



07.08.2020

To

Listing Compliance,

National Stock Exchange India Limited,
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra –(East).
Mumbai-400051.

BSE Limited

Listing Department
P.J. Tower, 1st Floor,
Dalal Street, Fort,
Mumbai-400001

Symbol: BHAGERIA

Code: 530803

Sub: Submission of Annual Report of the Company for the Financial Year 2019-20.

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report for the Financial Year 2019-20 for 31st Annual General Meeting of the Company.

You are requested to kindly take the same on your record.

Thanking You,

Yours Faithfully,

For Bhageria Industries Limited


Ketan Gaur
Company Secretary
& Compliance Officer



Certified Company: ISO 9001 : 2015 | ISO 14001 : 2015 | OHSAS 45001 : 2018



BHAGERIA INDUSTRIES LIMITED

Annual Report 2019-20



EYEING NEW HORIZONS

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For more additional information about the company log on to www.bhageriagroup.com

Forward looking statement

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



EYEING NEW HORIZONS

The desire to go beyond convention, explore myriad opportunities and efficiently execute operations drives us to aspire for new goals and new realities.

Bhageria Industries has constantly improved margins, strengthened its portfolio and enriched its innovative capabilities to sustain its position as a preferred partner for clients. From delivering outstanding R&D capacities to designing advanced products, we strive to resonate constantly evolving market demands – eyeing new horizons to explore and constantly capitalize on growing opportunities.

BHAGERIA INDUSTRIES AT A GLANCE

One of the leading manufacturers and exporters of dyes and intermediaries, Bhageria Industries Limited (Bhageria Industries) has established a strong presence in many countries

Headquartered in Mumbai, we started our operations in 1989. Today, we have grown multifold to have two state-of-the-art manufacturing facilities in Vapi (Gujarat) and Boisar (Maharashtra) catering to customers across the globe. We manufacture dye intermediates products like Vinyl Sulphone, H-Acid and

Gamma Acid. We have forayed into Solar Power generation segment and undertake EPC contracts as well. Our facilities are accredited with OHSAS 45001:2018, ISO 14001:2015 and ISO 9001:2015 certifications, recognizing our consistent commitment to quality.



Vision

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



Mission

Who we are	What we do
A customer driven company	We continuously improve upon the services rendered to our customers, meet customers' needs in the shortest lead time, develop new Dyes & intermediate for newer application areas. And will continue to enjoy privileged status as a Preferred Partner/Supplier.
A shareholder driven company	We will remain focused in the areas of our core competency. Our emphasis is on the Quality of Business rather than the size of the business, Maintain Profit Related Growth Policy, Implement Corporate Governance, Regard Shareholder wealth Creation to be the key driver of all actions and policies of the Company and its people.
A brand driven company	We maintain and improve upon our Bhageria brand name, and create brand awareness in international markets through export of quality products.
A people driven company	We train, empower and create a superior pool of intellect, capable of leading its innovation drive.
An environment-friendly company	We will continue to adhere to eco-friendly manufacturing processes and set new standards to fight pollution.

Numbers that define us

₹ **419** crore
Total Income

₹ **103** crore
EBITDA

25%
EBITDA Margin

44%
5-year CAGR growth
in PAT

Zero
Long-term debt

₹ **59** crore
Cash flow from
operations

20%
Return on Avg CE

Among the Top
3
Manufacturers in
India of H Acid and
Gamma Acid

10+
Countries present in

**CARE A; Stable /
CARE A1**

Company rating

CHEMICALS – CATALYSING OUR GROWTH

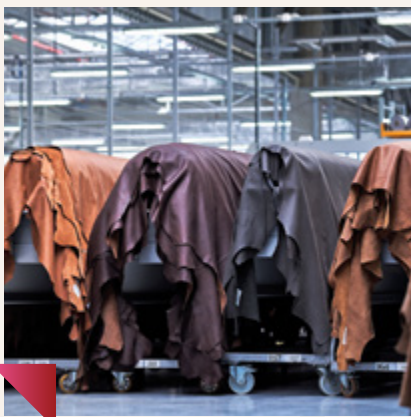
Chemicals are intrinsically linked to every aspect of life. Be it food, clothing, transportation or medical needs, chemicals play a crucial role to transform naturally occurring substances into useful end-products.

At Bhageria Industries, we understand the needs and requirements of diverse sectors and produce exceptional products to establish our foothold in India and abroad.

Industries we serve:



Textile and Leather



We provide dyeing auxiliaries used by the textile and leather industry to satisfy varied demands for different materials and colours.



Food



We develop products that help to enhance the efficiency of animal protein, manufacture fertilizers and pesticides to increase crop output and farmer income.



Pharmaceutical



Our products are used in the pharmaceutical industry.



Automobiles



Our product portfolio also consists of materials used for manufacturing of automobiles, ships and airplanes.



Healthcare



We develop innovative products for the medical industry, thereby contributing to the development of advanced medical products and technologies.



Electronics and IT



We provide intermediaries used by the electronic industry, to offer ultra-clean and high-purity reagents, gases, and metal-organic compounds. Our products are also used by the IT industry to develop information retrieval, transmission, storage, processing and hardware display items.

BUSINESS OVERVIEW

Dyes and Dyes Intermediaries

With extensive experience of over 30 years, we manufacture and market chemicals, dyes and dye intermediates. We have established two modern manufacturing facilities with a cumulative capacity of ~13,000 TPA in dyes and dye intermediates and have developed products for Textile, Leather, Paper and other sectors that require specialty chemicals.

In 2019-20, we generated 90 % of our overall revenues from the dyes and dye intermediaries business. Of the total, 70% revenues were derived from domestics and 30% from export.

Over the years, we have earned the trust and loyalty of a huge client base for consistently delivering superior quality products manufactured in compliance with stringent quality appraisal standards. In our constant endeavour to add value, we are fortifying our fundamentals

by backward integration. To fulfil this objective, we have established a manufacturing facility at Tarapur to develop Sulphuric Acid & Derivatives with a capacity of 300 TPD and are in process of establishing J Acid & Tobias Plant with a capacity of 4,500 TPA.

Additionally, to further strengthen our foothold as a manufacturer of Pigments Intermediates, we have purchased 3.4 acres of land at GIDC, Vapi which is expected to operationalise in FY 2021-22.

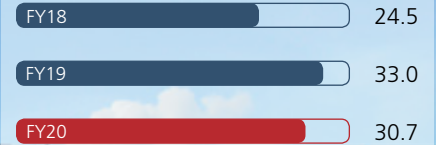
Revenues from dyes and dyes intermediaries' segment (₹ in crore)



<p>90% Proportion of overall revenue</p>	<p>~13000 TPA Total Capacity of Dye Intermediates</p>	<p>~30% Gamma Acid - Market share of total global capacity</p>	<p>~10% H-Acid - Market share of total capacity in India</p>
<p>95%+ Capacity utilization</p>	<p>Two ZERO discharge Manufacturing facilities</p>		



Revenues from Solar Energy segment
(₹ in crore)



Solar Energy

With a primary aim to optimize power consumption costs in an energy intensive business and reduce the risk of power outage, Bhageria Industries forayed into the Solar Energy business in 2015. Today, we have diversified our business by selling surplus power and generate attractive tax-free revenue.

₹ 31 crore
Revenue in
FY 2019-20

7%
Proportion of overall
revenue

Solar power plants



Solar power plant at Ahmednagar, Maharashtra with a capacity of 30 MW

We commissioned a 30MW solar power project for Rs. 180 crore at Kombhalne Village, Akole, Ahmednagar in FY 2017-18. Additionally, we have entered into a PPA with Solar Energy Corporation of India (SECI) for 25 years to sell the surplus from this facility at Rs. 4.41/unit.

₹ 26.5 crore
Revenue in
FY 2019-20



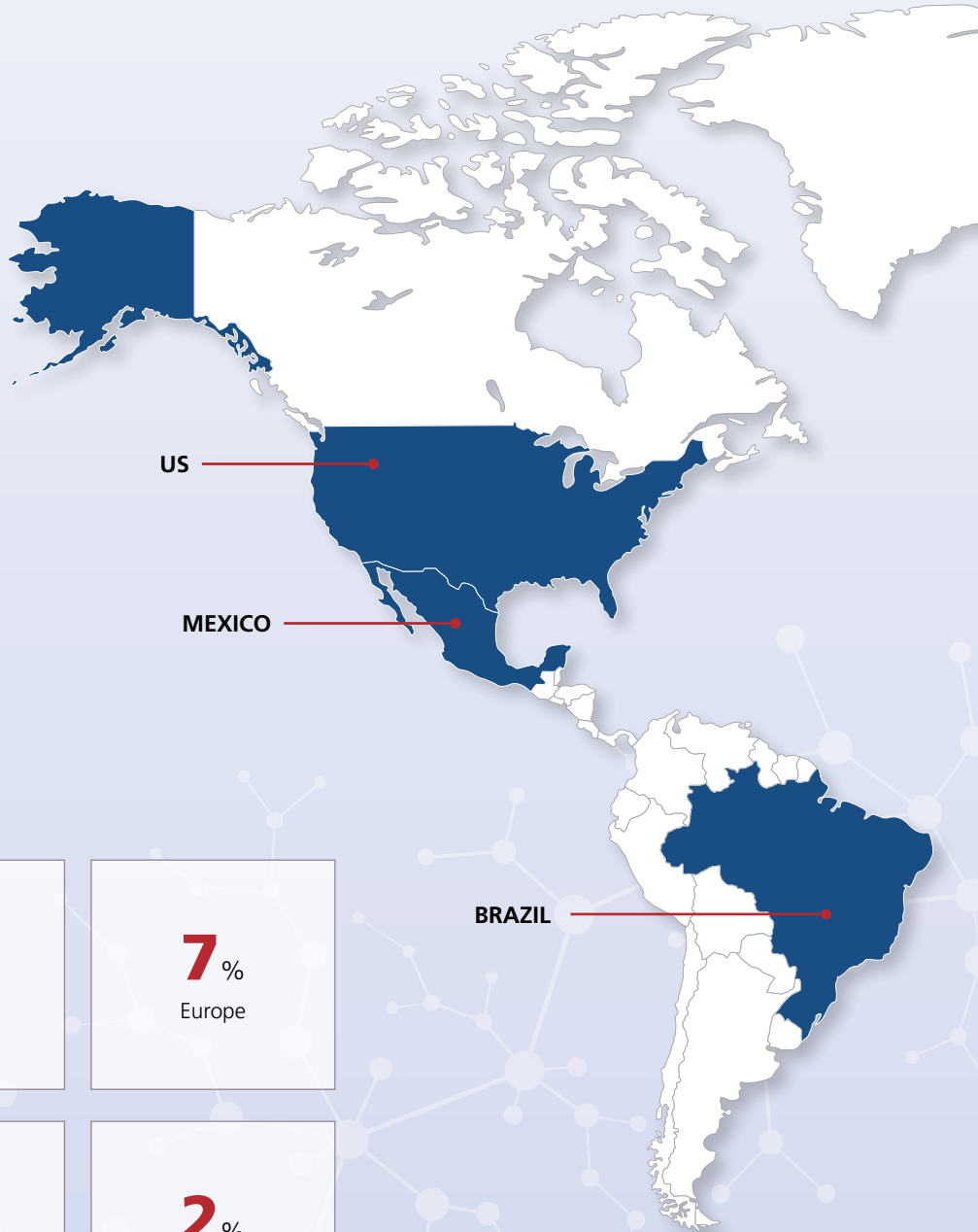
Other solar power plants with a capacity of 4.88 MW

We commissioned other solar power project in Tamil Nadu, Rajasthan and Maharashtra with a capacity of 4.88 MW. We have entered into a 25-year PPA with Asahi India Glass Ltd, TRIL Ltd, Lucas Ltd & Kajaria Ceramics Ltd to sell the surplus from this facility at Rs. 6.00/unit.

