

**33rd ANNUAL GENERAL MEETING**

Day : Wednesday  
Date : 29th September, 2021  
Time : 9-00 a.m.  
Venue : Video Conferencing("VC")

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## **BHASKAR AGROCHEMICALS LIMITED.**

### **CORPORATE INFORMATION**

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

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

#### **COMPANY SECRETARY AND**

**COMPLIANCE OFFICER** : Ms Suchita Dugar

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

**FACTORY** : 94/1, Toophranpet,  
Choutuppal Mandal,  
Yadadri Bhuvangiri Dist - 508 252, Telangana

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

**SECRETARIAL AUDITORS** : **Vivek Surana & Associates**  
Practicing Company Secretaries  
Hyderabad.

**BANKERS** : **Axis Bank Limited**

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

**NOMINATION & REMUNERATION COMMITTEE** : Mr. Ch. Sudhakar - Chairman  
Mr. S.V. Satyanarayana Chowdary - Member  
Mrs. P. Rajya Lakshmi - Member

**STAKEHOLDERS RELATIONSHIP COMMITTEE** : Dr. Aluri Naga Uma Maheswara Prasad - Chairman  
Mr. Ch. Sudhakar - Member

**REGISTRAR & SHARE TRANSFER AGENT (RTA)** : **XI Softech Systems Ltd.**  
3, Sagar Society, Road No. 3  
Banjara Hills, Hyderabad – 500 034, Telangana.  
Ph : 040 - 23545913, E-mail : xlfield@gmail.com

**LISTED AT** : BSE Limited

**ISIN** : INE972C01018

**WEBSITE** : www.bhaskaragro.com

**INVESTOR E-MAIL ID** : bhaskaragro@yahoo.com

**CORPORATE INDENTITY NUMER** : L24219TG1988PLC008331

## NOTICE

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Shareholders of Bhaskar Agrochemicals Limited will be held on Wednesday, 29th day of September, 2021 at 9.00 A.M. through Video Conferencing ("VC") Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31<sup>st</sup>, 2021, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Dr. Aluri Naga Uma Maheswara Prasad(DIN: 02970817) who retires by rotation and being eligible, offers him self for re-appointment.

### SPECIAL BUSINESS:

#### 3. RE APPOINTMENT OF MR. VENKATA SATYANARAYANA SANKURATHRI CHOWDARY, NON-EXECUTIVE INDEPENDENT DIRECTOR FOR SECOND TERM OF 5 (FIVE) CONSECUTIVE YEARS:

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

**"RESOLVED THAT** pursuant to the provisions of, Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and Articles of Association of the Company, Mr. Venkata Satyanarayana Sankurathri Chowdary (DIN: 07522128), who was appointed as a Non-Executive Independent Director to hold office up to 31<sup>st</sup> March, 2021, is eligible for being reappointed, be and is hereby reappointed as a Non-Executive Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years with effect from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026 not liable to retire by rotation."

**"RESOLVED FURTHER THAT** any of the Directors or Key Managerial Personnel of the Company be and is hereby authorized to do all such acts and take all steps as are necessary, proper, desirable and expedient in this regard to give effect to this resolution."

#### 4. REAPPOINTMENT OF MR. SUDHAKAR CHIGURUPATI, NON-EXECUTIVE INDEPENDENT DIRECTOR FOR SECOND TERM OF 5 (FIVE) CONSECUTIVE YEARS:

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 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and Articles of Association of the Company, Mr. Sudhakar Chigurupati (DIN: 07522130), who was appointed as a Non-Executive Independent Director to hold office up to 31<sup>st</sup> March, 2021, is eligible for being reappointed, be and is hereby reappointed as a Non-Executive Independent Director of the Company, to hold office for a second term of 5 (five) consecutive years with effect from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026 not liable to retire by rotation."

**"RESOLVED FURTHER THAT** any of the Directors or Key Managerial Personnel of the Company be and is hereby authorized to do all such acts and take all steps as are necessary, proper, desirable and expedient in this regard to give effect to this resolution."

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**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

**BY ORDER OF THE BOARD  
BHASKAR AGROCHEMICALS LIMITED**

Place: Hyderabad

Date : 06.09.2021

**P. PATTABHI RAMA RAO**  
CHAIRMAN & MANAGING DIRECTOR  
00353641

### **NOTES:**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.bhaskaragro.com](http://www.bhaskaragro.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

9. In continuation of this Ministry's General Circular No. 20/2020, dated 05<sup>th</sup> May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.
10. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
12. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
13. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2021 to 29.09.2021 (both days inclusive) for the purpose of AGM.
14. Shareholders holding shares in physical form may write to the company/company's R&T agents for any change in their address; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
15. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. XI Softech Systems Ltd.)
16. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Further The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to **M/s. XI Softech Systems Ltd.**, Share Transfer Agents of the Company for their doing the needful.
17. As per 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, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository.Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.
18. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
19. In respect of shares held in physical mode,all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
20. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may

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submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.

21. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
23. Instructions for e-voting and joining the AGM are as follows:

### **A. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- II. The remote e-voting period commences on Sunday, September 26, 2021 (9:00 a.m. IST) and ends on Tuesday, September 28, 2021 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 22, 2021 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- V. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- VI. 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.
- VII. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings 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 CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting</li> <li>3) your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>4) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the DematAccount. After successful authentication, user will be able to see e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.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.</li> <li>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" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.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.</li> </ol>

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

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

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

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

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

	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)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.



- IX. After entering these details appropriately, click on "SUBMIT" tab.
- X. 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.
- XI. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XII. Click on the EVSN Bhaskar Agrochemicals Limited.
- XIII. 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.
- XIV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XV. 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.
- XVI. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVII. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- XVII. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XIX. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address [viveksurana24@gmail.com](mailto:viveksurana24@gmail.com) and to the Company at the email address viz; [bhaskaragro@yahoo.com](mailto:bhaskaragro@yahoo.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OVAM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

## **BHASKAR AGROCHEMICALS LIMITED.**

- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at company e-mail id viz; bhaskaragro@yahoo.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at company e-mail id viz; bhaskaragro@yahoo.com. These queries will be replied to by the company suitably by e-mail.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

- For Physical shareholders please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to Company/RTA e-mail id.
  - For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
  - For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
24. If you have any queries or issues regarding attending AGM & 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 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, 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 on 022-23058542/43.

25. Mr. Vivek Surana, Practicing Company Secretary, bearing C.P. Number 12901 has been appointed as the Scrutinizer to scrutinize the e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
26. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bhaskaragro.com](http://www.bhaskaragro.com) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited.

**ANNEXURE TO THE NOTICE**

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS GIVEN BELOW.**

**ITEM NOS. 3& 4:**

Mr. Venkata Satyanarayana Sankurathri Chowdary and Mr. Sudhakar Chigurupati were appointed as Independent Directors on 21<sup>st</sup> May, 2016 in terms of Section 161 (1) of the Companies Act, 2013 in the category of 'Non-Executive Independent' for the term of 5(five) consecutive years commencing from 21.05.2016 to 31.03.2021.

In order to ensure compliance with the provisions of Sections 149 and 152 of the Companies Act, 2013 read with Rules made there under and Schedule IV of the Act, it is proposed that approval of the shareholders be accorded for the appointment of Mr. Venkata Satyanarayana Sankurathri Chowdary and Mr. Sudhakar Chigurupati as 'Independent Directors' for a term up to 5 consecutive years commencing from 01<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026.

Accordingly the Board of Directors recommends the passing of the above resolutions as Special Resolution as set out in the item nos. 3 & 4 of the notice for appointment of Mr. Venkata Satyanarayana Sankurathri Chowdary and Mr. Sudhakar Chigurupati respectively.

Save and except Mr. Venkata Satyanarayana Sankurathri Chowdary and Mr. Sudhakar Chigurupati, Independent Director, being appointees in their respective resolutions, none of the other Directors/Key Managerial Personnel and their relatives is in any way interested or concerned financially or otherwise, in the above said Resolutions set out in the notice.

**BY ORDER OF THE BOARD  
BHASKAR AGROCHEMICALS LIMITED**

**P. PATTABHI RAMA RAO**  
CHAIRMAN & MANAGING DIRECTOR  
00353641

Place: Hyderabad  
Date : 06.09.2021

## **BHASKAR AGROCHEMICALS LIMITED.**

### **DIRECTOR'S REPORT**

#### **To the Members,**

The Directors have pleasure in presenting before you the 33<sup>rd</sup> Director's Report to the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2021.

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

The performance during the period ended 31<sup>st</sup> March, 2021 has been as under: (Rs. In Lakhs)

Particular	2020-21	2019-20
Total Revenue	6381.90	5184.57
Total Expenditure	6296.96	5123.64
Profit Before Tax	84.93	60.93
Provision for Tax	-	-
Profit after Tax	84.93	60.93
Balance Carried to Balance Sheet	84.93	60.93

#### **2. MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments affecting financial position of the company between 31<sup>st</sup> March and the date of Board's Report. (i.e. 06.09.2021)

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

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

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

The Directors have not recommended dividend for the year.

#### **5. RESERVES:**

The Company has not carried any amount to the reserves.

#### **6. SHARE CAPITAL:**

There is no change in the share capital of the Company.

#### **7. BOARD MEETINGS:**

The Board of Directors duly met 6(Six) times on 30.05.2020, 27.06.2020, 05.09.2020, 07.09.2020, 12.11.2020 and 12.02.2021 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

#### **8. INVESTOR EDUCATION AND PROVIDENT FUND:**

The Company has not transferred any amount to Investor Education and Provident Fund.

