Financial Assets</b>		
Investments	1.77	2.13
<b>Current Financial Assets</b>		
Investments	715.20	338.28
Other Financial Assets	11.97	2.89
<b>Total</b>	<b>728.94</b>	<b>343.30</b>

## Note 40 : Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss (Contd..)

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

(₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current Financial Liabilities</b>		
Other Financial Liabilities	—	—
<b>Total</b>	<b>—</b>	<b>—</b>

### Fair Value Hierarchy :

(₹ in Lakhs)				
Particulars	Level 1	Level 2	Level 3	Total
Financial Assets and Liabilities measured at fair value March 31, 2022				
<b>Measured at fair value through profit or loss</b>				
<b>Financial Assets</b>				
Investments	715.93	1.05	—	716.97
Foreign Currency Forward Contracts Receivable	—	11.97	—	11.97
<b>Financial Liabilities</b>				
Foreign Currency Forward Contracts Payable	—	—	—	—

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 40 : Financial Assets and Financial Liabilities at Fair Value Through Profit or Loss (Contd..)

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets and Liabilities measured at fair value March 31, 2021				
<b>Measured at fair value through profit or loss</b>				
<b>Financial Assets</b>				
Investments	339.36	1.05	–	340.41
Foreign Currency Forward Contracts Receivable	–	2.89	–	2.89
<b>Financial Liabilities</b>				
Foreign Currency Forward Contracts Payable	–	–	–	–

The Group has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, borrowings, trade payables and other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

### Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date
- The fair value of investments in Mutual Fund Units is based on Net Asset Value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at the Balance Sheet Date. NAV represents the price at which the issuer will issue further units of Mutual Fund and the price at which issuers will redeem such units from investors

## Note 41 : Financial Risk Management Objectives and Policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis and Credit ratings	Diversification of bank deposits and credit limits Unutilised from Consortium Bankers.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 41 : Financial Risk Management Objectives and Policies (Contd..)

Risk	Exposure arising from	Measurement	Management
Market Risk - Interest rate	Borrowings at variable rates	Sensitivity analysis	Not used any Interest rate derivatives.
Market Risk - Price risk	Equity Instruments		Group maintains its portfolio in accordance with the framework set by the Risk Management policies.
Market Risk - Foreign exchange risk	Export, Import and Borrowings		Forward contracts and Currency options

### Credit Risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

### Trade receivables

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group does not expect any credit risk on account of trade receivables.

### Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

### Liquidity Risk :

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Group invests its surplus funds in bank fixed deposit, equity and liquid schemes of mutual funds.

The table below provides details regarding the maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 Months	More than 12 Months	Total
<b>Year ended March 31, 2022</b>				
Secured Loans	3,478.58	3,478.58	—	3,478.58
Trade Payables	5,154.76	5,154.76	—	5,154.76
Interest Accrued	1.68	1.68	—	1.68
Liabilities for Acquisition of Property, Plant and Equipment	92.14	92.14	—	92.14
Others Liabilities	819.65	819.65	—	819.65

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 41 : Financial Risk Management Objectives and Policies (Contd..)

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 Months	More than 12 Months	Total
<b>Year ended March 31, 2021</b>				
Secured Loans	3,143.12	3,143.12	—	3,143.12
Trade Payables	3,703.07	3,703.07	—	3,703.07
Interest Accrued	2.13	2.13	—	2.13
Liabilities for Acquisition of Property, Plant and Equipment	464.08	464.08	—	464.08
Others Liabilities	891.32	891.32	—	891.32

### Market Risk :

Market risk comprises three types of risk: price risk, interest rate risk and currency risk. The risks may affect income and expenses, or the value of its financial instruments of the Group. The objective of the Management of the Group for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Group exposure to, and the Management of, these risks is explained below:

### Security Price Risk

Equity price risk is related to the change in market price of the investments in quoted equity securities.

The Group's exposure to securities price risk arises from investments held by the Group and classified in the Balance Sheet at fair value through profit or loss.

To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

### Sensitivity (+/-5%)

(₹ in Lakhs)

Particulars	Investment in Quoted Securities			
	As At March 31, 2022		As At March 31, 2021	
Movement in Rate	+5%	-5%	+5%	-5%
Impact on Profit or (Loss)	35.85	(35.85)	17.02	(17.02)

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since, the Group has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is very low. The Group has not used any interest rate derivatives.