₹ 4.5 crore
Revenue in
FY 2019-20

OUR FOOTPRINT

We have a strong domestic as well as international footprint in **10+** markets across developed and emerging economies. With our strong commitment to R&D activities, we have developed Vinyl Sulphone PCA content less than 150 PPM quality products and supply them to our clients in different parts of the globe.



30%
Chemicals Revenue contribution through exports

26%
Taiwan

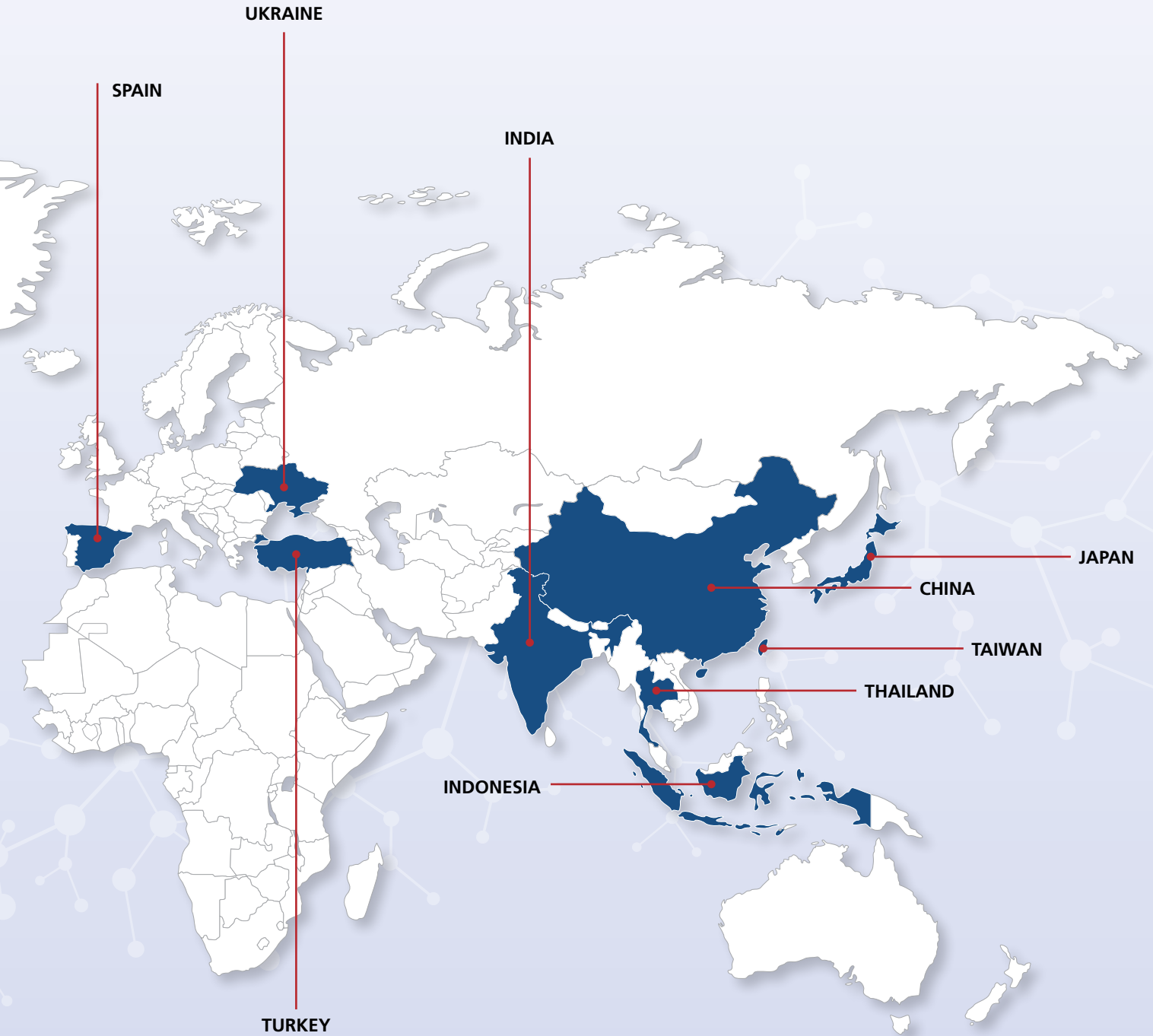
16%
Indonesia

7%
Europe

14%
China

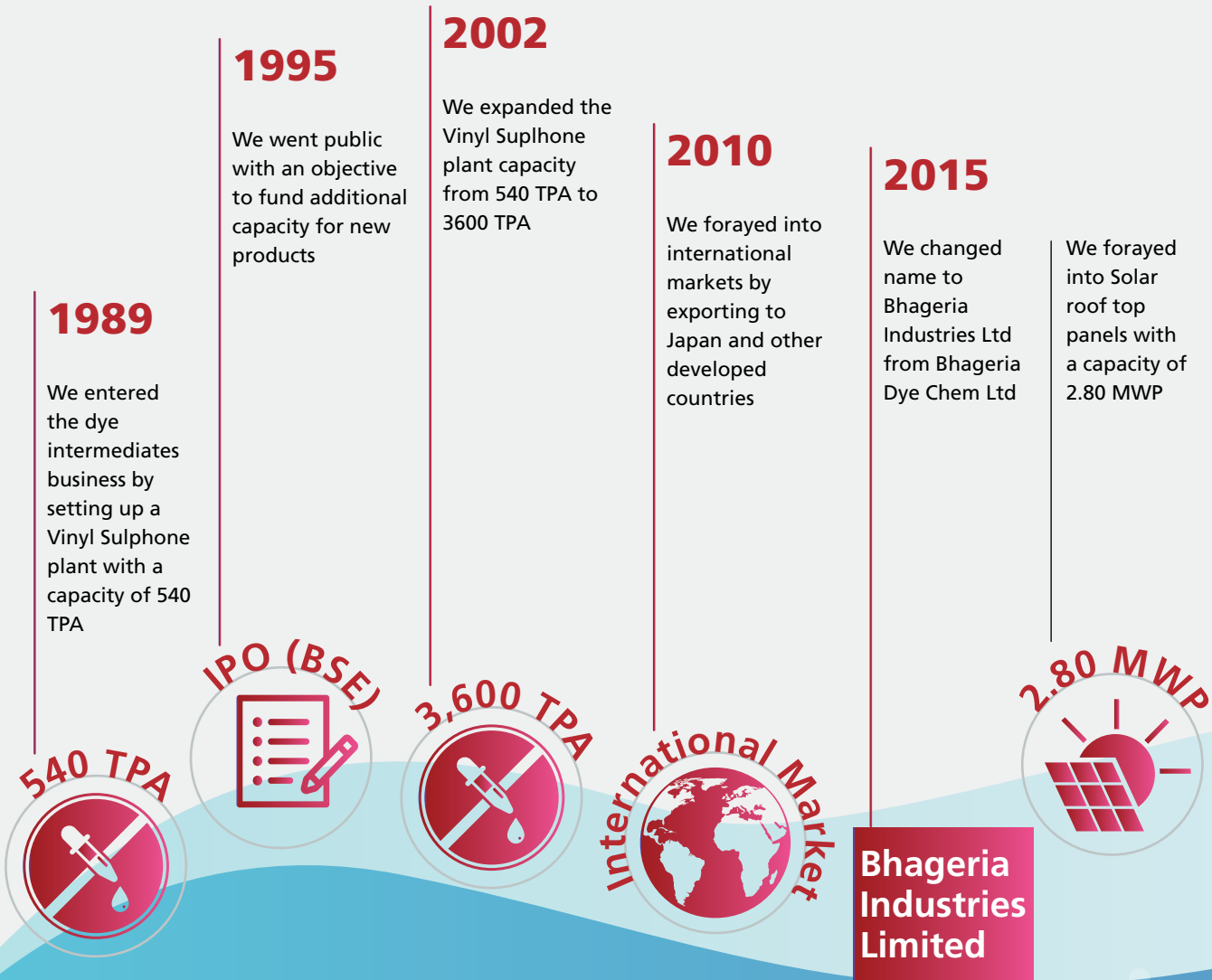
11%
Rest of Asia

2%
US



OUR JOURNEY SO FAR

Key Milestones



2016

We signed a Solar PPA with SECI for 25 years with a capacity of 30MW

We got listed on the National Stock Exchange (NSE)

We declared a stock split from face value of Rs 10/- to Rs 5/-



2017

We commissioned a 30MW solar plant



2018

We merged Nipur Chemicals Ltd.