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

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

#### **10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report is appended to this Report.

#### **11. DIRECTORS OR KMP APPOINTED, RE-APPOINTED OR RESIGNED:**

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

Name of the Director	Aluri Naga Uma Maheswara Prasad	S.V.Satyanarayana Chowdary	CH. Sudhakar
Director Identification No.	02970817	07522128	07522130
Date of Birth	13.08.1947	03.02.1962	04.01.1960
Date of appointment	19.04.2010	21.05.2016	21.05.2016
Qualification	MBBS	LL.B	B.Com
Occupation	Doctor	Advocate	Business
Profile	More than 3 decades of experience in Medical Field	More than 2 decades of experience in Civil, Criminal, Revenue, Arbitration, Company Law , Banking and Taxation	More than 15 years of Rich experience in real estate and construction business
Relationship between directors inter-se	Nil	Nil	Nil
Nature of expertise in specific functions area	Medical	Civil, Criminal, Revenue, Arbitration, Company Law , Banking and Taxation	Real estate and Construction
Directorship in other Listed Entities	Nil	Nil	Nil
Membership of Committees of other listed Companies	Nil	Nil	Nil
Shareholding in the Company	Nil	Nil	Nil

During the year under review Mr. Parasharam Ramchandra Adav has resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. 31.10.2020 due to personal reasons and Ms. Suchita Dugar was appointed as the Company Secretary & Compliance Officer of the Company w.e.f. 01.11.2020.

During the year under review Sri. Pattabhi Rama Rao was re-appointed as Chairman and Managing Director of the Company of the Company w.e.f. 01.04.2020 to 31.03.2023 and Sri. P. Praveen Kumar was re-appointed as Joint Managing Director and CFO of the Company w.e.f. 01.04.2020 to 31.03.2023.

## 12. FAMILIARISATION PROGRAMMES:

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

## 13. COMPOSITION OF AUDIT COMMITTEE:

- I. The Audit Committee of the Company is constituted inline with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.
- II. The terms of reference of the Audit Committee include are view of the following:
  - ☐ Overview of the Company's financial reporting process and is closure of its financial information to ensure that the financial statements reflect at true and fair position and that sufficient and credible information is disclosed.
  - ☐ Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - ☐ Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - ☐ Reviewing the financial statements and draft audit report including quarterly/half yearly financial information.
  - ☐ Reviewing with management the annual financial statements before submission to the Board, focusing on:

## **BHASKAR AGROCHEMICALS LIMITED.**

1. Any changes in accounting policies and practices;
2. Qualification in draft audit report;
3. Significant adjustments arising out of audit;
4. The going concern concept;
5. Compliance with accounting standards;
6. Compliance with stock exchange and legal requirements concerning financial statements and
7. Any related party transactions
  - ☐ Reviewing the company's financial and risk management's policies.
  - ☐ Disclosure of contingent liabilities.
  - ☐ Reviewing with management, external and internal auditors, the adequacy of internal control systems.
  - ☐ Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - ☐ Discussion with internal auditors of any significant findings and follow-up thereon.
  - ☐ Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - ☐ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - ☐ Reviewing compliances as regards the Company's Whistle Blower Policy.

III. The previous Annual General Meeting of the Company was held on 29.09.2020 and Chairman of the Audit Committee, attended previous AGM.

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

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

During the financial year 2020-21, (4) four meetings of the Audit Committee were held on the 27.06.2020, 07.09.2020, 12.11.2020 and 12.02.2021.

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

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

**NED (I):** Non-Executive, Independent Director

**NED:** Non Independent, Non- Executive Director

## **V. NOMINATION & REMUNERATION COMMITTEE:**

### **Terms of reference :**

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director of the Company and while approving:

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

### Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit. The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

Mr. P. Pattabhi Rama Rao, Chairman & Managing Director and Mr. P. Praveen Kumar, Joint Managing Director and CFO are paid a monthly remuneration of Rs.3,25,000 p.m.

During the year, the committee met on 12.02.2021.

The details of composition of the Committee are given below:

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

**NED (I):** Non Executive Independent Director

**NED:** Non Independent, Non-Executive Director

### POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

#### 1. Scope:

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

#### 2. Terms and References:

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

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

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

#### 3. Policy:

##### 3.1 Qualifications and criteria

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

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

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

3.1.3 The proposed appointee shall also fulfil the following requirements:

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

## **BHASKAR AGROCHEMICALS LIMITED.**

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

### **3.2 Criteria of independence**

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

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

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

### **3.3 Other Directorships/ Committee Memberships**

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

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

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

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

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

### **Remuneration policy for Directors, key managerial personnel and other employees**

#### **1. Scope:**

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

#### **2. Terms and Reference:**

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

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

2.2 "key managerial personnel" means

(i) The Chief Executive Office or the managing director or the manager;

(ii) The company secretary;

(iii) The whole-time director;

(iv) The chief finance Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

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

#### **3. Policy:**

##### **3.1 Remuneration to Executive Director and Key Managerial Personnel**

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

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



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

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

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

### 3.2 Remuneration to Non – Executive Directors

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

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

### 3.3. Remuneration to other employees

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

## VI. STAKEHOLDERS RELATIONSHIP COMMITTEE:

### A.) Composition:

The Details of composition of the Committee are given below:

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

**NED:** Non Executive Director

### B.) Powers:

The Committee has been delegated with the following powers:

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

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

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

## 14. VIGIL MECHANISM:

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 read with SEBI (LODR) Regulations 2015. The same has been placed on the website of the Company.

## **BHASKAR AGROCHEMICALS LIMITED.**

### **15. DIRECTOR'S RESPONSIBILITY STATEMENT:**

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

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

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

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

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

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

### **18. EXTRACT OF ANNUAL RETURN:**

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

### **19. STATUTORY AUDITORS:**

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

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

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

### **21. SECRETARIAL AUDIT:**

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

### **22. QUALIFICATIONS IN AUDIT REPORTS:**

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

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2021 and has noted that the Company has not provided depreciation on building and Plant & Machinery relating to Unit-II in the books of account of the company as the Unit-II is closed. Since the Unit II is not in operations, therefore depreciation is not provided on Building, Plant & Machinery.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2021 on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

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

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

**A. Conservation of Energy:**

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

**B. Technology Absorption:**

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

**C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

**24. (a.) RISK MANAGEMENT POLICY:**

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

**24. (b.) CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2018. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website (<https://www.bhaskaragro.com/investors/insider-trading-policy.pdf>)

**25. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:**

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

**26. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

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

## **BHASKAR AGROCHEMICALS LIMITED.**

### **27. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

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

### **28. INSURANCE:**

The properties and assets of your Company are adequately insured.

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

The company has not given loans, Guarantees or made any investments during the year under review attracting the provisions of section 186 of the Companies Act, 2013.

### **30. CREDIT & GUARANTEE FACILITIES:**

The Company has availed credit facilities from Axis Bank.

### **31. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:**

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

### **32. RELATED PARTY TRANSACTIONS:**

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

Transactions with the Related Parties as required under relevant Accounting Standards of the form part of this Annual Report.

### **33. DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to your Company.

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

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

### **35. RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies(Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. P. Pattabhi Rama Rao, Chairman & Managing Director of the Company to the median remuneration of the employees is 14.74 :1 and of Mr. P. Praveen Kumar, Joint Managing Director & CFO of the Company is 14.74 :1.

### **36. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

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

### **37. SECRETARIAL STANDARDS:**

The Company is in compliance with the applicable secretarial standards.

### **38. EVENT BASED DISCLOSURES:**

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

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA

4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

**39. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

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

**40. CEO/ CFO CERTIFICATION:**

The Managing Director cum CEO and CFO certification of the financial statements for the year 2020-21 is annexed in this Annual Report.

**41. EMPLOYEE RELATIONS:**

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

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

**42. BOARD EVALUATION:**

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

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

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

- i) Feedback is sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every Director on his assessment of the performance of each of the other Directors.
- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from all the Directors.
- iii) Based on the inputs received, the Chairman of the NRC also makes a presentation to the Independent Directors at their meeting, summarising the inputs received from the Directors as regards Board performance as a whole and of the Chairman. The performance of the Non-Independent, Non-Executive Directors and Board Chairman is also reviewed by them.
- iv) Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) is discussed by the Chairman of the NRC with the Chairman of the Board. It is also presented to the Board and a plan for improvement is agreed upon and is pursued.

## **BHASKAR AGROCHEMICALS LIMITED.**

- v) Every statutorily mandated Committee of the Board conducts a self-assessment of its performance and these assessments are presented to the Board for consideration. Areas on which the Committees of the Board are assessed include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.
- vi) Feedback is provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation are presented to the Board and action plans are drawn up. During the year under report, the recommendations made in the previous year were satisfactorily implemented.

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

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

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

### **44. NO FRAUDS REPORTED BY STATUTORY AUDITORS:**

During the Financial Year 2020-21, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3)(ca) of the Companies Act, 2013.

### **45. ANNUAL SECRETARIAL COMPLIANCE REPORT:**

Annual Secretarial Compliance Report pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018 read with SEBI Circular dated 08.02.2019 and BSE circular dated 09.05.2019 and 14.05.2019 is not applicable to the Company as it does not attract the provisions of Regulation 15(2) of SEBI (LODR) Regulations, 2015 on Corporate Governance since paid up equity share capital as on 31.03.2021 is not exceeding Rs. 10 Crores and the net worth of the Company has not exceeded Rs. 25 Crores on the last day of previous financial year (i.e. 31.03.2021) or during the financial year (2020-21).

In view of the above, our Company is not required to submit Annual Secretarial Compliance Report for the year ended 31.03.2021 to the Stock Exchange/s pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018.

### **45. ACKNOWLEDGEMENTS:**

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

Your Directors also wish to place on record their appreciation of business constituents, Banks, statutory authorities and other financial institutions and shareholders of the Company, for their continued support for the growth of the Company.

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

<b>P. PRAVEEN KUMAR</b> Joint Managing Director & CFO DIN : 00353720	<b>P. PATTABHI RAMA RAO</b> Chairman & Managing Director DIN : 00353641
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Place: Hyderabad  
Date : 06.09.2021

**SUCHITA DUGAR**  
Company Secretary

## **Certificate of Code of Conduct for the year 2020-21**

The shareholders

### **Bhaskar Agrochemicals Limited**

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

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

Place: Hyderabad  
Date : 06.09.2021

**P. PATTABHI RAMA RAO**  
CHAIRMAN & MANAGING DIRECTOR  
DIN : 00353641

## **CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY**

**To**

**The Board of Directors,**

Dear Sirs,/Madam,

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

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2021 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,

**BHASKAR AGROCHEMICALS LIMITED.**

4. That we have informed the auditors and the audit committee of:

- a) Significant changes in the internal control during the year;
- b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

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

Place: Hyderabad  
Date : 06.09.2021

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

**SUCHITA DUGAR**  
Company Secretary

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED  
SUSPENSE ACCOUNT**

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

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

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



## Management Discussion and Analysis Report:

### (a) Industry structure and developments:

The world experienced a major crisis in 2020 and is further expected to continue in 2021. The pandemic has impacted livelihood of many people and pushed millions into poverty. This has impacted the progress of the economy.