### Interest Rate Sensitivity

No sensitivity analysis is prepared as the Company does not expect any material effect on the Group's results arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

### Foreign Exchange Risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Group. The Group's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure above a threshold.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 41 : Financial Risk Management Objectives and Policies (Contd..)

The Group's foreign currency exposure arises mainly from foreign exchange imports, exports and foreign currency borrowings, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the Group's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

(USD in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>USD exposure</b>		
Assets	15.58	18.49
Liabilities	26.68	36.77
<b>Net</b>	<b>(11.09)</b>	<b>(18.28)</b>
<b>Derivatives to hedge USD exposure</b>		
Forward contracts (USD)	19.95	14.28
Option contracts- (USD)	—	—
<b>Total Hedge USD</b>	<b>19.95</b>	<b>14.28</b>
<b>Net exposure</b>	<b>8.86</b>	<b>(4.00)</b>

The Group's exposure to foreign currency changes for all other currencies is not material.

## Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

If ₹ had (strengthened) / weakened against USD by 5%

(₹ in Lakhs)

Particulars	Gain or (Loss) Impact on Profit before tax	
	Strengthening	Weakening
<b>As At March 31, 2022</b>	<b>(33.58)</b>	<b>33.58</b>
<b>As At March 31, 2021</b>	<b>14.71</b>	<b>(14.71)</b>

## Note 42 : Capital Management

For the purpose of the Group's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Group. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group consider net debt, interest bearing loans and borrowings, less cash and cash equivalents and Equity comprises all components including other comprehensive income attributable to owners of the Company.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A) Net Debt</b>		
Borrowings (Current and Non-Current)	3,480.26	3,145.25
Cash and Cash Equivalents (refer note 12)	2,215.37	1,837.23
<b>Net Debt (A)</b>	<b>5,695.63</b>	<b>4,982.48</b>
<b>B) Equity</b>		

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 42 : Capital Management (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Share Capital	2,182.21	2,182.21
Other Equity	48,520.08	42,986.72
<b>Total Equity (B)</b>	<b>50,702.29</b>	<b>45,168.93</b>
Net Gearing Ratio (Net Debt / Capital) i.e. (A / B)	0.11	0.11

## Note 43 : Dividend on Equity Shares

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Dividends recognised and paid during the reporting period</b>		
Final Dividend paid for the year ended March 31,, 2021 of ₹3.50 (March 31,, 2020 - ₹3.00) per fully paid share	1,527.55	1,309.33
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
Final Dividend recommended by the board of directors for the year ended March 31, 2022 ₹ 4 per fully paid equity share ( March 31, 2021: ₹3.50 per share) subject to approval of shareholders in the ensuing annual general meeting.	1,745.77	1,527.55

## Note 44 : Contingent Liabilities not Provided for

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Disputed Liabilities in respect of Sales Tax	114.11	52.18
Bank Guarantee given by Bank on behalf of the Company	170.88	206.86
Bill Discounted with Banks	1,620.77	—
Disputed Custom Liabilities	33.29	33.29
<b>Total</b>	<b>1,939.04</b>	<b>292.33</b>

## Note 45 : Capital Commitments

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated value of Contracts in respect of Property, Plants and Equipment remaining to be Executed (Net of Capital Advances)	46.44	398.71
<b>Total</b>	<b>46.44</b>	<b>398.71</b>

## Note 46 : Segment Information

### Information about Primary Business Segment

The Group has identified business segments as its primary segment and geographic segments as its secondary segment. The Group is engaged in Dyes, Dyes Intermediates and Basic Chemicals and Generation and Distribution of Solar Power during the year, consequently the Group have separate reportable business segment for the year ended March 31, 2022.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 46 : Segment Information (Contd..)

### Information about Secondary Geographical Segment

The Group is engaged in providing services to customers located in India and outside India, consequently the Group have separate reportable geographical segment for the year ended March 31, 2022. i.e. Domestic and Export.