We paid highest ever dividend (110% of Face Value)

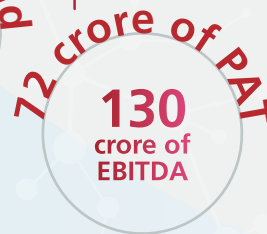


2019

We recorded Highest EBITDA of 130 crore with a PAT of 72 crore

We announced a stock bonus of 1:1

We acquired a piece of land in Vapi, Gujarat for expansion



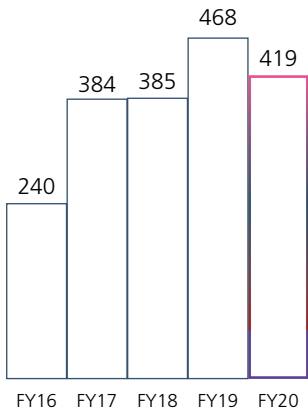
2020

We commissioned a Sulphuric Acid Plant with a capacity of 300 TPD



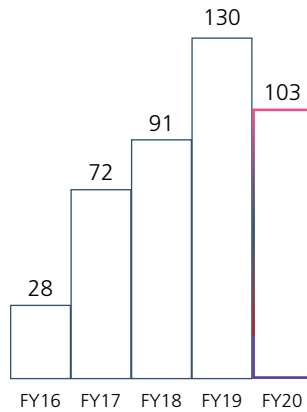
FINANCIAL HIGHLIGHTS

Total Income
(₹ in crore)



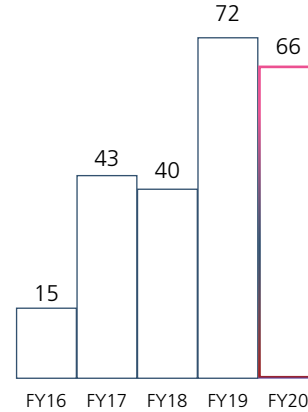
15% ↑
5-year CAGR growth

EBITDA
(₹ in crore)



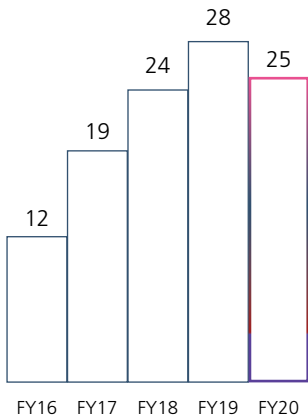
38% ↑
5-year CAGR growth

PAT
(₹ in crore)

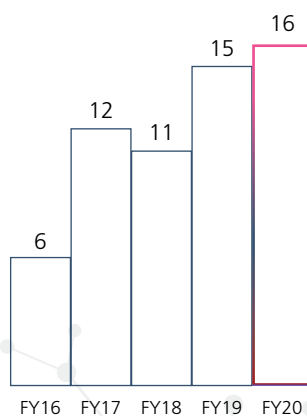


44% ↑
5-year CAGR growth

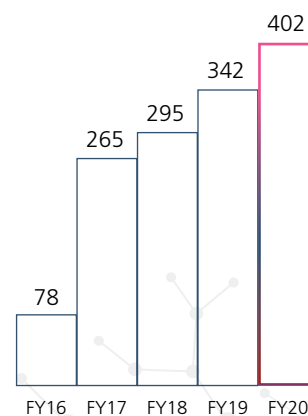
EBITDA Margin
(in %)



PAT Margin
(in %)

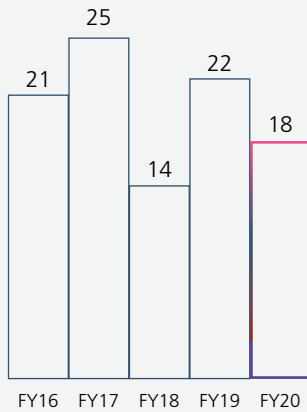


Net Worth
(₹ in crore)



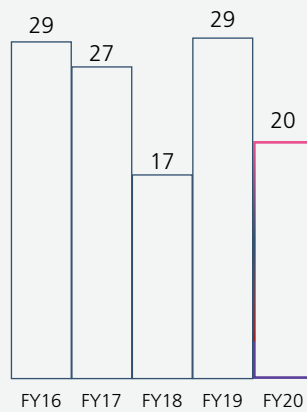
Return on Avg NW

(in %)



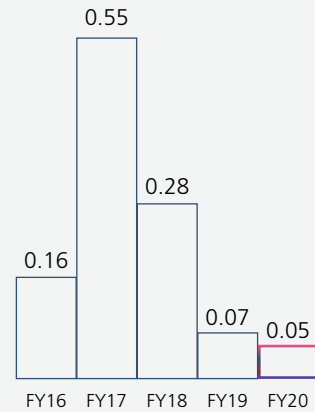
Return on Avg CE

(in %)



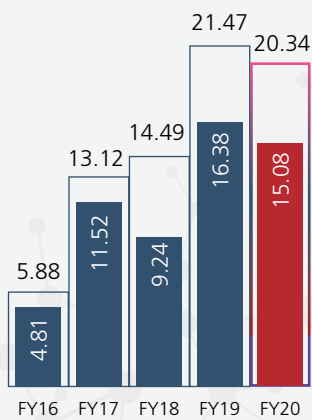
Debt-Equity Ratio

(in time)



EPS* / Cash EPS**

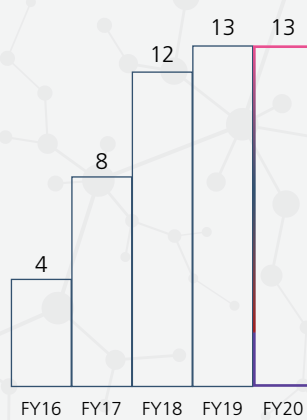
(Rs. per shares)



□ Cash EPS**
■ EPS*

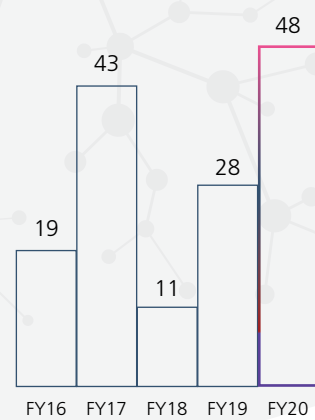
Dividend Payout

(₹ in crore)



Interest Coverage Ratios

(in time)



*Pursuant to issue of bonus shares during the year in the ratio of 1:1

**For calculation of Cash EPS we have considered PAT + Depreciation

CHAIRMAN'S MESSAGE



environmental concerns has opened a path for the Indian chemical industry to take over China's market share and improve its overall global positioning. This would give multiple opportunities to your company to further grow and improve its market standing.

The industry witnessed headwinds due to the outbreak of COVID-19 pandemic which led to temporary shutdown of businesses and disrupted supply chains. Although, the industry is anticipated to grow at a considerable rate in the coming years despite the current phase of difficulties. There are several ongoing expansions in the paint and coatings sector by major producers in the country which will contribute to the growth significantly.

Dear Shareholders,

We continue to leverage our more than three decades of experience and expertise in strengthening our leadership position in key markets with relentless focus on creating value for all the stakeholders. We continue to move our organization and industry towards a more environmentally and socially conscious future. Our focus has always been on finding new opportunities to grow and exceed the expectation of our customers across the globe. We have leveraged our expertise and our proficient research and analysis capabilities to make significant strides to build a truly formidable business.

Macroeconomic Overview

Indian economy witnessed a declining trends owing to various reasons including muted growth in consumer demand and

slowdown in the manufacturing and construction industries. Global economy also registered muted growth due to rising trade policy tensions, weaker international trade and investments, and structural changes of industries in some major economies.

Our industry has been significantly impacted by the overall de-growth of key end-use industries such as automotive, aviation, and construction. However, the infrastructure industry has been a key growth drive as the industry has been growing on the back of favourable policies implemented by the government to boost infrastructure of the country. The growth of investment in infrastructure projects would create higher demand for the dyes and pigments industry.

Further, restrictions imposed in China in terms of industrial activities due to

Performance Highlights

During the year under review, we recorded a revenue of Rs. 419 crore, compared to Rs. 468 crore in the previous year. Our EBITDA was Rs. 103 crore in FY 2019-20 as compared to Rs. 130 crore in FY 2018-19. Our PAT stood at of Rs. 66 crore as compared to Rs. 72 crore in the previous year registering a de-growth of 8 % YoY. There was lower price realization in chemical business due to compression in pricing and lower generation of solar power units (due to lower irradiation) lead to lower revenue generation in solar business.

Our revenue from exports accounted for 25% share in total revenue mix amounting to Rs. 104 crore in FY 2019-20. We cater to customers in various downstream industries in more than 10 countries across the globe. Our sustained market share in key markets has been



Our team of experienced and qualified scientists have been working on developing more efficient products and processes that will enable us to reduce our cost without compromising on the quality.



on the back of our ability to provide superior quality and innovative products in line with our customers' needs and expectations.

As we enjoy the status of debt-free company it enables us to strengthen our margin and liquidity position.

Despite a year of challenges, your company has delivered a decent financial performance and is optimistic about the future given the plethora of opportunities in the domestic as well as global market that lie ahead of us.

Journey forward

The Indian dyestuff market is expanding considerably owing to the increasing export volume to various major countries. The domestic market is also expected to grow significantly as international players would need alternate suppliers given the restrictions in China. Many international players are already turning to India.

In order to make the best of these opportunities, we will be focusing expanding our reach and offerings along with strengthening our relationship with our customers. We have made

a brownfield capex of Rs. 100 crores spread over 2 years which is divided into 3 phases. In the first phase, our focus will be on backward integration, key inputs including Sulphuric Acid & Derivatives. During this phase, we have started manufacturing from mid month of February 300 TPD of Sulphuric Acid & Derivatives at our Tarapur plant.

While, in the second phase the focus will be on the expansion of the basket of dye intermediates. Under this phase, 4,500 MTPA capacity of J-Acid and Tobias will be manufactured at the Tarapur plant, starting by the end of November 2020. Lastly, in the third phase will focus on the manufacturing of pigments intermediates at a capacity of 4,500 MTPA, which is expected to be on stream by FY 22. We have also purchased 3.4 acres of land for the expansion at GIDC, Vapi.

We also continue to make significant investment towards research and development of new, unique and eco-friendly products. Our team of experienced and qualified scientists have been working on developing more efficient products and processes that will enable us to reduce our cost without compromising on the quality.

Outlook

With a strong market standing and healthy relationship with our clientele, we remain poised to deliver encouraging performance and create value for all our stakeholders. We are optimistic about the growth and market acceptance of the new products in the pipeline. Your Company has no long-term debt on its books and has adequate working capital sanctions to address growing business needs. We remain optimistic about our future given the multiple opportunities that have been presented to us with changing global and domestic circumstances, which will cater to our aim of growth and expansion.

The recent outbreak of Covid-19 has not only severely impacted millions of lives in India and across the world, but also brought the economy to a grinding halt. In the wake of this pandemic, we stood united with the nation to undertake initiatives formulated to cater to underserved citizens. Apart from distributing food to the needy, we also gave donation to the PM CARES Fund, District Disaster Mitigation Fund (Boisar, Maharashtra) and Chief Minister's Relief Fund (Gujarat).

I would like to express my appreciation to the Board of Directors for their constant support and guidance in taking the Company ahead. I would also like to thank our employees, financial institutions, vendors, customers and shareholders for their vital contribution in the success of our business.

Regards,

Suresh Bhageria
Chairman

NURTURING SOCIAL RESPONSIBILITY

We vigilantly guard our activities and strive to enable sustainable operations across our facilities. In our effort to make a difference in the society and communities, we emphasize on integrating our CSR principles with our business objective.

To initiate sustainable development, we act as a responsible organization, being mindful of our actions and its impact on our natural ecosystem as well as on people.

As a Company with a diversified business, we feel there are numerous opportunities to increase and deepen our social impact while generating value for the society. We seek to consolidate and implement our CSR initiatives in a phased and strategic manner with a focus on discrete social problems.