Agriculture continues to be prominent for the Indian economy as it is the primary source of livelihood for about half of the nations population. The sector contributes about 17% to India's GDP. Increased population across the world with corresponding need for food supply, industrial input and international trading opportunities make agriculture a critical sector. India is already the largest producer of milk, pulses and spices and the second largest producer of rice, wheat, cotton, sugarcane, tea, fruits and vegetables.

Insecticides dominate the Indian crop protection market. Herbicides, which are the largest selling category in the West, are the fastest growing segment.

### (b) Opportunities and Threats:

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

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

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

During the year under review, the Company has recorded revenue of Rs. 6381.72 Lakhs and made a Profit of Rs. 84.93 Lakhs against revenue of Rs. 5183.78 Lakhs and a profit of Rs. 60.93 Lakhs in the previous financial year 2019-20.

### (d) Outlook:

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

### (e) Risks and concerns:

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

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

### (f) Internal control systems and their adequacy:

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

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

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

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

The Company has able and experienced staff and dedicated executives. The company continues to have cordial relations with its employees and other stake holders. The Company has 62 permanent employees as on 31.03.2021.

### i) key financial ratios:

- a.) Debtors Turnover: 18.23
- b.) Inventory Turnover: 6.85
- c.) Interest Coverage Ratio: 2.73
- d.) Current Ratio: 0.82
- e.) Debt Equity Ratio: 1.04
- f.) Operating Profit Margin (%): 4.36
- g.) Net Profit Margin (%): 1.33
- h.) Sector-specific equivalent ratios, as applicable: NA

### i) Disclosure of Accounting Treatment :

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

**BHASKAR AGROCHEMICALS LIMITED.****REMUNERATION DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

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

Name of Directors	Designation	Ratio of Remuneration
P. Pattabhi Rama Rao	Chairman & Managing Director	14.98:1
P. Praveen Kumar	Joint Managing Director & CFO	14.98:1

2. The percentage in increase in remuneration of each directors, chief financial officer, Company secretary, if any in the financial year: There is increase in the salary of Sri. Pattabhi Rama Rao and P. Praveen Kumar by 38.4%
3. The percentage increase in the median remuneration of Employees for the financial year: Nil
4. There were 63 permanent employees as on 31st March, 2021.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration: Nil
6. The average increase in the remuneration of employees excluding KMPs during FY 2020-21 was Nil % and the average increase in the remuneration of KMPs was Nil %.
7. The remuneration of Directors was as per the Remuneration Policy of the Company.
8. Details of TOP 10 Employees

S. No.	Name and Age	Age	Designation	Remuneration per annum (in Rs.)	Qualification and Experience	Date of commencement of Employment	Last employment	No of equity shares held in the company	Relation with any director of the Company
1	P. Pattabhi Rama Rao	71	Chairman & Managing Director	39,00,000	B Com	19/02/1988	-	12,95,484	Husband of Mrs. P. Rajyalakshmi and father of Mr. P. Praveen Kumar
2	P. Praveen Kumar	44	Joint Managing Director & CFO	39,00,000	B.Tech, M.B.A	24/11/2005	-	9,01,573	Son of Mrs. P. Rajyalakshmi and P. Pattabhi Rama Rao
3	G. Sada Siva Rao	58	Manager	10,24,152	B Com	05/06/1988	-	-	-
4	N. Adinarayana Rao	62	Manager	9,62,256	B.Com	15/05/1995	-	-	-
5	M. Babu Rao	67	Vice President	7,33,870	B.Sc Ag.	10/01/2020	Crystal Crop Protection	-	-
6	K. Bhaskar Reddy	47	Manager	5,88,000	Diploma ITI	01/11/2015	M/s Annapurna Ear Canal Ltd	-	-
7	S. Jagadeswara Rao	47	Chemist	5,88,000	M.Sc	20/07/2017	M/s Hyderabad Chemicals Ltd	-	-
8	M.Saravanan	46	Regional Business Manager	4,26,750	B.Sc (Ag)	10/01/2020	Crystal Crop Protection	-	-
9	K. Ravi Kishore	35	Accounts Officer	3,44,000	B Com	01/08/2013	M/s Exide Industries Ltd	-	-
10	G. Satyam	49	Supervisor (Prod)	3,10,000	Diploma ITI	23/01/1995	M/s Pristine Agro	-	-

FORM MR-3

## SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

To,

The Members

Bhaskar Agro Chemicals Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bhaskar Agro Chemicals Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1<sup>st</sup> April, 2020 and ended 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> of March, 2021 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2020-21:-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Complied with yearly and event based disclosures, wherever applicable.**
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; **The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. [www.bhaskaragro.com](http://www.bhaskaragro.com).**
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable as the company has not issued any shares during the year under review.**
  - iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable as the Company has not issued any Employee Stock Options during the year under review.**
  - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable as the Company has not issued any debt securities during the year under review.**

## **BHASKAR AGROCHEMICALS LIMITED.**

- vi. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However the company has XL Softech Systems Limited as its Share Transfer Agent.**
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.**
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.**
- ix. Other applicable laws include the following:
  - ☐ The Payment of Gratuity Act, 1972
  - ☐ Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - ☐ Employees State Insurance Act, 1948
  - ☐ Income Tax Act, 1961
  - ☐ Minimum Wages Act, 1948
  - ☐ Payment of Bonus Act, 1965
  - ☐ Payment of Wages Act, 1936
  - ☐ Shops and Establishments Act, 1948
  - ☐ Water (Prevention and control of Pollution) Act, 1974 and the rules made there under
  - ☐ Air (Prevention and control of Pollution) Act, 1981 and the rules made there under
  - ☐ Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
  - ☐ The Environment Protection Act, 1986
  - ☐ The Factories Act, 1948
  - ☐ The Insecticides Act, 1968 and rules made thereunder
  - ☐ Fertilizer Control (Order).

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

We have relied on representation made by the Company and its Officer for due adherence of the applicable Secretarial Standards.

- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

We have relied on the representation made by the Company and its officer for systems and mechanism framed by the Company for compliance under the applicable Acts, Laws and Regulation to the Company

- (i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
- ☐ External Commercial Borrowings were not attracted to the Company under the financial year under report;
  - ☐ Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
  - ☐ Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.
- (ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- ☐ The Board of Directors of the Company is duly constituted with the required Key Managerial Personnel with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.
- ☐ Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.
- ☐ As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- ☐ We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- ☐ We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For Vivek Surana & Associates

Place: Hyderabad  
Date : 04.09.2021

Sd/-  
Vivek Surana  
Proprietor  
CP.No : 12901  
UDIN: A024531C000895159

**BHASKAR AGROCHEMICALS LIMITED.**

**Annexure A**

To  
The Members of  
Bhaskar Agrochemicals Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Vivek Surana & Associates

Place: Hyderabad  
Date : 04.09.2021

Sd/-  
Vivek Surana  
Proprietor  
CP.No : 12901  
UDIN: A024531C000895159

## **Form No. AOC-2**

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

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

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

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

### **2. Details of material contracts or arrangement or transactions at arm's length basis: Please refer the financials note no. 40**

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

## BHASKAR AGROCHEMICALS LIMITED.

### INDEPENDENT AUDITOR'S REPORT

To

The Members of

Bhaskar Agrochemicals Limited

#### Qualified Opinion

We have audited the financial statements of **Bhaskar Agrochemicals Limited** ("the Company"), which comprise the balance sheet as at 31st March, 2021, and the statement of Profit and Loss (including other comprehensive income), cash flows statement and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

*The Company has not provided depreciation on building and plant and equipment relating to Unit – II in the books of accounts of the company as the Unit – II is closed and hence our opinion is qualified in respect of this matter.*

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

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

#### Sl.No 1

#### Key Audit Matter

#### Auditor's Response

**Revenue Recognition** Revenue from the sale of goods (hereinafter referred to as Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company.

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

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



The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred. Refer Note 1 to the Financial Statements - Significant Accounting Policies

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

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

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

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

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

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

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

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

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

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

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

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

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

## **BHASKAR AGROCHEMICALS LIMITED.**

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred on account of unpaid dividend, to the Investor Education and Protection Fund by the Company as at 31<sup>st</sup> March, 2021.

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

Place : Hyderabad  
Date : 29.06.2021

**Shailendra Singhvi**  
**Proprietor**  
**Membership No. 023125/ICAI**  
**UDIN No. : 21023125AAABL6431**

## **BHASKAR AGROCHEMICALS LIMITED.**

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

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

- i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. All the Fixed assets have been physically verified by the management during the year according to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. As per the documents verified by us and explanation given to us, the Title Deeds of immovable properties are held in the name of the company.
- ii). The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- iii). The company has not granted any loans secured or unsecured, to companies, firms, Limited Liability Partnership or other parties who are covered in the register maintained under section 189 of Companies Act, 2013, accordingly Clause (iiia), (iii b) and (iii c) of Paragraph 3 of the Order are not applicable.
- iv) According to the information and explanations given to us, the Company has not granted any loans, guarantees and security and made investments, as per section 185 & 186 of the Companies Act, 2013
- v) According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and as per the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) The central government has not prescribed the maintenance of cost records as specified under section 148(1) of the Companies Act, 2013.
- vii) a. According to the information & explanations given to us, none of the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Goods & Service Tax, Cess and any other material Statutory Dues were outstanding as at last day of the financial year concerned for a period of more than six months.
  - b. According to the information & explanations given to us, there is no dues in respect of disputed amount to be deposited in respect of Custom Duty, Goods and Service Tax, Cess and other material Statutory dues as on 31<sup>st</sup> March, 2021.
- viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to the financial institutions, bank, government or dues to debenture holders.
- ix) In our opinion, and according to the information and explanations given to us, the company has not raised money by way of term loans or initial public offer or further public offer (including debt instruments) and hence reporting under clause (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no fraud by the Company or any fraud on the company by its officers/employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us, the Company has paid and provided managerial remuneration during the year as per the provisions of Section 197 read with Schedule V to the Companies Act.
- xii) In our opinion, the Company is not a Nidhi Company. Accordingly, Clause (xii) of Paragraph 3 of the Order is not applicable.
- xiii) According to the information and explanations given to us, all transactions with the related party are in compliance with section 177 & 188 of Companies Act, 2013 and the same has been disclosed in financial statements as required by the Accounting Standards.

- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) According to the information and explanations given to us, the company has not entered into Non Cash Transactions with directors or persons connected with him during the year.
- xvi) According to the information and explanations given to us, company is not required to be registered under section 45-IA of Reserve Bank of India.

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

Place : Hyderabad

Date : 29.06.2021

**Shailendra Singhvi  
Proprietor  
Membership No.023125/ICAI  
UDIN No. : UDIN No. : 21023125AAABL6431**

### **Report on Internal Financial Controls Over Financial Reporting**

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

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

We have audited the internal financial controls over financial reporting of Bhaskar Agrochemicals Limited (“the Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the

## **BHASKAR AGROCHEMICALS LIMITED.**

design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

**UDIN No. : UDIN No. : 21023125AAABL6431**

Place : Hyderabad  
Date : 29.06.2021

# **BHASKAR AGRO CHEMICALS LIMITED**

Regd Office: Plot No.73, 3rd Floor, Western Homes, Kavuri Hills,Hyderabad - 500033.

CIN: L24219TG1988PLC008331, Tel: 040 23119304

Email: bhaskaragro@yahoo.com, Website:www.bhaskaragro.com

## **Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along with standalone Annual Audited Financial Results**

### **Statement of Impact of Audit Qualifications For the Financial Year Ended March 31, 2021 [See Regulation 33/52 of the SEBI (LODR) (Amendment) Regulations, 2016]**

SL. NO.	Particulars	Audited Figures	Adjusted Figures
		(as reported before adjusting for qualifications)	(audited figures after adjusting for qualifications)
1	Total Revenue	63,81,89,928	63,81,89,928
2	Total Expenditure	62,96,96,481	62,96,96,481
3	Net Profit / (Loss) (before tax)	84,93,447	84,93,447
4	Earnings Per Shares	1.63	1.63
5	Total Assets	31,57,21,963	31,57,21,963
6	Total Liabilities	31,57,21,963	31,57,21,963
7	Net Worth	10,21,07,406	10,21,07,406
8	Any other financial items (as felt appropriate by the management)	NIL	NIL

#### **II Audit Qualification (each audit qualification separately)**

a. Details of audit qualifications	: The Company has not provided depreciation on Building & Plant & Machinery relating to Unit II in Books of account of the company as Unit II is closed.
b. Type of Audit Qualification	: Qualified Opinion
c. Frequency of qualifications	: Repetitive
d. For Audit Qualification(s) where the impact is quantified by the auditor	: No.
e. For Audit Qualification(s) where the impact is not quantified by the auditor	:
i. Management's estimation on the impact of audit qualification	: NIL
ii. If management is unable to estimate the impact, reason for the same	: N.A.
iii. Auditors' comment on (i) or (ii)	: NIL

#### **III Signatories:**

Managing Director	Sd/- P Pattabhi Rama Rao
CFO	Sd/- P Praveen Kumar
Audit Committee Chairman	Sd/- SVS Chowdary
Statutory Auditor	Sd/- Shailendra Singhvi Prop. S Singhvi & Co. Chartered Accountants FRNo. 003872S

**BHASKAR AGROCHEMICALS LIMITED.****BALANCE SHEET AS AT 31-03-2021**

(Amount of Rs.)

Particulars	Note No	31st March, 2021 Rupees	31st March, 2020 Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	3	18,00,30,894	18,45,38,777
Capital Work in Progress	4	19,39,522	0
Intangible Assets under Development	5	2,55,000	0
Financial assets			
Loans	6	10,24,049	4,64,049
Other non-current assets	7	4,00,371	2,04,536
<b>Total Non Current Assets</b>		<b>18,36,49,836</b>	<b>18,52,07,362</b>
<b>Current Assets</b>			
Inventories	8	9,31,71,359	5,58,95,723
Financial assets			
Trade receivables	9	3,50,10,326	5,40,79,751
Cash & cash equivalents	10	1,32,499	1,77,422
Deposits and others	11	47,059	32,365
Current tax assets (Net)	12	3,07,647	60,698
Other current assets	13	34,03,237	5,06,446
<b>Total Current Assets</b>		<b>13,20,72,126</b>	<b>11,07,52,405</b>
<b>Total Assets</b>		<b>31,57,21,963</b>	<b>29,59,59,766</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	5,19,80,330	5,19,80,330
Other equity	15	5,03,82,076	4,14,88,725
<b>Total Equity</b>		<b>10,23,62,406</b>	<b>9,34,69,055</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Financial liabilities			
Borrowings	16	4,97,58,240	3,98,13,234
Other financial liabilities	17	9,70,000	0
Provisions	18	11,73,858	14,89,773
<b>Total Non Current Liabilities</b>		<b>5,19,02,098</b>	<b>4,13,03,007</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	19	4,66,06,537	6,49,16,028
Trade payables	20	9,97,60,781	3,45,00,953
other Financial liabilities	21	1,40,62,404	98,12,686
Other current liabilities	22	6,32,909	5,15,32,093
<b>Provisions</b>	23	<b>3,94,827</b>	<b>4,25,945</b>
<b>Total Current Liabilities</b>		<b>16,14,57,459</b>	<b>16,11,87,704</b>
<b>Total Equity &amp; Liabilities</b>		<b>31,57,21,963</b>	<b>29,59,59,766</b>

Summary of Significant Accounting Policies  
The accompanying notes are an integral part of  
the standalone financial statements

1 TO 2

3 TO 40

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As per our report of even date attached.

for **S Singhvi & Co.**

Chartered Accountants  
Firm Regi. No. 003872S

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

**Shailendra Singhvi**

Proprietor  
M.No. 023125/ICAI  
UDIN : 21023125AAAABL6431

Place : Hyderabad  
Date : 29-06-2021

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

**SUCHITA DUGAR**  
Company Secretary



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note No	31st March, 2021 Rupees	31st March, 2020 Rupees
<b>Income :</b>			
Revenue from Operations	24	63,81,71,927	51,83,77,684
Other Income	25	18,001	79,646
<b>Total Revenue</b>		<b>63,81,89,928</b>	<b>51,84,57,330</b>
<b>Expenses:</b>			
Cost of materials consumed	26	57,48,29,247	45,58,14,242
Changes in inventories of finished goods	27	(1,39,00,812)	(6,09,405)
Employee benefits expense	28	2,30,20,413	1,69,51,429
Finance costs	29	1,34,12,484	1,37,85,875
Depreciation expense	3	1,02,07,366	98,66,933
Other expenses	30	2,21,27,784	1,65,54,960
<b>Total Expenses</b>		<b>62,96,96,481</b>	<b>51,23,64,034</b>
<b>Profit before tax</b>		<b>84,93,447</b>	<b>60,93,296</b>
Tax expense :			
Current Tax		0	0
Deferred tax		0	0
<b>Profit/(Loss)for the year</b>		<b>84,93,447</b>	<b>60,93,296</b>
<b>Other Comprehensive Income</b>	31		
Item not to be reclassified to profit & Loss in Subsequent periods:			
Remeasurement on employees defined benefit plan		3,99,904	13,577
Deferred tax credit on above		-	-
<b>Total other Comprehensive Income, net of tax</b>		<b>3,99,904</b>	<b>13,577</b>
<b>Total Comprehensive Income, net of tax</b>		<b>88,93,351</b>	<b>61,06,873</b>
Earning per equity share of Rs.10/- each fully paid:	32		
Basic & Diluted (Annulised)		1.63	1.17
Summary of Significant Accounting Policies	1 TO 2		
The accompanying notes are an integral part of the standalone financial statements	3 TO 44		

As per our report of even date attached.

for **S Singhvi & Co.**

Chartered Accountants

Firm Regi. No. 003872S

**Shailendra Singhvi**

Proprietor

M.No. 023125/ICAI

UDIN :21023125AAAABL6431

Place : Hyderabad

Date :29-06-2021

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

**P. PRAVEEN KUMAR**

Joint Managing Director & CFO

DIN : 00353720

**P. PATTABHI RAMA RAO**

Chairman & Managing Director

DIN : 00353641

**SUCHITA DUGAR**

Company Secretary

**BHASKAR AGROCHEMICALS LIMITED.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021**

(Amount of Rs.)

Particulars	Note No	31st March, 2021 Rupees	31st March, 2020 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Net profit Before tax		84,93,447	60,93,296
Adjustments for :			
Depreciation		1,02,07,366	98,66,933
Interest Paid		1,08,37,826	1,21,95,327
Interest earned		18,001	26,861
Profit on Sale of Asset		0	-52,385
Gratuity		3,99,904	13,577
<b>Operating profit before working capital charges</b>		<b>2,99,56,544</b>	<b>2,81,43,609</b>
Adjustments for movement in working capital:			
(Increase)/Decrease in Inventories		-3,72,75,636	3,25,72,748
(Increase)/Decrease in Trade Receivable		1,90,69,425	-2,64,07,632
(Increase)/Decrease in Other Financial & Non Financial Assets		-5,74,694	-2,508
Other Current & non current assets		-30,92,626	3,07,492
(Increase)/Decrease in Trade Payable		6,52,59,829	-53,13,812
(Increase)/Decrease in Other Financial, non financial liabilities & provisions		25,47,221	-10,24,708
(Increase)/Decrease in Other current liabilities		-5,08,99,183	61,57,148
<b>Cash generated from operations</b>		<b>2,49,90,879</b>	<b>3,44,32,337</b>
Direct taxes paid (Net of refund)		-2,46,949	-16,899
<b>Net cash flow from operating activities (A)</b>		<b>2,47,43,931</b>	<b>3,44,15,438</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>			
Purchases of property, plant & equipments, capital work in progress & capital advances		-78,94,006	-64,90,149
Proceeds from sale of property, plant & equipments		0	5,40,000
Interest earned		-18,001	-26,861
<b>Net cash flow used in investing activities (B)</b>		<b>-79,12,007</b>	<b>-59,77,010</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>			
proceeds/(Repayment) of long term borrowings (Net)		99,45,006	-46,00,995
proceeds/(Repayment) of short term borrowings (Net)		-1,59,84,027	-1,16,01,593
Interest paid		-1,08,37,826	-1,21,95,327
<b>Net cash used in financing activities (C)</b>		<b>-1,68,76,847</b>	<b>-2,83,97,915</b>
Net increase/(decrease) in cash and cash equivalents(A+B+C)		-44,923	40,513
Cash and cash equivalents at the beginning of the year		1,77,422	1,36,909
Cash and cash equivalents at end of the year		1,32,499	1,77,422
Cash and cash equivalents includes			
Cash on hand		48,659	96,472
Balances with banks in current accounts		83,840	80,950
		<b>1,32,499</b>	<b>1,77,422</b>

Summary of Significant Accounting Policies 1 TO 2

The accompanying notes are an integral part of the standalone financial statements 3 TO 41

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

As per our report of even date attached.