#### (a) Primary Segment

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>1. Segment Revenue (net of taxes)</b>		
(a) Segment - A (Chemical)	52,463.94	36,924.74
(b) Segment - B (Solar Power)	2,889.38	2,994.12
(c) Segment - C (Others)	6,241.38	279.39
Less: Inter Segment Revenue	(1,464.95)	—
<b>Net Sales / Income from Operations</b>	<b>60,129.75</b>	<b>40,198.24</b>
<b>2. Segment Results Profit/(Loss) (before tax and interest from each segment)</b>		
(a) Segment - A (Chemical)	8,761.78	8,034.80
(b) Segment - B (Solar Power)	1,098.67	1,113.16
(c) Segment - C (Others)	255.36	31.57
Less: Interest	184.24	105.61
Add: Other Un-allocable Income (net off)	(404.08)	(966.72)
<b>Total Profit Before Tax</b>	<b>9,527.49</b>	<b>8,107.20</b>
<b>3. Assets</b>	<b>46,885.62</b>	<b>39,563.77</b>
(a) Segment - A (Chemical)	14,228.85	16,357.86
(b) Segment - B (Solar Power)	2,071.26	556.30
(c) Segment - C (Others)	1,394.11	1,005.09
(d) Unallocated	<b>64,579.84</b>	<b>57,483.02</b>
<b>Total Assets</b>		
<b>4. Liabilities</b>		
(a) Segment - A (Chemical)	7,203.55	6,897.17
(b) Segment - B (Solar Power)	654.49	146.13
(c) Segment - C (Others)	2,145.50	926.45
(d) Unallocated	3,873.20	4,344.34
<b>Total Liabilities</b>	<b>13,876.74</b>	<b>12,314.09</b>

#### (b) Secondary Segment

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Revenue from Domestic Sales	50,481.41	32,762.51
Revenue from Exports	9,648.34	7,435.74
<b>Total</b>	<b>60,129.75</b>	<b>40,198.24</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 47 : Employee Benefits

The Company has classified the various benefits provided to employees as under:

### I. Defined Contribution Plans

- Employers' Contribution to Provident Fund and Employee's Pension Scheme
- Employers' Contribution to Employee's State Insurance

During the year, the Group has incurred and recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Employers' Contribution to Provident Fund and Employee's Pension Scheme	26.56	23.15
Employers' Contribution to Employee's State Insurance	9.24	8.65
<b>Total Expenses recognised in the Statement of Profit and Loss (Refer Note 34)</b>	<b>35.79</b>	<b>31.80</b>

### II. Defined Benefit Plan

#### Gratuity Fund

(₹ in Lakhs)		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>a. Major Assumptions</b>	(% p.a.)	(% p.a.)
Discount Rate	7.45%	7.05%
Salary Escalation Rate @	5.00%	5.00%
@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.		
Employee Turnover	2.00%	2.00%
<b>b. Change in Present Value of Obligation</b>		
<b>Present Value of Obligation as at the beginning of the year</b>	265.96	215.74
Current Service Cost	42.79	44.64
Past Service Cost	—	—
Interest Cost	19.63	15.65
Benefit paid	(9.73)	(17.15)
Total Actuarial (Gain)/ Loss on Obligations	(3.86)	7.07
a. Effect of Change in Financial Assumptions	(9.26)	(7.33)
b. Effect of Change in Demographic Assumptions	—	—
c. Experience (Gains)/ Losses	5.40	14.39
Due to Acquisition/Business Combination/Divestiture	—	—
<b>Present Value of Obligation as at the end of the year</b>	<b>314.78</b>	<b>265.96</b>
<b>c. Change in Fair value of Plan Assets during the Period</b>		
<b>Fair value of Plan Assets, Beginning of Period</b>	27.69	34.31
Interest Income Plan Assets	1.95	2.31
Actual Company Contributions	—	—
Actuarial Gains/(Losses)	(0.08)	(0.18)
Benefits Paid	—	(8.76)
Acquisition/Business Combination/Divestiture	—	—
<b>Fair value of Plan Assets, End of Period</b>	<b>29.56</b>	<b>27.69</b>
<b>d. Net (assets) / liability recognized in the balance sheet and the Fair Value of Assets</b>		
Present Value of Obligation at the end of the year	314.78	265.96
Fair Value of Plan Assets at the end of the year	29.56	27.69

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 47 : Employee Benefits (Contd..)