Our Commitments

- Continuous improvement of our CSR strategy
- Encourage our business partners to act responsibly
- Act in a socially responsible way
- Support local communities for social / charitable causes
- Encourage our employees to be mindful of the effect of their actions on natural resources



Our Focus areas:

- Preventive Health Care & Sanitation
- Education
- Rural Development

BOARD OF DIRECTORS

Mr. Suresh Bhageria

Chairman

Mr. Vinod Bhageria

Managing Director

Mr. Vikas Bhageria

JT. Managing Director (WTD)

Mr. Surendra Shiram Gupta

Independent Director

Mr. Mukund Manohar Chitale

Independent Director

Dr. Ganapati Dadasaheb Yadav

Additional Director (Independent)

Mr. Sandeep Singh

Independent Director

Mr. S.P. Tulsian

Independent Director

Mr. Omprakash Bubna

Independent Director

Mrs. Chandraprabha Bhageria

Whole Time Director

Ms. Ameya Prakash Jadhav

Additional Director (Independent)

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting (AGM) of the Members of BHAGERIA INDUSTRIES LIMITED (CIN: L40300MH1989PLC052574) will be held on Saturday, August 29, 2020 at 11.00 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2020, including the Audited Balance Sheet as at March 31, 2020, the Statement of Profit and Loss & Cash Flow Statement for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended March 31, 2020.
3. To appoint a Director in place of Mr. Vikas Bhageria (DIN: 02976966) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Approval of appointment of Mr. Ganapati Dadasaheb Yadav, Independent Director for a term of 5 consecutive years:**

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

"RESOLVED THAT Mr. Ganapati Dadasaheb Yadav(DIN: 02235661), who was appointed by the Board of Directors as an Additional Director of the Company with effect from October 21, 2019 and who holds office up to the date of the ensuing Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 16 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, the appointment of Mr. Ganapati Dadasaheb Yadav (DIN: 02235661), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect, who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from October 21, 2019 to October 20, 2024, be and is hereby approved.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

5. **Approval of appointment of Ms. Ameya Prakash Jadhav, Independent Director for a term of 5 consecutive years:**

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

"RESOLVED THAT Ms. Ameya Prakash Jadhav (DIN: 08696918), who was appointed by the Board of Directors as an Additional Director of the Company with effect from April 01, 2020 and who holds office up to the date of the ensuing Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 16 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, the appointment of Ms. Ameya Prakash Jadhav (DIN: 08696918), who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder, and Regulation 16(1)(b) of Listing Regulations and who has submitted a declaration to that effect, who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from April 01, 2020 to March 31, 2025, be and is hereby approved.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this resolution and matters incidental thereto."

6. Payment of Remuneration to M/s Poddar & Co., Cost Accountants (Firm Registration No. 101734), the Cost Auditors of the Company for the Financial Year 2020-21:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Poddar & Co., Cost Accountants (Firm Registration No. 101734) appointed by the Board of Directors to conduct the audit of the cost records of the Company, be paid a remuneration for the Financial Year ending March 31, 2021 of ₹ 90000/- plus GST as applicable and out of pocket expenses as may be incurred by them in connection with the aforesaid audit."

Registered Office:
1002, Topiwala Centre,
Off S. V. Road,
Goregaon [West],
Mumbai -400062.
Date: June 26, 2020.

For and on behalf of the Board
BHAGERIA INDUSTRIES LIMITED

SURESH BHAGERIA
CHAIRPERSON
(DIN: 00540285)

NOTES:

- In view of the situation arising due to COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/ CMD1/ CIR /P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 31st AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 31st AGM shall be the Registered Office 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 and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 31st AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- The Members can join the AGM in the VC/OAVM mode 30 minutes before 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 for atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").



5. The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
6. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice calling the Annual General Meeting, Corporate Governance Report, Directors' Report, Audited Financial Statements, Auditors' Report, etc. are being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members may note that the Notice and Annual Report 2020 will also be available on the Company's website www.bhageriagroup.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL i.e. www.evotingindia.com.

Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically.
 - a. For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company/RTA at: info@bhageriagroup.com or support@sharexindia.com. Member can also update/register their email id directly at https://sharexindia.com/Email_Register.html
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
7. In all correspondence with the Company/RTA, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to email a certified copy of the Board resolution / authorization letter to the Company at info@bhageriagroup.com or upload on the VC portal / e-voting portal.
10. A statement giving the details of the Directors seeking appointment/re-appointment, nature of their expertise in specific functional areas, names of the companies in which they hold directorships, memberships / Chairpersonships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements), 2015, are provided in the Annexure.
11. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 22. The voting facility through electronic voting system shall be made available during the AGM and members attending the meeting through VC who have not casted their vote by remote e-voting shall be able to exercise their right during the meeting through electronic voting system.
12. The process and manner for e-voting and process of joining meeting through video conferencing alongwith other details also forms part of the Notice.
13. The Register of Members and the Share Transfer Books of the Company will remain closed from August 22, 2020 to August 29, 2020 (both days inclusive).
14. The dividend on Equity Shares, if declared at the Annual General Meeting of the Company will be payable on or after September 03, 2020 to those members:
 - a) Whose names appear as members in the Register of Members of the Company after giving effect to valid share Transfer/transmissions/ transposition in physical form lodged with the Company / Registrar and Transfer Agent on or before August 21, 2020; and
 - b) Whose names appear as Beneficial Owners in the list of Beneficial Owners at the closure of business hours on August 21, 2020 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
15. Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended from time to time, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of IEPF Authority.

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

Sr. No	Year ended	Date of Declaration	Due date of Transfer to IEPF
1.	31.03.2013	31.08.2013	30.09.2020
2.	31.03.2014	26.07.2014	25.08.2021
3.	31.03.2015	01.08.2015	31.08.2022
4.	31.03.2016	13.08.2016	12.09.2023
5.	31.03.2017	02.12.2017	08.01.2025
6.	31.03.2018	21.07.2018	27.08.2025
7.	31.03.2019	21.01.2019 (Interim Dividend)	27.02.2026
8.	31.03.2019	31.08.2019	07.10.2026

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

16. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company through email at accounts.mumbai@bhageriagroup.com at least seven days before the date of the meeting.

17. (a) Members holding shares in physical form are requested to notify immediately any change in their postal address, email address, telephone/mobile number, Permanent Account Number (PAN), nominations, bank details such as name of bank and branch, bank account number, MICR code, IFSC code etc. to the Registrar and Transfer Agent of the Company and who are desirous to availing the facility of Electronic Credit of Dividend are requested to contact Registrar and Transfer Agent of the Company at the address given below:

M/s SHAREX DYNAMIC (INDIA) PVT.LTD
UNIT: (BHAGERIA INDUSTRIES LIMITED)
C 101, 247 Park, LBS Marg, Vikhroli West,
Mumbai-400083
Tel: 022 28515606/28515644
Email: support@sharexindia.com

(b) Member holding shares in physical form can also update/register their email address, mobile number and bank details directly at https://sharexindia.com/Email_Register.html or https://sharexindia.com/Bank_Register.html

(c) Members holding shares in demat form, please contact your depository participant and give suitable instructions to update your bank details, postal addresses, email id, telephone/Mobile number, Permanent Account Number (PAN) etc.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.

19. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f April 1, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rate. For the prescribed rates of various categories, the shareholders are requested to refer the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company /RTA (In case shares are held in physical mode) and depository (in case shares are held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H at <https://sharexindia.com/submission-of-form-15g-15h.html> on or before August 22, 2020, to avail the benefit of non-deduction of tax at source. Resident Shareholders are requested to note that in case their PAN is not registered or if the PAN provided to the company/RTA is invalid, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence by submitting necessary documents/forms/declaration i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits, at <https://sharexindia.com/submission-of-form-15g-15h.html> on or before August 22, 2020.

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



21. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to info@bhageriagroup.com or snt@bhageriagroup.com.

22. VOTING THROUGH ELECTRONIC MEANS:

A. INSTRUCTION FOR SHAREHOLDERS FOR VOTING THROUGH ELECTRONIC MEANS PRIOR TO AGM

- i. 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. 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.

The Company has engaged the services of Central Depository Services Limited (CDSL) as the Agency to provide e-voting facility. The detailed procedure to be followed in this regard has been given below. The members are requested to go through it carefully.

- ii. The Board of Directors of the Company has appointed Mr. Mahesh Soni, failing him, Ms. Sonia Chettiar, Partner of GMJ & Associates, Company Secretaries, as Scrutiniser to scrutinize the votes cast through remote e-voting and during AGM in a fair and transparent manner.
- 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.
- iv. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. August 22, 2020.
- vi. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off

date, i.e. August 22, 2020 only shall be entitled to avail the facility of e-voting / remote e-voting.

- vii. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e August 22, 2020, may obtain the User ID and password from SHAREX DYNAMIC (INDIA) PVT. LTD (Registrar & Transfer Agent of the Company).
- viii. The Scrutiniser, after scrutinizing the votes cast during the meeting and through remote e-voting, will, not later than 48 Hours of conclusion of the Meeting, make a consolidated scrutiniser's report and submit the same to the CHAIRPERSON. The results declared along with the consolidated scrutiniser's report shall be placed on the website of the Company (www.bhageriagroup.com) and on the website of CDSL [https:// www.evotingindia.com](https://www.evotingindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
- ix. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. August 29, 2020.

The instructions for shareholders voting electronically are as under:

- a. The voting period begins on August 26, 2020 at 9.00 a.m. and ends on August 28, 2020 at 5.00 p.m. During this period, shareholder's of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of August 22, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the Meeting.
- c. The shareholders should log on to the e-voting website www.evotingindia.com
- d. Click on Shareholders/Members.
- e. Now Enter your user ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- f. Next enter the Image Verification as displayed and Click on Login.
- g. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.

- h. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members 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 <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (e).

- i. After entering these details appropriately, click on "SUBMIT" tab
- j. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on 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.
- k. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l. Click on the EVSN for the relevant BHAGERIA INDUSTRIES LIMITED on which you choose to vote.
- m. 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.
- n. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- o. 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.
- p. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- q. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- r. 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.
- s. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.



t. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;info@bhageriagroup.com or snt@bhageriagroup.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

u. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

- v. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

B. INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY DURING THE AGM ARE AS UNDER:

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

23. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system.

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system.

Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

The Members can join the AGM in the VC/OAVM mode 30 minutes before 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 members on first come first served basis.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. 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 atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@bhageriagroup.com or snt@bhageriagroup.com.
 5. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at info@bhageriagroup.com/snt@bhageriagroup.com. These queries will be replied to by the company suitably by email.
 6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
24. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO 4.

Mr. Ganapati Dadasaheb Yadav was appointed as an Additional Director (Independent Capacity) of the Company with effect from October 21, 2019. Your Board proposes to regularize his appointment and appoint him as an Independent Director of the Company under Section 149 and Regulation 16(1)(b) of the Listing Regulations, for one term of Five Years, commencing from October 21, 2019.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Ganapati Dadasaheb Yadav, being eligible for appointment as Independent Director offers himself for appointment, is proposed to be appointed as Independent Director for one term of five consecutive years from October 21, 2019 upto October 20, 2024.