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

**Shailendra Singhvi**  
Proprietor  
M.No. 023125/ICAI  
UDIN : 21023125AAAAABL6431  
Place : Hyderabad  
Date : 29-06-2021

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

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

**SUCHITA DUGAR**  
Company Secretary

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

1. Equity Share Capital	31.03.2021		31.03.2020	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
As at April 01, 2019	52,09,633	5,20,96,330	52,09,633	5,20,96,330
Less: Allotment money due by others	0	1,16,000	0	1,16,000
Add: Issued during the year	0	0	0	0
As at March 31, 2020	52,09,633	5,19,80,330	52,09,633	5,19,80,330
As at April 01, 2020	52,09,633	5,20,96,330	52,09,633	5,20,96,330
Less: Allotment money due by others	0	1,16,000	0	1,16,000
Add: Issued during the year	0	0	0	0
As at March 31, 2021	52,09,633	5,19,80,330	52,09,633	5,19,80,330
<b>b Other Equity</b>	<b>Capital Reserve</b>	<b>Security Premium Reserve</b>	<b>Retained Earnings</b>	<b>Total</b>
As at April 01, 2019	4,73,81,660	1,51,61,539	(2,71,61,347)	3,53,81,852
Add: Profit for the year	0	0	60,93,296	60,93,296
Add: Other Comprehensive Income for the year :				
Remeasurement of employees defined benefit plans	0	0	13,577	13,577
Deferred tax on above	0	0	0	0
As at March 31, 2020	4,73,81,660	1,51,61,539	-2,10,54,474	4,14,88,725
As at April 01, 2020	4,73,81,660	1,51,61,539	-2,10,54,474	4,14,88,725
Add: Profit for the year	0	0	84,93,447	84,93,447
<b>Add: Other Comprehensive Income for the year :</b>				
Remeasurement of employees defined benefit plans	0	0	3,99,904	3,99,904
Deferred tax on above	0	0	0	0
As at March 31, 2021	4,73,81,660	1,51,61,539	-1,21,61,123	5,03,82,076

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

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

**Shailendra Singhvi**  
Proprietor  
M.No. 023125/ICAI  
UDIN : 21023125AAAAABL6431  
Place: Hyderabad  
Date : 29-06-2021

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

<b>P. PRAVEEN KUMAR</b>	<b>P. PATTABHI RAMA RAO</b>
Joint Managing Director & CFO	Chairman & Managing Director
DIN : 00353720	DIN : 00353641
<b>SUCHITA DUGAR</b>	
Company Secretary	

## **BHASKAR AGROCHEMICALS LIMITED.**

### **Notes to financial statements for the year ended March 31, 2021**

#### **1 Overview of the Company**

Bhaskar Agrochemicals Limited was incorporated on February 19, 1988 in Hyderabad (Telangana). The Company is a public limited company incorporated and domiciles in India and has its registered office at 3rd Floor, Plot No-73 Western Homes, Kavuri Hills, Phase-II, Jubilee Hills, Hyderabad - 500 033 (TS). It is incorporated under the Companies Act, 1956/2013 and its shares are listed on the Bombay Stock Exchange. It has got the manufacturing facility in Yadadri Bhuvanagiri District of Telangana, and is engaged in manufacturing mainly formulation of Agro Chemicals.

#### **2 Significant accounting policies**

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

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

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

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

> Defined benefit and other long term Employees Benefit.

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

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

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

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

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

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

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

- Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities
- Level 2 - inputs other than quoted price included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs) If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 2.4 Property Plant and Equipment and Depreciation

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

Building	30-60 years
Plant and equipment	20-25 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer and data processing equipment	3 years

- e) Depreciation on tangible fixed assets (property, plant and equipment) has been provided on Straight Line Method. Depreciation is provided on a pro-rata basis, i.e. from the date on which asset is ready for use. Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

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

## 2.5 Intangible Assets

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

## **BHASKAR AGROCHEMICALS LIMITED.**

d) An intangible asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Gains / losses arising from disposal of property, Plant & Equipment carried at cost are recognised in the Statement of Profit and Loss.

### **2.6 Impairment of Property, Plant and Equipment**

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

### **2.7 Borrowing Costs**

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

### **2.8 Research and Development Cost**

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

### **2.9 Non Current Assets held for Sale**

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

### **2.10 Inventories**

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

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

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

### **2.12 Cash Flow Statement**

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

### **2.13 Leases**

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

### **2.14 Revenue Recognition**

- a) Sale of goods is recognized as revenue when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenues are recognized when collectability of the resulting receivable is reasonably assured. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates

b) Income from services rendered is recognized based on agreements with the customers using the proportionate completion method, when services are performed and no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering of service.

c) Interest income is recognized on a time proportionate basis, taking into account the amount outstanding and the rates applicable.

## **2.15 Income Tax**

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

### **a) Current Tax**

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

### **b) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

## **2.16 Employees Benefits**

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

### **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company contributes to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 that is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the employee renders services. Superannuation benefits, a defined contribution plan, has been funded with Life Insurance Corporation of India and the contribution is charged to Statement of profit and loss, when the contribution to the Fund is due.

### **Defined benefit plans**

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

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

## **BHASKAR AGROCHEMICALS LIMITED.**

### **2.17 Foreign Currency Transactions**

a) Initial recognition-Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b) Subsequent measurement- Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

### **2.18 Provisions and Contingencies**

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

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

### **2.19 Government Grants**

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

### **2.20 Earnings per Shares**

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

### **2.21 Operating Cycles**

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

### **2.22. Financial Instruments**

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

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

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

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

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

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

##### **Financial assets at amortised cost**

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



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

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

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

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

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

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

**iii) Derecognition**

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

**iv) Impairment of Financial Assets**

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

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

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

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

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

**ii) Subsequent measurement**

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

**iii) Derecognition**

The company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting period. Any changes therein are generally recognised in the profit and loss account.

# BHASKAR AGROCHEMICALS LIMITED.

## NOTES TO THE ACCOUNTS

3.

(in Rs.)

PROPERTY, PLANT & EQUIPMENT	Freehold land	Buildings	Plant and Equipment	Electrical Installations	Furniture and Fixtures	Office Equipment	Computers	Vehicles	Total Property plant and equipment
<b>Particulars</b>									
<b>Gross carrying Value</b>									
Balance as at April 01, 2019	1439685	129869690	102304860	4572741	5632823	3466728	1106811	6217926	254611264
Additions	0	4547928	228880	181760	0	91924	132542	1307115	6490149
Deductions / Adjustments	0	0	0	0	0	0	0	1310589	1310589
Balance as at March 31, 2020	1439685	134417618	102533740	4754501	5632823	3558652	1239353	6214452	259790824
<b>Accumulated Depreciation</b>									
Opening Accumulated depreciation	0	26775298	33409554	414357	2588032	209905	920197	1890745	66208088
Depreciation charge during the year	0	2434051	4853511	485268	373862	804427	117278	798535	9866933
Disposal/Adjustments	0	0	0	0	0	0	0	822974	822974
Closing Accumulated depreciation	0	29209349	38263065	899625	2961894	1014332	1037475	1866306	75252047
Net Carrying amount as at 31.03.2020	1439685	105208269	64270675	3854876	2670929	2544320	201878	4348146	184538777
<b>Gross carrying value</b>									
Balance as at April 01, 2020	1439685	134417618	102533740	4754501	5632823	3558652	1239353	6214452	259790824
Additions	0	0	788969	0	254701	570762	276992	3808060	5699484
Deductions / Adjustments	0	0	0	0	0	0	0	0	0
Balance as at March 31, 2021	1439685	134417618	103322709	4754501	5887524	4129414	1516345	10022512	265490308
<b>Accumulated Depreciation</b>									
Opening Accumulated depreciation	0	29209349	38263065	899625	2961894	1014332	1037475	1866306	75252047
Depreciation charge during the year	0	2512579	4870549	490237	382681	889161	148049	914110	10207366
Disposal/Adjustments	0	0	0	0	0	0	0	0	0
Closing Accumulated depreciation	0	31721928	43133614	1389862	3344575	1903493	1185524	2780416	85459413
Net Carrying amount as at 31.03.2021	1439685	102695690	60189095	3364639	2542949	2225921	330820	7242096	180030894

## 4. CAPITAL WORK IN PROGRESS

Assets under installations	Buildings	Total Capital Work in progress
As at April 01, 2019	-	-
Additions	-	-
Deductions/Capitalised	-	-
As at March 31, 2020	-	-
As at April 01, 2020	-	-
Additions	19,39,522	19,39,522
Deductions/Capitalised	-	-
As at March 31, 2021	19,39,522	19,39,522

## 5. INTANGIBLE UNDER DEVELOPMENT (Assets pending for capitalization)

Intangible Assets under development	Software	Total
As at April 01, 2019	-	-
Additions	-	-
Deductions	-	-
As at March 31, 2020	-	-
As at April 01, 2020	-	-
Additions	255,000	255,000
Deductions	-	-
As at March 31, 2021	255,000	255,000