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net (assets) / liability recognized in the balance sheet	285.22	238.26
Net liability - current (refer note 27)	68.29	17.94
Net liability - non current (refer note 21)	216.93	220.32
<b>e. Expenses Recognised in the Statement of Profit and Loss</b>		
Current Service Cost	42.79	44.64
Net Interest Cost / (Income)	17.67	13.34
Past Service Cost	—	—
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>60.46</b>	<b>57.98</b>
<b>f. Expense Recognised in the Statement of Other Comprehensive Income</b>		
<b>Amount recognized in OCI, Beginning of Period</b>	<b>53.73</b>	<b>46.48</b>
Remeasurements due to :		
Effect of Change in financial assumptions*	(9.26)	(7.33)
Effect of Change in demographic assumptions	—	—
Effect of experience adjustments	5.40	14.39
Return on plan assets (excluding interest)	0.08	0.18
Amount recognized in OCI, Current Year	(3.77)	7.24
<b>Amount recognized in OCI, End of Period</b>	<b>49.95</b>	<b>53.73</b>
*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.		
<b>g. Maturity profile of defined benefit obligation</b>		
With in 1 year	70.79	18.57
1-2 year	25.51	46.94
2-3 year	10.51	22.72
3-4 year	20.70	9.10
4-5 year	35.95	18.34
Above 5 years	133.42	139.94
<b>h. Sensitivity Analysis for significant assumption is as below</b>		
Defined Benefit Obligation - Discount Rate + 100 basis points	(20.75)	(19.86)
Defined Benefit Obligation - Discount Rate - 100 basis points	24.32	23.20
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	20.12	20.39
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(19.75)	(16.90)

## Note 48 : Related Party Disclosure

### i) Relationship

Description of relationship	Names of Related Parties
Directors & Key Management Personnel :	Mr. Suresh Bhageria (Chairman)
	Mr. Vinod Bhageria (Managing Director)
	Mr. Vikas Bhageria (Jt. Managing Director)
	Mrs. Chandraprabha Bhageria (Whole Time Director)*
	Mr. S.P. Tulsian (Independent Non-Executive Director)**
	Mr. Surendra Shriram Gupta (Independent Non-Executive Director)
	Mr. Mukund M. Chitale (Independent Non-Executive Director)
	Prof. (Dr). Ganapati Dadasaheb Yadav (Independent Non-Executive Director)
	Mrs. Ameya Jadhav (Independent Non-Executive Director)*****



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 48 : Related Party Disclosure (Contd..)

Description of relationship	Names of Related Parties
	Mr. Sandeep Kumar Singh (Independent Non-Executive Director)***
	Mr. Omprakash Anandilal Bubna (Independent Non-Executive Director)****
	Mr. Rakesh L Kachhadiya (Chief Financial Officer)
	Mr. Ketan Gaur (Company Secretary)*****
	Mr. Krunal Wala (Company Secretary)*****
Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence :	Akashdeep International Private Limited
	Smt. Ratnadevi Bhageria Charitable Trust
	Agarwal Global Foundation
Close family members of Key Management Personnel :	
Wife of Mr. Vikas Suresh Bhageria	Mrs. Harshita Vikas Bhageria

### Notes:

- 1) The list of related parties above has been limited to entities with which transactions have taken place.
- 2) Related party transactions have been disclosed till the time the relationship existed.
- 3) Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis.
- 4) \* Ms. Chandraprabha Bhageria, Whole Time Director resigned from the Company on July 2, 2020.
- 5) \*\* Mr. S. P. Tulsian, Independent Non-Executive Director resigned from the Company on May 17, 2021.
- 6) \*\*\* Mr. Sandeep Kumar Singh, Independent Non-Executive Director resigned from the Company on July 2, 2020.
- 7) \*\*\*\* Mr. Omprakash Anandilal Bubna, Independent Non-Executive Director resigned from the Company on July 1, 2020.
- 8) \*\*\*\*\* Mrs. Ameya Jadhav, Independent Non-Executive Director appointed from the Company on April 1, 2020.
- 9) \*\*\*\*\* Mr. Ketan Gaur, Company Secretary resigned from the Company on January 27, 2021.
- 10) \*\*\*\*\* Mr. Krunal Wala, Company Secretary appointed from the Company on January 28, 2021.