In the opinion of the Board, Mr. Ganapati Dadasaheb Yadav fulfills the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the Listing Regulations for his appointment as Independent Director of the Company and is independent of the management.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail

services of Mr. Ganapati Dadasaheb Yadav as Independent Director of the Company.

Accordingly, the Board recommends the passing of Resolution as set out in the Item No. 4 of the Notice with respect to eligibility and appointment of Mr. Ganapati Dadasaheb Yadav as Independent Director of the Company for one term of five consecutive years with effect from October 21, 2019 to October 20, 2024, for approval of the members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Director for his respective appointment, is concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

ITEM NO 5.

In accordance with Regulation 17 of Listing Regulations which states that the Board of directors of the top 1000 listed entities shall have at least one independent woman director by April 1, 2020, Ms. Ameya Prakash Jadhav was appointed as an Additional Director (Independent Capacity) of the Company with effect from April 01, 2020. Your Board proposes to regularize her appointment and appoint her as an Independent Director of the Company under Section 149 and Regulation 16(1)(b) of the Listing Regulations, for one term of Five Years, commencing from April 01, 2020.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections

149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Ms. Ameya Prakash Jadhav, being eligible for appointment as Independent Director offers herself for appointment, is proposed to be appointed as Independent Director for one term of five consecutive years from April 01, 2020 upto March 31, 2025.

In the opinion of the Board, Ms. Ameya Prakash Jadhav fulfills the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1) (b) of the Listing Regulations for her appointment as Independent Director of the Company and is independent of the management.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Ms. Ameya Prakash Jadhav as Independent Director of the Company.

Accordingly, the Board recommends the passing of Resolution as set out in the Item No. 5 of the Notice with respect to eligibility and appointment of Ms. Ameya Prakash Jadhav as Independent Director of the Company for one term of five consecutive years with effect from April 01, 2020 to March 31, 2025, for approval of the members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Director for her respective appointment, is concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

ITEM NO 6:

The Board, on the recommendation of the Audit Committee, has approved the appointment of the Cost Auditor, M/s. Poddar & Co, Cost Accountants to conduct the audit of the cost records of the Company at ₹ 90000/- plus GST, as applicable, to be paid as remuneration for the financial year ending March 31, 2021.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors needs to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 6 of the Notice, for ratification of the remuneration amounting to ₹90000/-plus GST, as applicable and out of pocket expenses, if any, payable to the Cost Auditors for Cost Audit for the financial year ending March 31, 2021, in respect of products of the Company covered under The Companies (Cost Records and Audit) Amendment Rules, 2014.

Accordingly, the Board recommends the passing of Resolution as set out in the Item No.6 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel and relatives thereof, are in any way concerned or interested, financially or otherwise, in the Resolution at Item No. 6 of this Notice.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015.

Name	Mr. Ganapati Dadasaheb Yadav
Directors Identification Number (DIN)	02235661
Date of Birth	September 14,1952
Age	67 years
Date of first appointment on the Board	October 21,2019
Brief Resume & Nature of expertise in specific functional areas	Professor G.D. Yadav is one of the topmost, highly prolific and accomplished engineering-scientists in India. He is internationally recognized by many prestigious and rare awards as an academician, researcher and innovator, including his seminal contributions to education, research and innovation in Green Chemistry and Engineering, Catalysis, Chemical Engineering, Energy Engineering, Biotechnology, Nanotechnology, and Development of Clean and Green Technologies. For 10.5 years, he served as the Founding Vice Chancellor and R.T. Mody Distinguished Professor, and Tata Chemicals Darbari Seth Distinguished Professor of Leadership and Innovation at the Institute of Chemical Technology (ICT), Mumbai, which is a Deemed-to-be-University having Elite Status and Centre of Excellence given by State Assembly on par with IITs/IISc/IISERs. He currently holds the titles of Emeritus Professor of Eminence and J.C. Bose National Fellow in ICT. He serves as the Adjunct Professor at University of Saskatchewan, Canada, RMIT University, Melbourne, Australia and Conjoint Professor, University of New Castle, Australia. He was conferred Padma Shri, the fourth highest civilian honour, by the President of India in 2016 for his outstanding contributions to Science and Engineering. He has been recipient of two honorary doctorates: D. Sc. (Hon. Causa, DYPU) and

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015. (Contd..)

D. Eng. (Hon. Causa, NIT Agartala). As the Vice Chancellor he created many records. Under his dynamic leadership, ICT made phenomenal progress having been declared as Category I institute, having started 23 new academic programmes, 5 new Departments and several Centres of Excellence, and establishment of two off-campus in Bhubaneswar with total support of IOCL and Marathwada with total support of Govt. of Maharashtra, and collected phenomenal funds. The ICT is listed in top 100 institutes in the Developing World by Times Higher Education Ranking in 2019. He has personally won over 125 national and international honours, awards, fellowships, editorships, and several Life Time Achievement Awards by prestigious industrial organizations. He is an elected Fellow of Indian National Science Academy, Indian Academy of Sciences, National Academy of Sciences, India, Indian National Academy of Engineering as well as The World Academy of Sciences, Trieste (TWAS). He is a Fellow of Royal Society of Chemistry, UK, Institution of Chemical Engineers, UK, Indian Institute of Chemical Engineers, Indian Chemical Society, and Indian Society for Technical Education, among others.

Details of last drawn remuneration	Please refer Corporate Governance Report
Number of Board Meeting attended during the year	Please refer Corporate Governance Report
Disclosure of relationship between directors inter-se	None
Name of Listed entities in which the person also holds the directorship and the membership of Committees of the Board; and	<ol style="list-style-type: none"> 1. Aarti Industries Limited Committee Membership-Audit Committee 2. Godrej Industries Limited Committee Membership-NIL 3. Meghmani Organics Limited Committee Membership-Audit Committee, Nomination & Remuneration Committee
Shareholding in Bhageria Industries Limited	Nil

Name	Ms. Ameya Prakash Jadhav
Directors Identification Number (DIN)	08696918
Date of Birth	September 02,1985
Age	34 Years
Date of First appointment on the Board	April 01,2020
Brief Resume & Nature of expertise in specific functional areas	<p>Ms. Ameya Prakash Jadhav is an Assistant Professor in Atharva College of Engineering, Mumbai. She has a vast experience of more than 10 years in the field of Teaching and Social Organizations and having a qualification of M.E. and B.E in Electronics and Telecommunication and also M.A. in Sanskrit Language. She is also a Visiting faculty of Department of Sanskrit, University Of Mumbai.</p> <p>She is Language expert in Sensor Board Panel, Film Division, Ministry of Information and Broadcasting, Govt. of India. She has also worked as a review member for syllabus designing of Maharashtra International Education Board (MIEB),Govt. Of Maharashtra in 2018.</p>

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015. (Contd..)

	Ms. Ameya Prakash Jadhav is a Member of Managing Committee and Social Award Selection Committee of Keshav Srushti, Uttan. She is also associated with various NGO's like Lokmanya Seva Sangh, Vile Parle and Janvesa Samiti, Vile Parle. She was felicitated as an Extra Ordinary Woman on the Occasion of Swami Vivekanand Jayanti (National Youth Day) in Hindu Spiritual Service Fair, 2019 Mumbai and also felicitated as a Young Achiever on International Women's Day in 2015.
Details of last drawn remuneration	Not applicable
Number of Board Meeting attended during the year	Not applicable
Disclosure of relationship between directors inter-se	None
Name of Listed entities in which the person also holds the directorship and the membership of Committees of the Board; and	None
Shareholding in Bhageria Industries Limited	NIL

Registered Office:
1002, Topiwala Centre,
Off S. V. Road,
Goregaon [West],
Mumbai -400062.
Date: June 26, 2020.

For and on behalf of the Board
BHAGERIA INDUSTRIES LIMITED

SURESH BHAGERIA
CHAIRPERSON
(DIN: 00540285)

DIRECTORS' REPORT

To
The Shareholders,

Your Directors have great pleasure in presenting the 31st Annual Report together with the Audited Accounts of the Company for the financial year ended March 31, 2020.

1. Financial Highlights:

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

Particulars	(₹ in Crores)	
	2019-20	2018-19
Revenue from Operations	413.68	462.41
Other Income	5.60	5.29
Total Income	419.28	467.70
EBITDA	103.18	130.20
Less : Finance Cost	1.68	3.80
Less : Depreciation & Amortisation expenses	22.96	22.18
Profit before tax	78.55	104.21
Tax Expenses	12.73	32.70
Net Profit after tax	65.81	71.51
Other Comprehensive Income (Net of tax)	(0.12)	(0.09)
Total Comprehensive Income after tax	65.70	71.42
Earning per shares of ₹ 5 each (In ₹)	15.08	16.36

2. Operational Review:

During the year under review, the Company has achieved a Total Income of ₹419.28 Crores as against ₹467.70 Crores in the previous financial year. EBITDA for FY20 stood at ₹103.18 crores with an EBITDA Margin of 24.9%. The Profit after tax for the financial year 2019-20 was ₹65.81 Crores as compared to previous year of ₹71.51 Crores due to the compression in pricing during the year leading to lower price realization.

Dyes and Dye intermediates & Chemical Business

The turnover of the company from the Chemical Segment amounted to ₹373.13 Crores as against ₹429.28 Crores for the previous year. The EBIT from this segment stood at ₹75.50 Crores as against ₹102.81 Crores in the previous year.

Solar Business

The turnover of the company from solar power operations amounted to ₹30.67 Crores as against ₹33.13 Crores for the previous year. The EBIT from this segment stood at ₹11.38 Crores as against ₹12.08 Crores in the previous year.

3. COVID-19:

The World Health Organization declared Novel Coronavirus disease (COVID-19) a global pandemic on February 11, 2020. Since March 2020, COVID-19 developed rapidly into a global crisis, forcing governments to impose lock-downs of all economic activity. In enforcing social distancing to contain the spread of the disease, our offices and Plant have been operating with minimal or no staff for extended periods of time. We have extended support to the employees impacted by this pandemic, including those who tested positive for COVID-19. As a responsible member of the communities that it operates in, the Company has contributed to various COVID-19 relief and monitoring programs in India.

The Operations of Chemical Business of the Company were also affected due to the Lockdown announced by the Government of India to control the spread of Corona virus. The Company's Manufacturing operations affected earlier, now have been partially functional after obtaining necessary approvals from the concerned government/ local authorities.



4. Dividend:

Your Directors have pleasure in recommending, for approval of the Members, at its 31st Annual General Meeting, a Dividend of ₹3/- per share of ₹5 each i.e 60 % on Equity Share Capital i.e. ₹21,82,20,900 for the year ended March 31, 2020. If approved at the forthcoming Annual General Meeting, it will result in an outflow of ₹13.09 Crores.