## NOTES TO THE ACCOUNTS

### 6. FINANCIAL ASSETS - LOANS

PARTICULARS	31st March, 2021	31st March, 2020
Non Current (Unsecured considered good unless otherwise stated)		
Security Deposit	10,24,049	4,64,049
Total	10,24,049	4,64,049

### 7. OTHER NON CURRENT ASSETS

PARTICULARS	31st March, 2021	31st March, 2020
Unsecured considered good unless otherwise stated		
Capital advances	4,00,371	2,04,536
Total	4,00,371	2,04,536

### 8. INVENTORIES

PARTICULARS	31st March, 2021	31st March, 2020
Cost or net realisable value whichever is lower		
Raw Material	6,75,38,149	3,25,95,085
Finished Goods	1,46,90,142	7,89,330
Packing Material	1,09,43,068	2,25,11,308
Total	9,31,71,359	5,58,95,723

### 9. TRADE RECEIVABLE

PARTICULARS	31st March, 2021	31st March, 2020
Unsecured - Considered good	3,50,10,326	5,40,79,751
Unsecured - Considered doubtful	0	0
	3,50,10,326	5,40,79,751
Less: Provision for bad & doubtful trade receivable	0	0
Total	3,50,10,326	5,40,79,751

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

### 10. CASH & CASH EQUIVALENTS

PARTICULARS	31st March, 2021	31st March, 2020
Balances with bank in current accounts	83,840	96,472
Cash in hands	48,659	80,950
Total	1,32,499	1,77,422

**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****11. FINANCIAL ASSETS - DEPOSITS & OTHERS**

PARTICULARS	31st March, 2021	31st March, 2020
Current (Unsecured considered good unless otherwise stated)		
Advances recoverable in cash	30,858	10,970
Interest accrued on deposits	16,201	21,395
Total	47,059	32,365

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

PARTICULARS	31st March, 2021	31st March, 2020
Income tax paid (Net of provision)	3,07,647	60,698
Total	3,07,647	60,698

**13. OTHER CURRENT ASSETS**

PARTICULARS	31st March, 2021	31st March, 2020
Current (Unsecured considered good unless otherwise stated)		
Advances recoverable in kind	1,36,243	3,983
Advances towards expenses	1,14,411	27,042
Prepaid Expenses	5,08,170	3,55,429
Balance with statutory/Government Authorities	26,44,413	1,19,992
Total	34,03,237	5,06,446

**14. EQUITY SHARE CAPITAL**

PARTICULARS	31st March, 2021	31st March, 2020
<b>Authorised</b>		
60,00,000 Equity Shares of Rs. 10/- each	6,00,00,000	6,00,00,000
3,25,000 Redemnable non convertible Preference Shares of Rs. 100/- each	3,25,00,000	3,25,00,000
Total	9,25,00,000	9,25,00,000
<b>Issued &amp; Subscribed</b>		
52,09,633 Equity Shares of Rs. 10/- each, Fully Paid up	5,20,96,330	5,20,96,330
	5,20,96,330	5,20,96,330
<b>Paid up</b>		
52,09,633 Equity Shares of Rs. 10/- each, Fully Paid up	5,20,96,330	5,20,96,330
Less: Allotment money due by others	(1,16,000)	(1,16,000)
Total	5,19,80,330	5,19,80,330

## NOTES TO THE ACCOUNTS

### 14.1 RECONCILIATION OF NUMBER OF SHARES:

PARTICULARS	31st March, 2021	31st March, 2020
Number of Equity Shares at the beginning of the year	52,09,633	52,09,633
Add: Number of shares issued during the year	0	0
Number of Equity Shares at the end of the year	52,09,633	52,09,633

### 14.2 RIGHTS ATTACHED TO EQUITY SHARES

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

### 14.3. DETAILS OF SHARES HELD BY EACH SHAREHOLDERS HOLDING MORE THAN 5% SHARES

CLASS OF SHARES/NAME OF SHAREHOLDERS	Number of Shares held	% of holding in that class of shares	Number of Shares held	% of holding in that class of shares
Equity shares of Rs. 10/- each held by:				
Posani Bhaskar Rao & Co. (P Patabhi Rama Rao)	8,78,833	16.87%	8,78,833	16.87%
P Rajya Laxmi	4,56,749	8.77%	4,56,749	8.77%
C Sai Sudha	3,66,254	7.03%	3,66,254	7.03%
P Praveen Kumar	9,01,573	17.31%	9,01,573	17.31%
P Patabhi Rama Rao	4,16,651	8.00%	4,16,651	8.00%

14.4 The Company has not allotted any equity shares as fully paid up without being received in cash or as bonus shares or bought back any equity shares.

## 15. OTHER EQUITY

PARTICULARS	31st March, 2021	31st March, 2020
Capital Reserve		
Opening Balance	4,73,81,660	4,73,81,660
Securities Premium		
Opening Balance	1,52,19,539	1,52,19,539
Less: Share Premium due by others	58,000	58,000
	1,51,61,539	1,51,61,539
Surplus in the Statement of Profit & Loss		
Opening Balance	-2,10,54,474	-2,71,61,347
Add: Profit for the year	84,93,447	60,93,296
Other Comprehensive Income net of tax	3,99,904	13,577
Closing Balance	-1,21,61,123	-2,10,54,474
Total	5,03,82,076	4,14,88,725

**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****16. FINANCIAL LIABILITIES - BORROWINGS**

PARTICULARS	31st March, 2021	31st March, 2020
<b>Non Current Borrowings</b>		
Preference shares (Unsecured)		
325000 Redemmmable non convertible Preference shares of Rs. 100/- each	<b>2,01,79,942</b>	1,83,45,402
Term Loan (Secured)		
From Axis Bank Limited	<b>2,19,74,279</b>	1,40,82,087
Other Loans		
Vehicle Loan from others (Secured)	<b>42,83,895</b>	29,76,041
Intercompany Deposit (Unsecured)	<b>1,35,94,716</b>	1,23,58,832
	<b>6,00,32,832</b>	<b>4,77,62,362</b>
Term Loan (Secured)		
From Axis Bank Limited	<b>86,22,900</b>	71,00,182
Other Loans		
Vehicle Loan from others (Secured)	<b>16,51,692</b>	8,48,946
	<b>1,02,74,592</b>	79,49,128
Total	<b>4,97,58,240</b>	<b>3,98,13,234</b>

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

Name of the Bank/Others	Outstanding as on 31.03.2021	Outstanding as on 31.03.2020	Number of Instalments	Effective Interest Rate
From Bank				
Axis Bank - Term Loan 1	0	19,42,282	54 Monthly installments commencing from February, 2016	10.75% i.e. MCLR plus 2.50% p.a.
Axis Bank - Term Loan 2	8166650	12139805	57 Monthly installments commencing from November, 2017	10.75% i.e. MCLR plus 2.50% p.a.
Axis Bank - Term Loan 3	13807629	0	36 Monthly installments commencing from July, 2021	9.25% i.e. Repo (4%) + 5.25% p.a.
Other Loans - Vehicle				
Toyota Financial Services India Pvt Ltd.	869723	1396339	60 Monthly installments commencing from October, 2017	8.26%
Toyota Financial Services India Pvt Ltd.-New	1011971	1248878	60 Monthly installments commencing from September, 2019	8.96%
ICICI Bank Ltd.	872248	0	36 Monthly installments commencing from February, 2021	8.30%
Kotak Mahindra Prime Ltd	1529953	0	36 Monthly installments commencing from December, 2020	7.99%
Other Loans - Intercompany				
Cosmic Agro Chemicals (Prop. Posani Fertilizers Ltd)	<b>1,06,91,000</b>	1,06,91,000	-	-
Navyuga Engineering Co Ltd.	<b>1,12,03,425</b>	1,12,03,425	-	-

## NOTES TO THE ACCOUNTS

16.2 Term loan - 1 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.

16.3 Term loan - 2 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.

16.4 Term loan - 3 from Axis Bank Limited is secured by first charge on entire assets created out of said term loan.

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

16.6 Term Loans from Axis Bank Limited is further secured by personal guarantee of Sri P Pattabhi Rama Rao, Chairman & Managing Director, P Praveen Kumar, Joint Managing Director & CFO, Dr. A.N. Uma Maheshwara Prasad, Director of the company and Smt. P Rajya Lakshmi, Director of the company.

16.7 Vehicle loan is secured against the respective vehicle financed by them.

16.8 Vehicle loan taken from DCL Finance Ltd in the year 1996 & which was repaid fully. However, charge is still reflecting as per the index of charge available on MCA website

### 17 OTHER FINANCIAL LIABILITIES

PARTICULARS	31st March, 2021	31st March, 2020
Other non current liabilities		
Dealership deposit	9,70,000	0
Total	9,70,000	0

### 18 PROVISIONS

PARTICULARS	31st March, 2021	31st March, 2020
<b>Non current provisions</b>		
For Gratuity	11,73,858	14,89,773
Total	11,73,858	14,89,773

### 19 FINANCIAL LIABILITIES - BORROWINGS

PARTICULARS	31st March, 2021	31st March, 2020
<b>Current Borrowings</b>		
Working capital loans (Secured)		
From Axis Bank Limited	2,87,04,735	5,28,77,950
Loan from related party (Unsecured)		
Loan from directors	1,79,01,802	1,20,38,078
Total	4,66,06,537	6,49,16,028

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

Name of the Bank	Effective Interest Rate	
	Current Year	Previous Year
From Axis Bank Limited	9.05%	9.75%

19.2 Working capital facilities from Axis Bank Limited are secured by exclusive charge on entire current assets and movable fixed assets (other than vehicles) of the company, both present and future, besides personal guarantee of Sri P Pattabhi Rama Rao, Managing Director, P Praveen Kumar, Whole Time Director & CFO and Dr. A.N. Uma Maheshwara Prasad, Director of the company and Smt. P Rajya Lakshmi, Director of the company.