## ii) Transaction with Related Parties during the year

(₹ in Lakhs)		
Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
<b>KMP Remuneration and Salary ^</b>		
Mr. Suresh Bhageria	108.00	192.00
Mr. Vikas Bhageria	90.00	184.80
Mr. Vinod Bhageria	10.50	10.50
Ms. Chandraprabha Bhageria	—	20.36
Mr. Rakesh L Kachhadiya	11.55	10.52
Mr. Ketan Gaur (Upto January 27, 2021)	—	5.44
Mr. Krunal Wala (w.e.f. January 28, 2021)	7.24	2.00
	<b>227.29</b>	<b>425.63</b>
<b>Sitting Fees</b>		
Mr. O. P. Bubna	—	0.50
Mr. S. P. Tulsian	—	2.00
Mr. Surendra Shriram Gupta	2.60	2.00

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 48 : Related Party Disclosure (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Mr. Sandeep Singh	–	0.50
Mr. Mukund Manohar Chitale	2.30	2.00
Mr. Ganapati Dadasaheb Yadav	2.20	2.00
Mrs. Ameya Prakash Jadhav	2.40	2.00
	<b>9.50</b>	<b>11.00</b>
<b>Salary to Relatives</b>		
Mrs. Vanita Saraf	–	12.90
	<b>–</b>	<b>12.90</b>
<b>Sale of Goods</b>		
M/s Akashdeep International Private Limited	–	265.41
	<b>–</b>	<b>265.41</b>
<b>Purchase of Investments</b>		
Mr. Vikas Suresh Bhageria	0.50	0.50
Mrs. Harshita Vikas Bhageria	0.01	–
	<b>0.51</b>	<b>0.50</b>
<b>Purchases of Goods</b>		
M/s Akashdeep International Private Limited	–	4.43
	<b>–</b>	<b>4.43</b>
<b>Rent Expenses</b>		
Mr. Suresh Bhageria	–	1.13
Mrs. Vanita Saraf	–	0.44
Mrs. Chandraprabha Bhageria	–	0.57
M/s Akashdeep International Private Limited	–	0.44
	<b>–</b>	<b>2.57</b>
<b>Donations and CSR Expenses</b>		
Smt. Ratnadevi Bhageria Charitable Trust	6.00	24.50
Agarwal Global Foundation	12.50	–
	<b>18.50</b>	<b>24.50</b>

### iii) Balance with Related Parties :

(₹ in Lakhs)

Particulars	Balances as at March 31, 2022	Balances as at March 31, 2021
<b>Receivables</b>		
M/s Akashdeep International Private Limited	–	313.42
	<b>–</b>	<b>313.42</b>
<b>Remuneration / Salary / Other Payable</b>		
Mr. Suresh Bhageria	–	28.67
Mr. Vikas Bhageria	–	22.88
	<b>–</b>	<b>51.55</b>

^ This aforesaid amount does not includes amount in respect of gratuity and leave entitlement as the same is not determinable.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 49 : CSR Expenditure

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
(i) Amount required to be spent during the year (excluding previous shortfall)	175.02	163.44
(ii) Amount of expenditure actually incurred	175.72	166.81
(iii) Short fall / (excess) at the end of the Year (Including previous year)	(0.70)	(3.37)
(iv) Total of Previous year shortfall	—	—
(v) Reasons for Shortfall	Excess spent during the year	Excess spent during the year
(vi) Nature of CSR activities :		
Promoting Healthcare and Literacy including preventive healthcare	21.62	41.81
Rural Development	21.00	16.50
Livelihood enhancement project	5.00	—
Ensuring Environmental Sustainability	5.50	—
Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	75.00	—
Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	25.00	—
Disaster Relief	—	11.00
Promoting Education	22.61	97.50
<b>Total</b>	<b>175.72</b>	<b>166.81</b>
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Indian Accounting standard		
(a) Contribution to Smt. Ratnadevi Bhageria Charitable Trust in relation to CSR expenditure	8.50	—
(b) Contribution to Agarwal Global Foundation in relation to CSR expenditure	12.50	—
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Nil	Nil

## Note 50 : Lease

### As Lessee:

The company has availed the exemption given under Ind AS 116 for the Short term lease. Correspondingly company has recognized the lease payment on straight line basis in Statement of Profit and Loss over the life of lease term (Refer Note no. 37). Therefore, no right to use assets and lease liability is recognized in financial statement.