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

5. Capital Structure & Liquidity:

Authorised Share Capital

The Authorised Capital of the Company as at March 31, 2020 was ₹25,00,00,000/- (Rupees Twenty Five Crores only) divided into 5,00,00,000 (Five Crores) equity shares of ₹5/- each.

Issued and paid up Share Capital

The paid-up Equity Share Capital as at March 31, 2020 was ₹21,82,20,900 /- (Twenty One Crore Eighty Two Lakh Twenty Thousand Nine Hundred) divided into 4,36,44,180 (Four Crore Thirty Six Lakh Forty Four Thousand One Hundred & Eighty) Equity Shares, having face value of ₹5/- each fully paid up.

During the year under review, the Company has allotted 2,18,22,090 equity shares of face value of ₹5/- each as bonus shares in the proportion of 1 (One) equity share for every 1 (One) existing equity share held, to those Members whose names appear in the Register of Members of the Company as on 18 July, 2019 ("Record Date").

During the year under review, the Company has not issued any convertible securities with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

6. Subsidiaries & Associate Companies:

The Company does not have any subsidiary or associate companies.

7. Board of Directors:

Appointment/Re-appointments:

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

The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Ganapati Dadasaheb Yadav as an Additional Director (Independent capacity) with effect from October 21, 2019 and Ms. Ameya Prakash Jadhav as an Additional Director (Independent capacity) with effect from April 01, 2020. In terms of Section 161 of the Act, Mr. Ganapati Dadasaheb Yadav and Ms. Ameya Prakash Jadhav hold office up to the date of ensuing Annual General Meeting. Accordingly, the Board recommends the resolution for appointment of Mr. Ganapati Dadasaheb Yadav and Ms. Ameya Prakash Jadhav as Independent Directors, for the approval by the members of the Company for a term of five consecutive years.

Mrs. Chandraprabha Bhageria was re-appointed as a Whole-Time Director of the Company for a period of 3 (Three) years with effect from November 1, 2019 at the 30th Annual General Meeting (AGM) held on August 31, 2019.

Mr. Shashikant Parmanand Tulsian was re-appointed as an Independent Director with effect from April 01, 2020 and Mr. Mukund Manohar Chitale was appointed as an Independent Director with effect from March 25, 2019 at the 30th Annual General Meeting (AGM) held on August 31, 2019 for the period of five consecutive years.

In the Opinion of Board, Independent Directors appointed/re-appointed during the year under review are persons of high repute, integrity and possess the relevant expertise and experience in their respective fields.

Resignation:

During the year under review, Mr. Pradeep Kumar Shankar Dalvi has resigned from the post of Independent Director of the Company on January 25, 2020 due to his health problem.

8. Declaration by Independent Directors:

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

9. Directors Responsibility Statement:

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

- that in the preparation of the annual accounts, the applicable accounting standards had been followed

along with proper explanation relating to material departures, if any;

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

10. Key Managerial Personnel:

Sr. No	Name of Personnel	Designation
1.	Mr. Suresh Bhageria	Chairperson
2.	Mr. Vinod Bhageria	Managing Director
3.	Mr. Vikas Bhageria	Jt. Managing Director (WTD)
4.	Mrs. Chandrabhabha Bhageria	Whole-time Director
5.	Mr. Rakesh Kachhadiya	Chief Financial Officer
6.	Mr. Ketan Gaur	Company Secretary

11. Annual Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out an evaluation of its performance after taking into consideration various performance related aspects of the Board's functioning, competencies, frequency and regularity of meetings, contribution, creation of stakeholder values, management of current & potential strategic issues, compliance & governance etc. The performance evaluation of the Board as a whole,

Chairperson and Non-Independent Directors was also carried out by the Independent Directors in their meeting held on January 25, 2020.

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

12. Number of Meetings of the Board of Directors:

The Board met 5 (five) times during the financial year 2019-20. The meeting details are provided in the Corporate Governance Report that forms a part of this Annual Report.

13. Audit Committee:

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report, which is a part of this report.

14. Policy on Directors' Appointment and Remuneration and Other Details:

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

15. Vigil Mechanism / Whistle Blower Policy:

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

16. Public Deposits:

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

17. Particulars of Loans, Guarantees or Investments:

During the year, there is no loan given or guarantee given or security provided by the Company covered under Section 186 of Companies Act, 2013. Details of investments are given in the notes to the financial statements.

18. Corporate Social Responsibility Initiatives:

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

19. Material Changes and Commitments affecting Financial Position between the end of the financial year and date of report:

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

20. Significant and Material orders passed by the Regulators or Courts:

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

21. Annual Return:

As required under Section 134(3)(a) of the Act, the Annual Return is put up on the Company's website and can be accessed at www.bhageriagroup.com. Extract of the Annual return in form MGT-9 for the Financial year 2019-20 is uploaded on the website of the Company and can be accessed at www.bhageriagroup.com.

22. Investor Education & Protection Fund (IEPF):

- a) Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of seven years. Further, according to the Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of IEPF Authority. Accordingly, during the year the Company has transferred the unclaimed and unpaid dividends of ₹75,492/- in respect of financial year 2011-12.
- b) Pursuant to provisions of Section 124(6) of the Companies Act, 2013 and IEPF Rules, during the year 2019-20, 31,200 Equity shares were transferred to the IEPF Authority.

- c) Pursuant to rule 6(8) of the IEPF Rules, under the bonus issue 1,40,800 equity shares were allotted to the IEPF Authority based on their shareholding as on record date.

23. Related Party Transactions:

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

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

24. Code of Conduct:

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

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

25. Statutory Auditors:

M/s. MRB & Associates, Chartered Accountants, (Firm Registration No.136306W), were appointed as the Statutory Auditors of the Company at the 28th AGM held on December 02, 2017 and will hold office until the conclusion of the 33rd AGM to be held in 2022. Their

appointment was subject to ratification by the Members at every subsequent AGM. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

The Report given by M/s. MRB & Associates, Chartered Accountants, on the financial statements of the Company for the financial year 2019-2020 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

26. Reporting of Frauds:

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

27. Cost Audit:

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company has been complying with the provisions of audit of cost records of the Company every year. The Board of Directors, on the recommendation of the Audit Committee, have appointed M/s Poddar & Co, Cost Accountants as the Cost Auditors to audit the accounts of the Company for the Financial Year 2020-21 at a remuneration of ₹90000/- plus GST as applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, a resolution seeking member's approval for remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

28. Internal Audit:

Pursuant to provisions of Section 138 of the Companies Act, 2013 the Board on recommendation of the Audit Committee has appointed M/s. Kamal Dhanuka & Co, Chartered Accountants, having Registration No.131308W as Internal Auditors of the Company for the financial year ending March 31, 2021.

29. Secretarial Audit:

The Secretarial Audit was carried out by M/s. GMJ & Associates, Company Secretaries for the Financial Year

2019-2020. The Report given by the Secretarial Auditors is annexed as Annexure 'B' and forms an integral part of this Board's Report.

There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Secretarial Auditors had not reported any matter under Section 143(12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

In terms of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee recommended and the Board of Directors have appointed M/s. GMJ & Associates, Company Secretaries as the Secretarial Auditors of the Company in relation to the financial year ending March 31, 2021. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed there under.

30. Internal Control Systems and their adequacy:

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

31. Corporate Governance and Management Discussion & Analysis Reports:

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

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

32. Risk Management:

The Company has a risk management framework to identify, evaluate various elements of risk and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the company's competitive advantages. Further details are set out in the Management Discussion and Analysis Report forming integral part of this report.



33. Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

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

34. Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013:

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

35. Environment and Safety:

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

36. Particulars of Employees:

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this

Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection by the members at the registered office of the Company during working hours on working days upto the date of the Annual General Meeting and if any member is interested in obtaining as copy thereof, such member may write to the Company Secretary.

37. Business Responsibility Report:

Pursuant to Regulation 34(2)(f) of Listing Regulations the Business Responsibility Report in the prescribed format is available as a separate section of this Annual Report.

38. Affirmation on Compliance of Secretarial Standards:

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

39. Listing:

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

40. Appreciation:

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

Registered Office:
1002, Topiwala Centre,
Off S. V. Road,
Goregaon [West],
Mumbai -400062.
Date: June 26, 2020.

For and on behalf of the Board
BHAGERIA INDUSTRIES LIMITED

SURESH BHAGERIA
CHAIRPERSON
(DIN: 00540285)

Annexure 'A' to Directors' Report 2019-20

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes propose to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR policy is stated herein below:

CSR Policy

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to:

- 1) Improving the quality of life in rural area.
- 2) Eradicating hunger, poverty and malnutrition.
- 3) Promoting healthcare including preventive healthcare.
- 4) Employment enhancing vocational skills.
- 5) Promotion of education including investment in technology in schools.
- 6) Ensuring environment sustainability including measures for reducing inequalities faced by socially and economically backward groups.
- 7) Promoting sports including rural and Olympic sports.
- 8) Contribution to funds for promoting technology.

- 9) Investing in various rural development projects.
- 10) Contribution to the Prime Minister's National Relief Fund or any other fund setup by the Central Government for development and relief.
- 11) Collaborate with likeminded bodies like Voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals.
- 12) Interact regularly with stakeholders, review and publicly report our CSR initiatives and
- 13) Other areas approved by the CSR Committee that are covered in the CSR Rules as amended from time to time.

Web Link: www.bhageriagroup.com

2. Composition of CSR committee:

Name of The Member	Designation
Mr. Surendra Shriram Gupta	Chairperson
Mrs. Chandraprabha Bhageria	Member
Mr. Vinod Bhageria	Member

3. Average net profit of the company for last three financial years: ₹ 7716.68 Lakhs

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): ₹ 154.33 Lakhs

5. Details of CSR spend for the financial year:

- a) Total amount spent for the financial year: ₹ 184.29 Lakhs
- b) Amount unspent if any: NIL



c) Manner in which the amount spent during the financial year is detailed below:

Sr. No	Projects/ Activities	Sector	Location	Amount Outlay (Budget) Project or Programs wise (₹ in Lakhs)	Amount Spent on the Project or programs (₹ in Lakhs)	Cumulative Expenditure upto reporting period (₹ in Lakhs)	Amount spent direct or through implementing agency
1	Contribution in new/ expansion project of Educational Institutes	Promoting Education	Mulund (East), Mumbai, Maharashtra	101.00	101.00	101.00	Raosaheb Balaram Dnyandeo Thakur Vidya Mandir
2	Installation of 93kWp Solar Power Plant	Rural Development	Bharatpur, Rajasthan	29.62	29.62	29.62	Direct
3	Water Treatment Plant (RO+UF) with Water ATMs	Rural Development & Promoting Heathcare	Village : Salai Godni, Malgi Nagar, Welahari, District : Nagpur, Maharashtra	40.10	40.10	40.10	Direct
4	Contribution in Expansion project for Agarwal Oswal Chhatrawas	Promoting Education	Andheri (West), Mumbai, Maharashtra	11.00	11.00	11.00	RVG Educational Foundation
5	Contribution in R&D for eradicating malnutrition	Eradicating Hunger, Poverty and Malnutrition	Bhayander, Thane, Maharashtra	11.00	2.57	6.79	Direct
Total				192.72	184.29	188.51	

For and on behalf of the Board
Bhageria Industries Limited

Suresh Bhageria
DIN:00540285

Surendra Shriram Gupta
Chairperson CSR Committee
DIN: 01147494

Annexure 'B' to Directors' Report 2019-20

Form No.MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2020

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;

- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz
 - a) 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (except as specified in the Annual Secretarial Compliance Report)
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008; [Not applicable during the period of audit]
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; [Not applicable during the period of audit]
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable during the period of audit]
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the period of audit]

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

- a) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

We 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 etc.