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

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

**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****20 TRADE PAYABLE**

PARTICULARS	31st March, 2021	31st March, 2020
<b>Unsecured considered good:</b>		
Outstanding due to Micro, small & medium enterprises	0	0
Others	9,97,60,781	3,45,00,953
<b>Total</b>	<b>9,97,60,781</b>	<b>3,45,00,953</b>

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

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

20.2 The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 has been made in the financial statements based on information received and available with the company.

**21 OTHER FINANCIAL LIABILITIES**

PARTICULARS	31st March, 2021	31st March, 2020
<b>Current Maturities of long term debts</b>		
Term Loan (Secured)		
From Axis Bank Limited	86,22,900	71,00,182
Other Loans		
Vehicle Loan from others (Secured)	16,51,692	8,48,946
Payable towards property, plant & equipment	7,88,275	1,19,020
Other Payable - Expenses	29,99,537	17,44,538
<b>Total</b>	<b>1,40,62,404</b>	<b>98,12,686</b>

**22 OTHER CURRENT LIABILITIES**

PARTICULARS	31st March, 2021	31st March, 2020
Advance from Customers	1,33,856	5,11,55,764
Statutory Dues	4,99,053	3,76,329
<b>Total</b>	<b>6,32,909</b>	<b>5,15,32,093</b>

**23 PROVISIONS**

PARTICULARS	31st March, 2021	31st March, 2020
<b>Current provisions</b>		
For Gratuity	3,94,827	4,25,945
<b>Total</b>	<b>3,94,827</b>	<b>4,25,945</b>



## NOTES TO THE ACCOUNTS

### 24 REVENUE FROM OPERATIONS

PARTICULARS	31st March, 2021	31st March, 2020
<b>Sale of products</b>		
Manufactured products - Domestic	63,60,75,205	51,63,02,540
<b>Sale of Services</b>		
Job work Services	20,96,722	20,75,144
<b>Total Revenue from operations</b>	<b>63,81,71,927</b>	<b>51,83,77,684</b>

### 25 OTHER INCOME

PARTICULARS	31st March, 2021	31st March, 2020
Interest Income	18,001	26,861
Other Non Operating Income	0	52,785
<b>Total</b>	<b>18,001</b>	<b>79,646</b>

### 26 COST OF MATERIAL CONSUMED

PARTICULARS	31st March, 2021	31st March, 2020
<b>Raw Material Consumption</b>		
Opening Stock	3,25,95,085	5,88,11,481
Add: Purchases	56,11,05,759	39,88,79,555
Less Discount received	93,862	0
	59,36,06,982	45,76,91,036
Less: Closing Stock	6,75,38,149	3,25,95,085
<b>Packing Material Consumed:</b>	52,60,68,833	42,50,95,951
Opening Stock	2,25,11,308	2,94,77,065
Add: Purchases	3,71,92,174	2,37,52,534
	5,97,03,482	5,32,29,599
Less: Closing Stock	1,09,43,068	2,25,11,308
	4,87,60,414	3,07,18,291
<b>Total</b>	<b>57,48,29,247</b>	<b>45,58,14,242</b>

### 27 CHANGES IN INVENTORIES OF FINISHED GOODS

PARTICULARS	31st March, 2021	31st March, 2020
Opening Stock		
Finished goods	7,89,330	1,79,925
Closing Stock		
Finished goods	1,46,90,142	7,89,330
<b>Change in inventories</b>	<b>(1,39,00,812)</b>	<b>(6,09,405)</b>

### 28 EMPLOYEES BENEFITS EXPENSES

PARTICULARS	31st March, 2021	31st March, 2020
Salaries & Wages	1,32,25,144	99,05,407
Directors Remuneration	78,00,000	48,00,000
Contribution to provident fund & other funds	5,82,817	6,86,133
Grauity Expenses	3,36,604	3,77,592
Compensated absence	1,28,936	1,37,174
Staff Welfare Expenses	9,46,912	10,45,123
<b>Total</b>	<b>2,30,20,413</b>	<b>1,69,51,429</b>

**BHASKAR AGROCHEMICALS LIMITED.****NOTES TO THE ACCOUNTS****29 FINANCIAL COSTS**

PARTICULARS	31st March, 2021	31st March, 2020
Interest on term loan	20,59,562	19,30,600
Interest on working capital loan	39,95,807	47,99,890
Interest to others	17,12,033	19,02,365
Interest on financial liabilities recognised on amortised cost	30,70,424	35,62,472
Bank Charges & Processing Fee	3,28,531	2,80,331
Cash Discount	22,46,127	13,10,217
Total	1,34,12,484	1,37,85,875

**30 OTHER EXPENSES**

PARTICULARS	31st March, 2021	31st March, 2020
<b>Manufacturing Expenses</b>		
Power & Fuel	29,91,011	26,90,807
Insurance	6,73,478	6,12,034
Carriage Inward	41,74,424	31,87,559
Repairs & Maintenance		
Plant & Machinery	14,48,492	8,02,315
Buildings	15,835	71,397
Others	2,84,211	94,515
Testing & Lab Charges	67,665	84,446
Water Charges	5,63,580	4,95,385
Factory Maintenance	9,73,304	5,26,652
	1,11,91,998	85,65,110
<b>Administration, Selling and Other Expenses</b>		
Rent	12,64,500	6,86,700
Rates & Taxes	3,23,422	10,88,873
Printing & Stationery	2,96,295	2,05,459
Communication Expenses	1,39,190	2,65,111
Vehicle Maintenance	7,30,709	6,65,655
Travelling & Conveyance	15,97,254	8,50,061
Consultancy & Other Professional Charges	38,39,726	14,93,630
Freight Outward	3,47,189	0
Business Promotion & Advertisement	2,28,032	4,42,725
Remuneration to auditors	1,75,000	1,75,000
Internal Audit Fee	80,000	80,000
Listing Fees & Other Share Maintenance Exp.	4,30,546	4,23,665
Miscellaneous Expenses	14,83,922	16,12,970
	1,09,35,785	79,89,850
Total	2,21,27,784	1,65,54,960

**31 OTHER COMPREHENSIVE INCOME**

PARTICULARS	31st March, 2021	31st March, 2020
Net loss on remeasurment of defined benefit plans	3,99,904	13,577
Deferred tax effect on remeasurment costs on net defined liability	0	0
Total	3,99,904	13,577

## NOTES TO THE ACCOUNTS

### 32 EARNINGS PER SHARES

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

32.2 The Basic and diluted EPS per share is given hereunder

PARTICULARS	31st March, 2021	31st March, 2020
Profit / (Loss) as per Profit and Loss Account	Rs. 84,93,447	60,96,296
Net Profit / (Loss) attributable to Equity Share holders	Rs. 84,93,447	60,93,296
Equity Shares outstanding at the beginning of the year	Nos. 52,09,633	52,09,633
Equity Shares outstanding at the close of the year	Nos. 52,09,633	52,09,633
Weighted Average No. of Equity Shares	Nos. 52,09,633	52,09,633
Nominal Value of Equity Shares	Rs. 10	10
<b>Basic EPS and Diluted EPS</b>	Rs. 1.63	1.17

### 33 TAXES

PARTICULARS	31st March, 2021	31st March, 2020
<b>Income Tax Expense recognised in the Statement of Profit &amp; Loss:</b>		
Current Tax	-	-
Adjustment of tax relating to earlier years	-	-
Deferred tax Charge/(Credit)	-	-
Total Income tax Expenses recognised in statement of profit & loss	-	-
Deferred tax Charged/(Credit) to OCI	-	-
<b>b. Reconciliation of effective tax rate:</b>		
Profit before tax (A)	84,93,447	60,93,296
Enacted tax rate in India (B)	27.82%	27.82%
Expected Tax Expenses (C=A*B)	23,62,877	16,95,155
Adjustments:		
Expenses not deductible for tax purpose	35,93,692	42,85,824
Tax due to change in tax rate	-86,23,016	9,47,266
Others	-34,64,123	-1,13,26,386
Profit after adjusting permanent difference	- 84,93,447	-60,93,296
Expected tax Expenses	-	-
Total tax expenses	-	-

### 34 COMMITMENTS & CONTINGENCIES

PARTICULARS	31st March, 2021	31st March, 2020
<b>a. Commitments:</b>	<b>Rs. in Lakhs</b>	<b>Rs. in Lakhs</b>
Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances)	2.00	1.18
<b>b. Contingent Liabilities:</b>	<b>NIL</b>	<b>NIL</b>

### 35 DEFERRED TAX :

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

### 36 SEGMENT REPORTING :

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

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

PARTICULARS	31st March, 2021	31st March, 2020
Statutory Audit Fees	1,75,000	1,75,000

## BHASKAR AGROCHEMICALS LIMITED.

### NOTES TO THE ACCOUNTS

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

PARTICULARS	31st March, 2021		31st March, 2020	
	Amount	%	Amount	%
<b>a. Raw Material</b>				
Imported	Nil	Nil	Nil	Nil
Indigenous	526068833	100	425095951	100
Total	526068833	100	425095951	100
<b>b. Packing Material</b>				
Imported	Nil	Nil	Nil	Nil
Indigenous	48760414	100	30718291	100
Total	48760414	100	30718291	100

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

##### 39.1 Gratuity - Defined Benefit Plan

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

PARTICULARS	31st March, 2021	31st March, 2020
<b>A) Net employee benefit expense (recognised in Employee benefits expenses)</b>		
Current service cost	2,00,945	2,40,124
Reimbursement Service Cost	16,221	--
Interest cost	1,82,749	1,77,628
Interest income on planned assets	(63,539)	(51,888)
Net actuarial( gain) / loss recognised in the period/ year	(3,99,904)	(13,577)
Benefits paid	--	-
<b>Net employee benefit expenses</b>	<b>(63,528)</b>	<b>3,52,287</b>
Actual return on plan asset	(10,924)	7,534
<b>B) Amount recognised in the Balance Sheet</b>		
Defined benefit obligation	27,14,198	27,19,484
Fair value of plan assets	11,45,512	8,03,765
	<b>15,68,686</b>	<b>19,15,719</b>
<b>C) Changes in the present value of the defined benefit obligation</b>		
<b>Opening defined benefit obligation</b>	<b>27,19,484</b>	<b>23,22,843</b>
Current service cost	2,00,945	2,40,124
Interest cost	1,82,749	1,77,628
Settlement payments from -plan assets	-	-
Re-measurement due to financial assumptions	(26,294)	1,95,039
Re-measurement due to experience assumptions	(3,62,686)	(2,16,150)
<b>Closing defined benefit obligation</b>	<b>27,14,198</b>	<b>27,19,484</b>
<b>D) Change in the fair value of plan assets</b>		
<b>Opening fair value of plan assets</b>	<b>8,03,765</b>	<b>5,97,675</b>
Expected return on plan assets	63,539	51,888
Contributions	2,83,505	1,61,736
Benefits paid	-	-
Others (Employee Contribution, Taxes, Expenses)	(16,221)	-
Remeasurement - Return on Assets	10,924	(7,534)
Actuarial gain/(loss) on plan assets	-	-
<b>Closing fair value of plan assets</b>	<b>11,45,512</b>	<b>8,03,765</b>