### As Lessor:

Operating Lease income are recognised in the Statement of Profit and Loss. (Refer Note no. 30)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 50 : Lease (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	17.86	19.91
One to five years	9.60	25.06
More than five years	53.51	55.91

## Note 51 : Key Financial Ratios

Sr. No.	Ratios	Numerator	Denominator	Current Year	Previous Year	Changes	Remarks
1	Current Ratio (times)	Current Assets	Current Liabilities	2.51	2.43	3.09%	Not Applicable
2	Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	0.07	0.07	(1.41%)	Not Applicable
3	Debt Service Coverage Ratio (times)	Net Profit after Taxes + Depreciations and Amortisations + Interest + Loss on sale of Fixed assets etc	Interest and Principal Repayments	54.82	84.82	-35.36%	Higher utilisation of borrowing
4	Return on Equity Ratio (%)	Net Profits after Taxes	Average Shareholder's Equity	14.73%	14.68%	0.34%	Not Applicable
5	Inventory turnover Ratio (times)	Cost of Goods Sold (Cost of material consumed + Purchases + Changes in Inventory + Manufacturing expenses)	Average Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	8.43	6.82	23.71%	Not Applicable
6	Trade Receivables Turnover Ratio (times)	Revenue from Operations	Average Trade Receivable	6.03	4.63	30.23%	The ratio has improved primarily due to effective collection of receivables, conservative credit policy.
7	Trade payables Turnover Ratio (times)	Purchases	Average Trade Payables	9.11	4.97	83.53%	The ratio has increased due to higher purchases to meet the order requirements.
8	Net Capital Turnover Ratio (times)	Revenue from Operations	Current Assets - Current Liabilities	4.14	3.36	23.41%	Not Applicable
9	Net Profit Margin (%)	Profit after Tax (after exceptional items)	Revenue from Operations	11.74%	15.59%	(24.68%)	Increase in Cost of Material of Consumption
10	Return on Capital Employed (%)	Earning before Interest and Taxes	Capital Employed (Average Total Equity + Total Debt)	18.95%	18.13%	4.53%	Not Applicable
11	Return on Investment (%)	EBIT	Average Total Assets	15.91%	14.92%	6.67%	Not Applicable



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 52 : Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020. However, the date on which the code will come into effect has not been notified. The Group will assess the impact and will record any related impact in the period once the code becomes effective.

## Note 53 : Registration of charges or satisfaction with Registrar of Companies

There is no charge or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

## Note 54 : Title deeds of Immovable Property not held in name of the Group

The Title deeds of all the immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Group.

## Note 55 : Relationship with Struck off Companies

The Group does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

## Note 56 : Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

## Note 57 : Details of Benami Property held

There are no proceedings initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

## Note 58 : Crypto currency or Virtual currency

The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.

## Note 59 : Compliance with number of layers of companies

The Group is in compliance with number of layers of companies.

## Note 60 : Utilisation of borrowed funds and share premium

- 1) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- 2) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2022

## Note 61 : Events after the Reporting Period

There was no significant event after the end of the reporting period which requires any adjustment or disclosure in the Consolidated Financial Statements.

## Note 62 : Approval of Financial Statements

The Consolidated Financial Statements were approved for issue by the Board of Directors on May 07, 2022

## Note 63 : Previous Years' Figures

The Consolidated financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous period's figures have been regrouped or rearranged wherever necessary.

As per our report of even date attached

For **MRB & Associates**  
**Chartered Accountants**  
FRN : 136306W

**For and on behalf of the Board of Directors**

**Suresh Bhageria**  
Chairman  
DIN: 00540285

**Vinod Bhageria**  
Managing Director  
DIN: 00540308

**Manish R Bohra**  
Partner  
Membership No.058431

**Krunal Wala**  
Company Secretary  
Membership No.42515

**Rakesh Kachhadiya**  
Chief Financial Officer

Place : Mumbai  
May 07, 2022

Place : Mumbai  
May 07, 2022

## ANNEXURE 'A'

Salient Features of Financial Statements of Subsidiaries/ Associates/ Joint Ventures as per Companies Act, 2013