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

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.
2. That there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
3. Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on

agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

We further report that during the Audit Period, the Company has approved the following Ordinary Resolutions on July 4, 2019 through Postal Ball Process and complied with the provisions of the Act.

1. The Authorized Share Capital of the Company was increased from ₹14,00,00,000/- to ₹25,00,00,000/- divided into 5,00,00,000 Equity Shares of ₹5/- each.
2. The Company has altered its Memorandum of Association for increasing the Authorised Share Capital of the Company.
3. The Company has issued and allotted 2,18,22,090 Equity shares of face value of ₹5/- each by way of Bonus Issue in the proportion of 1 Equity share for every 1 Equity share held by the existing shareholders of the Company as on July 18, 2019 (Record Date).

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

For GMJ & ASSOCIATES
Company Secretaries

Sd/-
[SONIA CHETTIAR]
PARTNER

PLACE: MUMBAI
DATE: JUNE 26, 2020.

ACS: 27582 COP: 10130
UDIN: A027582B000387909

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

Annexure A

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

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the outbreak of COVID -19 pandemic and the current lockdown in the entire country, physical examination of documents under Companies Act, 2013 and SEBI regulations and Other Laws is not possible; we have therefore relied upon the documents provided by the Company in electronic mode for Audit purpose.

For GMJ & ASSOCIATES
Company Secretaries

Sd/-

[SONIA CHETTIAR]

PARTNER

ACS: 27582 COP: 10130
UDIN: A027582B000387909

PLACE: MUMBAI
DATE: JUNE 26, 2020.

Annexure 'C' to Directors' Report 2019-20

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

Information as per section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 is given here below and forms a part of the Directors' Report.

A. Conservation of Energy:

(i) The steps taken or impact on conservation of energy;

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

(ii) The steps taken by the company for utilising alternate sources of energy;

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

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

(iii) The capital investment on energy conservation equipment's;

Installed Power Capacitor at every individual electrical motors, Panels to meet out power factor as per MSDISCO guidelines. Further studies to reduce energy consumption of existing unit are on and suitable investment will continue to be made in these areas.

B. Technology Absorption:

(i) the efforts made towards technology absorption:

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

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:

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

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable.

(iv) During the year under review the expenditure incurred on Research and Development: NIL

C. Foreign Exchange Earnings and Outgo:

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

		(₹ in Lakhs)	
Sr. No	Particular	2019-20	2018-19
i.	Foreign Exchange outgo	5255.35	3686.38
ii.	Foreign Exchange earned	10357.59	14645.89

Registered Office:

1002, Topiwala Centre,
Off S. V. Road,
Goregaon [West],
Mumbai - 400 062.
Date: June 26, 2020.

For and on behalf of the Board
BHAGERIA INDUSTRIES LIMITED

SURESH BHAGERIA
(DIN: 00540285)
CHAIRPERSON

Annexure to Directors' Report 2019-2020

REPORT ON CORPORATE GOVERNANCE

Report on Corporate Governance pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and forming Part of the Directors' Report for the year ended March 31, 2020.

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

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

The Corporate Governance structure specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major

decisions regarding procurement, commercial and finance are forwarded ahead after approval of the Board.

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

2. Board of Directors:

Composition of the Board

As on March 31, 2020 the structure of the Board of the Company maintained an optimum mix of Executive and Non-Executive Independent Directors and the same is in conformity with the Listing Regulations.

Besides the Chairperson, who is an Executive Promoter Director, the Board comprises of 2 Executive Promoter Directors, 1 Woman Promoter Executive Director and 6 Non-Executive, Independent Directors.

Table 1: Composition of the Board of Directors as on March 31, 2020:

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

Sr. No	Name of Directors	Category	No. of Board Meeting attended during the year 2019-2020	Attendance at last AGM held on 31st August, 2019	*No. Of Other Directorships of Companies Held As on 31st March, 2020		No. of Membership of Outside Committees Held As on 31st March, 2020		Name of other listed entities (whose equity or debt securities are listed) where the directors of the Company are director and the category of their Directorship	Category
					Public	Private	Member	Chairman		
1.	Mr. Suresh Bhageria	Executive/ Chairperson	5	Yes	---	3	---	---	NIL	NIL
2.	Mr. Vinod Bhageria	Managing Director/ Executive	5	Yes	---	1	---	---	NIL	NIL
3.	Mr. Vikas Bhageria	Promoter Executive	3	Yes	---	6	---	---	NIL	NIL
4.	Mrs. Chandrababha S. Bhageria	Promoter Executive	4	Yes	---	2	---	---	NIL	NIL
5.	Mr. Surendra Shriram Gupta	Independent Non-Executive	4	No	1	---	2	2	Elegant Floriculture & Agrotech (India) Limited	Non Executive Independent Director



Sr. No	Name of Directors	Category	No. of Board Meeting attended during the year 2019-2020	Attendance at last AGM held on 31st August, 2019	*No. Of Other Directorships of Companies Held As on 31st March, 2020		No. of Membership of Outside Committees Held As on 31st March, 2020		Name of other listed entities (whose equity or debt securities are listed) where the directors of the Company are director and the category of their Directorship	
					Public	Private	Member	Chairman	Other Listed Entities	Category
6.	Mr. Sandeep Kumar Singh	Independent Non-Executive	4	Yes	3	---	3	---	1. Solid Containers Limited 2. The Byke Hospitality Limited 3. Navkar Corporation Limited	Non Executive Independent Director Non Executive Independent Director Non Executive Independent Director
7.	Mr. Shashikant Tulsian	Independent Non-Executive	4	Yes	---	4	---	---	NIL	NIL
8.	Mr. Omprakash Anandilal Bubna	Independent Non-Executive	4	Yes	---	---	---	---	NIL	NIL
9.	Mr. Mukund Manohar Chitale	Independent Non-Executive	4	Yes	6	---	6	3	1. Larsen & Toubro Infotech Limited 2. Larsen and Toubro Limited 3. Atul Limited 4. Macrotech Developers Limited (Formerly Known as Lodha Developers Limited)	Non Executive Independent Director Non Executive Independent Director Non Executive Independent Director Non Executive Independent Director
10	*Mr. Ganapati Dadasaheb Yadav	Independent Non-Executive	1	NA	3	1	2	----	1. Aarti Industries Limited 2. Godrej Industries Limited 3. Meghmani Organics Limited	Non Executive Independent Director Non Executive Independent Director Non Executive Independent Director

Note:

- *Mr. Ganapati Dadasaheb Yadav appointed as an Additional (Independent) Director on October 21,2019.
- Mr. PradeepKumar Shankar Dalvi, Independent Director resigned from the Company on January 25,2020.
- *Nos. of other Directorships of Companies excludes foreign companies and Section 8 companies.

Relationships between Directors inter-se

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

Shareholding of Non-Executive Independent Directors as on 31.03.2020

Mr. Omprakash Anandilal Bubna, Non-Executive Independent director holds 23,000 Equity Shares and

Mr. Surendra Shriram Gupta, Non-Executive Independent Director holds 35,344 Equity Shares in the Company.

Number of Board Meetings

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

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the Meeting of the Board.

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

During the year 2019-20, the Board met 5 (Five) times. Details of these Meetings are as follows:-

Sr. No	Date of Board Meeting
1.	29/05/2019
2.	19/07/2019
3.	27/09/2019
4.	21/10/2019
5.	25/01/2020

The Company has held at least one Board meeting in every three months. The maximum gap between any two meetings was less than 120 days, as stipulated in Regulation 17 (2) of the Listing Regulations.

As mandated by Regulation 26 of Listing Regulations, none of the Directors are members of more than 10 Board level committees, nor are they Chairpersons of more than 5 committees in which they are members of such committees.

The Board has an effective post meeting follow up procedure. The Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board. The

Compliance report in respect of applicable laws are reviewed by the Board periodically.

The performance evaluation of the Independent Directors has been carried out by the entire Board of Directors to its satisfaction. In the above evaluation process the Directors, who were subjected to evaluation did not participate.

Obligations of Independent Directors:

As mandated by Regulation 25 of the Listing Regulations, the Independent Directors on the Company's Board held a meeting on January 25, 2020, without the presence of Non-Independent Directors and Members of the management to:

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

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

Familiarisation Programme for Independent Directors:

The details of familiarization programme for Independent Directors is disclosed on the website of the Company i.e. www.bhageriagroup.com.

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

Name of Director	List of core Skills/Expertise/Competencies identified by the Board of Directors as required in the context our Business and sector to function effectively and actually available with the Board along with names of Directors who have such skills/expertise/competence					
	Planning	Technical	Finance/ Accounts / Taxation	Legal	Administration	Marketing/ publicity
Mr. Suresh Bhageria	√				√	√
Mr. Vinod Bhageria	√		√		√	
Mr. Vikas Bhageria	√	√			√	√
Mrs. Chandraprabha Bhageria					√	
Mr. Shashikant Tulsian			√	√		
Mr. Omprakash Anandilal Bubna			√			
Mr. Sandeep Singh						√
Mr. Mukund Manohar Chitale			√	√		
Mr. Surendra Shriram Gupta			√	√		
Mr. Ganapati Dadasaheb Yadav		√			√	

Confirmation of Board for the independence of Independent Directors:

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

Independent directors databank registration -

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

Detailed reasons for the resignation of Independent Director

During the year 2019-20, Mr. Pradeepkumar Shankar Dalvi has resigned from the post of Independent Director of the Company on January 25, 2020 due to his health problem and it has been confirmed by Mr. Pradeepkumar Shankar Dalvi that there are no other material reasons other than those provided.

Committees of Board:

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

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

3. Audit Committee:

The Company has a qualified and independent Audit Committee comprising of three Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 ("the Act") and Regulation 18 of the Listing Regulations. All the members have financial and accounting knowledge.

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

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

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinions in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit functions;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management, if any;

- Management letters / letters of internal control weaknesses issued by the statutory auditors, if any;
- Internal audit reports relating to internal control weaknesses, if any;
- Statement of deviations, if any; in terms of Regulation 32(1) & 32(7) of the Listing Regulations;

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

The Committee met 4 times during the year on 29/05/2019, 19/07/2019, 21/10/2019, 25/01/2020.