## NOTES TO THE ACCOUNTS

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

PARTICULARS	31st March, 2021	31st March, 2020
Investments with Life Insurance Corporation of India	100.00%	100.00%
<b>E) Remeasurement adjustments:</b>		
Experience loss/ (gain) on plan liabilities	(3,62,686)	(2,16,150)
Experience loss/ (gain) on plan assets	(10,924)	- 7,534
Financial loss/ (gain) on plan liabilities	(26,294)	- 1,95,039
Financial loss/ (gain) on plan assets	-	-
Demographic loss/ (gain) on plan liabilities	-	-
Demographic loss/ (gain) on plan assets	-	-
<b>Remeasurement gains/(losses) recognised in other comprehensive income:</b>	<b>(3,99,904)</b>	<b>(13,577)</b>

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

PARTICULARS	31st March, 2021	31st March, 2020
Discount rate	6.85%	6.72%
Salary rise	8.00%	8.00%
Attrition Rate	3.50%	3.50%

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

The overall expected rate of return on assets is determined based on the actual rate of return during the current year. The plan assets have been invested in Insurance managed funds.

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

PARTICULARS	31st March, 2021	31st March, 2020
Defined benefit obligation	27,14,198	27,19,484
Plan assets	11,45,512	8,03,765
Surplus / (deficit)	(15,68,686)	(19,15,719)

### 39.2 Compensated Absences

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

## BHASKAR AGROCHEMICALS LIMITED.

### 40 RELATED PARTY DISCLOSURES :

#### Names of related parties and description of relationship

Name of the related party	Relationship
<b>Enterprises under the significant influence of persons having significant influence over this company</b>	
B and P Industries Limited	
Cosmic Agro Chemicals (Prop. Posani Fertilizers Limited)	
<b>Key Management Personnel</b>	
Pattabhi Rama Rao Posani	Chairman & Managing Director (wef. 01.01.2020)
Praveen Kumar Posani	Joint Managing Director & CFO (wef. 01.01.2020)
Rajya Lakshmi Posani	Director
Naga Uma Maheswara Prasad Aluri	Director
Venkata Satyanarayana Sankurathri Chowdary	Director
Sudhakar Chigurupati	Director
Suchita Dugar	Company Secretary (From 01.11.2020)
Parasharam Ramchandra Adav	Company Secretary (Till 31.10.2020)

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

#### Transactions during the year:

PARTICULARS	31st March, 2021	31st March, 2020
<b>a) Enterprises under the significant influence of persons having significant influence over this company</b>		
i) B and P Industries Limited		
Loans repaid during the year	--	15,84,280
	<b>31st March, 2021</b>	<b>31st March, 2020</b>
<b>b) Key Management Personnel</b>		
<b>i) Pattabhi Rama Rao Posani</b>		
Remuneration	39,00,000	24,00,000
Unsecured loans taken	1,08,64,000	51,85,500
Unsecured loans Repaid	46,91,558	61,16,352
Interest on Unsecured loans	13,37,714	11,34,964
<b>ii) Praveen Kumar Posani</b>		
Remuneration	39,00,000	24,00,000
Unsecured loans taken	14,61,332	7,17,900
Unsecured loans Repaid	31,07,763	84,24,589
Interest on Unsecured loans	1,13,814	4,88,517
<b>iii) Parasharam Ramachandra Adav</b>		
Remuneration	1,40,000	2,15,000
<b>iv) Suchita Dugar</b>		
Remuneration	1,00,000	0

**Closing Balances :**

	31st March, 2021	31st March, 2020
<b>a) Enterprises under the significant influence of persons having significant influence over</b>		
i) Cosmic Agro Chemicals (Prop. Posani Fertilizers Limited)		
Unsecured Loans Payable	1,06,91,000	1,06,91,000
<b>b) Key Management Personnel</b>		
<b>i) Pattabhi Rama Rao Posani</b>		
Unsecured Loans Payable	1,78,52,176	1,03,42,021
<b>ii) Praveen Kumar Posani</b>		
Unsecured Loans Payable	49,626	16,96,057
<b>iii) Suchita Dugar</b>		
Remuneration Payable	19,850	0

**41 FAIR VALUES**

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

	Carrying value		Fair value	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
<b>Financial assets at fair value through profit &amp; loss</b>				
Investments				
<b>Financial Assets at amortised cost</b>				
Loans	10,24,049	4,64,049	-	-
Deposits & Others	30,858	10,970	-	-
Trade Receivables	3,50,10,326	5,40,79,751	-	-
Cash & Cash Equivalents	1,32,499	1,77,422	-	-
Bank Balances other than above	0	0	-	-
<b>Financial Liabilities at amortised cost</b>				
Borrowings (Non Current & Current)	7,28,64,711	8,19,74,156	3,37,74,658	3,07,04,234
Trade Payables	9,97,60,781	3,45,00,953	-	-
Capital Creditors & Others	37,87,812	18,63,558	-	-

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

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

## **BHASKAR AGROCHEMICALS LIMITED.**

### **42. RISK MANAGEMENT**

#### **Financial Risk Management objectives & Policies**

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

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

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

#### **42.1 Credit Risk**

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

##### **a) Trade and other receivables**

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

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

PARTICULARS	31st March, 2021	31st March, 2020
Not Due	0	0
0 - 90 Days	3,17,10,433	3,26,58,477
90 - 180 Days	32,99,893	2,00,62,016
180 - 270 Days	0	13,59,258
270 - 365 Days	0	0
More than 360 Days	0	0
	<b>3,50,10,326</b>	<b>5,40,79,751</b>

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

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



## b) Cash and Cash Equivalents

The Company held cash and cash equivalents of Rs.1,32,499 at March 31, 2021 (March 31, 2020: Rs.1,77,422) This includes the cash and cash equivalents held with the bank and cash on hand with the company.

## 42.2 Liquidity Risk

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

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

Exposure to liquidity risk:

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

The amounts are gross and undiscounted :

PARTICULARS	Up to 1 Year	1 to 3 Year	3 to 5 Years	> 5 Years	Total carrying amount
<b>31-Mar-21</b>					
Non Current Borrowings (Including current maturities)	1,02,74,592	1,59,83,582	0	3,37,74,658	6,00,32,832
Current Borrowings	4,66,06,537	-	-	-	4,66,06,537
Trade Payables	9,97,60,781	-	-	-	9,97,60,781
Other Payables	37,87,812	-	-	-	37,87,812
	16,04,29,723	1,59,83,582	0	3,37,74,658	21,01,87,963
<b>31-Mar-20</b>					
Non Current Borrowings (Including current maturities)	79,49,128	1,36,70,965	20,17,223	3,07,04,234	54341550
Current Borrowings	6,49,16,028	-	-	-	64916028
Trade Payables	3,45,00,953	-	-	-	34500953
Other Payables	18,63,558	-	-	-	1863558
	10,92,29,666	1,36,70,965	20,17,223	3,07,04,234	155622088

## b) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. The company's exposure to the risk of changes in the market interest rate relates primarily to the company's long term debt obligations with floating interest rates.

The company's interest rate exposure is mainly related to variable interest rates debt obligations. The Company manages the liquidity and fund requirements for its day to day operations like working capital, suppliers/buyers credit.

## BHASKAR AGROCHEMICALS LIMITED.

### Exposure to interest rate risk

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

	31st March, 2021	31st March, 2020
<b>Floating rate instruments</b>		
<b>Financial Liabilities - measured at amortised cost</b>		
Term loan from banks	2,19,74,279	1,40,82,087
Working capital facilities from bank	2,87,04,735	5,28,77,950
<b>Fixed rate instruments</b>		
Vehicle loan from others (Secured)	42,83,895	29,76,041
Loan from Directors (Unsecured)	1,79,01,802	1,20,38,078
<b>Total</b>	<b>7,28,64,711</b>	<b>8,19,74,156</b>

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

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

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

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

Cash flow sensitivity (net)	Profit or loss	
	25 bp increase	25 bp decrease
<b>31-Mar-21</b>		
Variable rate loan instruments	1,82,162	-1,82,162
<b>31-Mar-20</b>		
Variable rate loan instruments	2,04,935	-2,04,935

### 42.3 a) Market Risk

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

#### b) Currency Risk

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

#### c) Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2021 & March 31, 2020 are in Indian Rupees.

### 43. CAPITAL RISK MANAGEMENT

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

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

	31st March, 2021	31st March, 2020
Non Current borrowings	4,97,58,240	3,98,13,234
Current borrowings	4,66,06,537	6,49,16,028
Current maturities of long term debts	1,02,74,592	79,49,128
Total Debts	10,66,39,369	11,26,78,390
Less: Cash & Cash equivalents	1,32,499	1,77,422
Other bank deposits	0	0
Adjusted net debts	10,65,06,871	11,25,00,968
Equity	5,19,80,330	5,19,80,330
Other Equity	5,03,82,076	4,14,88,725
Total Equity	10,23,62,406	9,34,69,055
<b>Adjusted net debt to equity ratio</b>	<b>1.04</b>	<b>1.20</b>

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

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

**Shailendra Singhvi**  
Proprietor  
M.No. 023125/ICAI  
UDIN : :21023125AAAABL6431  
Place: Hyderabad  
Date : 29.06.2021

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

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