## Form AOC-1

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

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

## Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in lakhs except share capital)

(₹ in Lakhs)

Sr. No.	Particulars	Details	Details
1.	Name of the subsidiary	Bhageria Exim Private Limited	Bhageria & Jajodia Pharmaceuticals Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting period same as Holding Company	Reporting period same as Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	Not Applicable	Not Applicable
4.	Share capital	Authorized Share Capital: Rs.1,00,000/- Paid up Share Capital: Rs.1,00,000/-	Authorized Share Capital: Rs.1,00,000/- Paid up Share Capital: Rs.1,00,000/-
5.	Reserves & surplus	27.60	1.65
6.	Total assets	1,782.47	2.09
7.	Total Liabilities (Excluding Share Capital and Reserves & Surplus)	1,754.87	0.44
8.	Investments	--	--
9.	Turnover	1,299.48	--
10.	Profit before taxation	8.98	2.62
11.	Provision for taxation	2.82	0.44
12.	Profit after taxation	6.16	2.17
13.	Proposed Dividend	--	--
14.	% of shareholding	100%	51%

## Notes:

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – Not Applicable

For **MRB & Associates**

Chartered Accountants

FRN. 136306W

**Manish R Bohra**

Partner

Mem. No. 058431

Date: May 07, 2022

Place: Mumbai

For and on behalf of the Board of Directors Bhageria Industries Limited

**Suresh Bhageria**

Chairman

(DIN: 00540285)

**Krunal Wala**Company Secretary  
Membership No.42515

Date: May 7, 2022

Place: Mumbai

**Vinod Bhageria**

Managing Director

(DIN: 00540308)

**Rakesh Kachhadiya**

Chief Financial Officer



NOTE

NOTE

# SIX YEARS FINANCIAL SUMMARY

(₹ in Lakhs)

Financial year	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17
<b>Income</b>						
Revenue from Operation (Gross)	59,622.12	39,918.86	41,367.95	46,240.96	41,187.03	37,345.91
Less : Excise Duty & GST Recovered	-	-	-	-	(3,855.99)	-
Other Income	906.18	443.98	559.92	529.18	1,154.11	1,008.04
	<b>60,528.30</b>	<b>40,362.84</b>	<b>41,927.87</b>	<b>46,770.14</b>	<b>38,485.15</b>	<b>38,353.95</b>
<b>Expenditure</b>						
Material & Overheads (+ / - Stock Adjustment)	48,028.21	29,595.55	31,609.46	33,750.12	29,351.78	31,105.77
Finance Cost	128.42	101.35	167.63	380.49	604.76	155.80
<b>Profit Before Depreciation &amp; Tax</b>	<b>12,371.67</b>	<b>10,665.93</b>	<b>10,150.78</b>	<b>12,639.53</b>	<b>8,528.60</b>	<b>7,092.38</b>
Depreciation	2,856.89	2,586.05	2,296.17	2,218.43	2,288.32	603.71
Tax Expenses	2,464.54	1,834.13	1,273.19	3,270.46	2,206.38	2,142.24
<b>Profit for the Year</b>	<b>7,050.25</b>	<b>6,245.75</b>	<b>6,581.42</b>	<b>7,150.64</b>	<b>4,033.90</b>	<b>4,346.43</b>
Other Comprehensive Income (Net of tax)	2.82	(5.42)	(11.79)	(8.99)	(7.35)	(4.44)
<b>Total Comprehensive Income for the year</b>	<b>7,053.07</b>	<b>6,240.33</b>	<b>6,569.63</b>	<b>7,141.65</b>	<b>4,026.55</b>	<b>4,341.99</b>
<b>EBITDA (₹)</b>	<b>12,500.09</b>	<b>10,767.28</b>	<b>10,318.41</b>	<b>13,020.02</b>	<b>9,133.36</b>	<b>7,248.18</b>
EBITDA (%)	20.7%	26.7%	24.6%	27.8%	23.7%	18.9%
<b>Dividend (%)</b>	<b>80%</b>	<b>70%</b>	<b>60%</b>	<b>98%</b>	<b>110%</b>	<b>100%</b>
Dividend (in ₹ per shares)	4.00	3.50	3.00	6.00	5.50	5.00
<b>Earning Per Share (Face Value of ₹ 5 each)</b>	<b>16.15</b>	<b>14.31</b>	<b>15.08</b>	<b>16.38</b>	<b>9.24</b>	<b>11.52</b>
Cash Earning Per Share (Face Value of ₹ 5 each)	22.70	20.24	20.34	21.47	14.49	13.12

## STATEMENT OF ASSETS & LIABILITY

<b>A. Equity and Liability</b>						
<b>Shareholders' Funds</b>						
(a) Share capital	2,182.21	2,182.21	2,182.21	1,091.10	793.98	793.98
(b) Reserves and surplus	48,491.81	42,966.28	38,035.27	33,148.70	28,737.66	25,669.50
	<b>50,674.02</b>	<b>45,148.49</b>	<b>40,217.48</b>	<b>34,239.80</b>	<b>29,531.64</b>	<b>26,463.48</b>
<b>Non-Current Liabilities</b>						
(a) Long-Term Borrowings	-	-	-	-	920.44	440.55
(b) Other Long-Term Liabilities	585.45	41.85	-	-	-	-
(c) Long-Term Liabilities & Provision	216.93	220.32	169.84	114.12	68.17	49.58
(d) Deferred Tax Liabilities (net)	3,459.01	3,703.09	4,306.82	5,018.47	5,156.54	3,636.99
	<b>4,261.39</b>	<b>3,965.26</b>	<b>4,476.66</b>	<b>5,132.60</b>	<b>6,145.15</b>	<b>4,127.12</b>
<b>Current Liabilities</b>						
(a) Short-Term Borrowings	1,761.56	2,690.54	2,068.06	2,349.47	7,279.79	13,958.22
(b) Trade Payables	5,897.76	3,678.33	5,151.37	3,942.87	5,223.23	3,384.02
(c) Other Current Liabilities	913.47	1,471.52	704.47	1,040.34	1,308.03	4,557.65
(d) Short-Term Provisions	68.29	17.94	11.59	6.90	5.08	3.52
	<b>8,641.08</b>	<b>7,858.34</b>	<b>7,935.49</b>	<b>7,339.58</b>	<b>13,816.13</b>	<b>21,903.41</b>
(A)	<b>63,576.49</b>	<b>56,972.10</b>	<b>52,629.64</b>	<b>46,711.98</b>	<b>49,492.92</b>	<b>52,494.01</b>
<b>B. Assets</b>						
<b>Non-Current Assets</b>						
(a) Net Fixed Assets	39,399.24	36,512.20	34,944.22	30,186.94	30,359.73	28,720.80
(b) Non-Current Investment	46.35	46.19	44.47	46.95	53.75	149.54
(c) Other Non-Current Assets	1,007.74	604.77	547.71	1,957.58	467.60	136.10
	<b>40,453.32</b>	<b>37,163.16</b>	<b>35,536.40</b>	<b>32,191.48</b>	<b>30,881.08</b>	<b>29,006.44</b>
<b>Current Assets</b>						
(a) Current Investment	715.20	338.28	0.01	945.68	79.81	2,732.76
(b) Sundry Debtors	9,723.03	9,215.98	7,814.35	6,331.64	8,737.09	5,221.26
(c) Inventories	6,533.02	3,764.85	3,802.85	1,871.45	3,102.96	2,382.96
(d) Cash & Bank Balance	2,350.66	2,263.29	957.67	3,581.04	3,300.44	10,952.19
(e) Other Current Assets	3,801.26	4,226.54	4,518.37	1,790.69	3,391.54	2,198.40
	<b>23,123.17</b>	<b>19,808.94</b>	<b>17,093.24</b>	<b>14,520.50</b>	<b>18,611.84</b>	<b>23,487.57</b>
(B)	<b>63,576.49</b>	<b>56,972.10</b>	<b>52,629.64</b>	<b>46,711.98</b>	<b>49,492.92</b>	<b>52,494.01</b>

# prepared in accordance with new accounting standards prescribed under Companies (Indian Accounting Standards) Rules, 2015 applicable to the Company w.e.f. April 1,2017.



**BHAGERIA INDUSTRIES LIMITED**

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Email ID : [info@bhageriagroup.com](mailto:info@bhageriagroup.com)