Attendance record at the meetings of the Audit Committee of Directors during Financial Year 2019-2020:

The names of members of committee and their attendance are as follows:

Name of the Members	Status	No. of Meetings Attended
*Mr. Shashikant Tulsian	Chairperson	4
**Mr. Mukund Manohar Chitale	Member	1
*** Mr. Surendra Shriram Gupta	Member	1
****Mr. Omprakash Anandilal Bubna	Member	3
*****Mr. Vinod Bhageria	Member	3

*Mr. Shashikant Tulsian appointed as chairperson on October 21,2019.

**Mr. Mukund Manohar Chitale appointed as a member of the Committee on October 21, 2019.

***Mr. Surendra Shriram Gupta appointed as a member of the Committee on October 21,2019.

****Mr. Omprakash Anandilal Bubna ceased to be a member of the Committee on October 21,2019.

*****Mr. Vinod Bhageria ceased to be a member of the Committee on October 21,2019.

During the year 2019-20, the Audit Committee was reconstituted on October 21, 2019

Mr. Shashikant Tulsian, Chairperson of the Audit Committee attended the Annual General Meeting held on August 31, 2019 to address the shareholder's queries.

Mr. Ketan Gaur acts as a Secretary of the Committee.

4. Nomination and Remuneration Committee:

The Company is having "Nomination and Remuneration Committee" constituted in accordance with Section 178 of Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Committee comprises of Mr. Surendra Shriram Gupta, Independent Director as Chairperson, Mr. Shashikant Tulsian and Mr. Sandeep Singh as Members.

The Committee met 2 times during the year on 29/05/2019 and 21/10/2019.

During the year 2019-20, the attendance of the Nomination and Remuneration Committee is given below:

Name of the Members	Status	No. of Meetings Attended
*Mr. Surendra Shriram Gupta	Chairperson	1
**Mr. Shashikant Tulsian	Member	0
Mr. Sandeep Singh	Member	2
***Mr. Omprakash Anandilal Bubna	Chairperson	2

*Mr. Surendra Shriram Gupta appointed as a Chairperson on October 21, 2019

**Mr. Shashikant Tulsian appointed as a Member on October 21, 2019

***Mr. Omprakash Anandilal Bubna ceased to be Chairperson on October 21, 2019.

During the year 2019-20, the Nomination & Remuneration Committee was reconstituted on October 21, 2019.

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

- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on the Board diversity;
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice;
- Recommend to the Board, remuneration including

salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable;

- To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors;
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required;
- To recommend to the board, all remuneration, in whatever form, payable to senior management;

Policy Relating To Remuneration of Directors, KMP & Senior Management Personnel:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully;
- No director/KMP/ other employee is involved in deciding his or her own remuneration;
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration;
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated;
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future;
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals;
- Following criteria are also to be considered: -
 - Responsibilities and duties;
 - Time & efforts devoted;

- Value addition;
 - Profitability of the Company & growth of its business;
 - Analyzing each and every position and skills for fixing the remuneration yardstick;
 - Standards for certain functions where there is a scarcity of qualified resources;
 - Ensuring tax efficient remuneration structures;
 - Ensuring that remuneration structure is simple and that the Cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low;
 - Other criteria as may be applicable;
- Consistent application of remuneration parameters across the organization;
 - Provisions of law with regard making payment of remuneration, as may be applicable, are complied;
 - Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately;

Performance evaluation criteria for independent directors

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

- Fulfills criteria of independence as prescribed;
- Knowledge, Competency and Initiative in various areas;
- Ability to understand and fulfilment of functions;
- Commitment and Contribution of the Independent Directors;
- Availability/attendance at Board Meetings;
- Independence, Integrity and Judgement of the Independent Directors.

5. Remuneration of Directors:

The Company pays remuneration to its Chairperson, Managing Director & Whole-time Directors by way of Salary, perquisites, allowances, commission etc. Salary is paid within the range as approved by the Shareholders. The Board approves all the revisions in salary, perquisites, allowances and commission subject to the overall ceiling prescribed by Section 197 and 198 of the Act. The Non-Executive Independent Directors have not been paid any remuneration except sitting fees during the financial year 2019-20.

Given below are the details of remuneration paid to Directors during the financial year 2019-20:

(₹ in Lakhs)					
Name of Director	Designation	Salary	Sitting fees	Commission	Total Remuneration
Mr. Suresh Bhageria	Chairman (Executive)	36.00	-	104.00	140.00
Mr Vinod Bhageria	Managing Director	10.53	-	-	10.53
Mr. Vikas Bhageria	Jt. Managing Director (WTD)	66.00	-	54.00	120.00
Mrs Chandraprabha Bhageria	Executive Director	17.00	-	28.00	45.00
Mr. Omprakash Anandilal Bubna	Non-Executive Independent Director	-	2.00	-	2.00
Mr. Pradeepkumar Shankar Dalvi	Non-Executive Independent Director	-	1.50	-	1.50
Mr. Surendra Shriram Gupta	Non-Executive Independent Director	-	2.00	-	2.00
Mr. Sandeep Singh	Non-Executive Independent Director	-	2.00	-	2.00
Mr. Shashikant Tulsian	Non-Executive Independent Director	-	2.00	-	2.00
Mr. Mukund Manohar Chitale	Non-Executive Independent Director	-	2.00	-	2.00
Mr. Ganapati Dadasaheb Yadav	Non-Executive Independent Director	-	0.50	-	0.50

No single non-executive director is paid remuneration exceeding fifty percent of the total annual remuneration paid to all the non-executive directors during the financial year 2019-20.

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

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

6. Stakeholders Relationship Committee:

The Company is having a 'Stakeholders Relationship Committee' in accordance with the provisions of section 178 of the Act and Regulation 20 of the Listing Regulations. The Committee shall specifically look into the mechanism of redressal of grievances of shareholders & other security holders pertaining to transfer of shares, non-receipt of declared dividends, non-receipt of Annual Report, issues concerning dematerialization etc.

The Stakeholders Relationship Committee of the Company comprises of three Directors and Mr. Ketan Gaur is the Company Secretary & Compliance Officer of the Company.

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

The Committee met 4 times during the year on 29/05/2019, 19/07/2019, 21/10/2019 and 25/01/2020.

During the year 2019-20, the attendance of the Stakeholders Committee is given below:

Name of the Members	Designation	No. of Meetings Attended
*Mr. Shashikant Tulsian	Chairperson	1
Mr. Surendra Shriram Gupta	Member	3
Mr. Suresh Bhageria	Member	4
**Mr. Omprakash Anandilal Bubna	Chairperson	3

*Mr. Shashikant Tulsian appointed as a Chairperson on October 21, 2019.

**Mr. Omprakash Anandilal Bubna ceased to be a Chairperson of the Committee on October 21, 2019.

During the year 2019-20, the Board of Directors have reconstituted the Stakeholders Relationship Committee on October 21, 2019.

The following table shows the nature of complaints received from the shareholders during the year 2019-20.

Nature of complaints	No. of complaints received during the year 2019-20	No. of complaints resolved during the year 2019-20
Non receipt of Shares / Dividend/Bonus/Rights	8	8
Delay in Transfer of shares	3	3
Total	11	11

There were no complaints pending as on March 31, 2020.

Corporate Social Responsibility Committee:

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

The Committee met once during the year on May 29, 2019

The Composition of CSR committee is as under:

Name of the Members	Designation
Mr. Surendra Shriram Gupta	Chairperson
Mrs. Chandraprabha Bhageria	Member
Mr. Vinod Bhageria	Member

Other Policies Mandated Under Listing Regulations:

- Archival Policy- In Compliance with Regulation 30(8) of Listing Regulations, the Company shall disclose on its website all such events, information which has been disclosed to the Stock Exchange(s) under Regulations 30. Such disclosures shall be posted on website of the Company for minimum five years and thereafter determine further action as per the archival policy of the Company. This policy can be accessed from the Company's website -www.bhageriagroup.com.
- Policy for Preservation of Documents-In Compliance with Regulation 9 of Listing Regulations, the Board of Directors of the Company has adopted policy on preservation of Documents. This policy for

preservation of Documents can be accessed from the Company's website - www.bhageriagroup.com.

- Policy for Determining Materiality of Events- In Compliance with Regulations 30 of Listing Regulations, the Board of Directors has adopted a policy on Determining Materiality of Events or information. The objective of this policy is to ensure timely and adequate disclosure of events or

information. This Policy can be accessed from the Company's website -www.bhageriagroup.com.

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

7. General Body Meetings:

- (a). Location and time, where last 3 AGM's held:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2017	02.12.2017	11:30 A.M.	Maher Banquet, Topiwala Centre Mall 2nd Floor off S. V. Road Near Rly Strn., Goregaon (West), Mumbai – 400062.
31.03.2018	21.07.2018	11:30 A.M.	Maher Banquet, Topiwala Centre Mall 2nd Floor off S. V. Road Near Rly Strn., Goregaon (West), Mumbai – 400062.
31.03.2019	31.08.2019	11:30 A.M.	Maher Banquet, Topiwala Centre Mall 2nd Floor off S. V. Road Near Rly Strn., Goregaon (West), Mumbai – 400062.

- (b). Whether any Special Resolution passed in previous 3 AGM's:

Date of AGM	Description of Special Resolution
02.12.2017	(i) Special Resolution under section 196, 197, 203 for the Appointment of Mrs. Chandraprabha Bhageria as Whole-Time Director (ii) Special Resolution under section 180(1)(c) of the Companies Act, 2013, for borrowing Cash Credit facilities. (iii) Special Resolution under section 180(1)(a) of the Companies Act, 2013 to create such charges, mortgages and hypothecations.
21.07.2018	(i) Special Resolution under section 196, 197, 203 for the re-appointment of Mr. Suresh Bhageria as Executive chairperson (Whole-Time Director) of the Company. (ii) Special Resolution under section 196, 197, 203 for the re-appointment of Mr. Vinod Bhageria as Managing Director of the Company. (iii) Special Resolution under section 196, 197, 203 for the re-appointment of Mr. Vikas Bhageria as Jt. Managing Director (Whole-Time Director) of the Company. (iv) Special Resolution under section 149, 150, 152 for the re-appointment of Mr. Sandeep Kumar Singh, Mr. Omprakash Anandilal Bubna, Dr. Shyam Agarwal, Mr. Pradipkumar Shankar Dalvi, Mr. Surendra Shriram Gupta as Independent Director of the Company.
31.08.2019	(i) Special Resolution under section 196, 197, 203 for the re-appointment of Mrs. Chandraprabha Bhageria as Whole-Time Director of the Company. (ii) Special Resolution under section 149, 150, 152 for the re-appointment of Mr. Shashikant Parmanand Tulsian as Independent Director of the Company. (iii) Special Resolution for payment of Remuneration to Executive Directors who are promoters or members of promoter group of the Company pursuant to Regulation 17(6)(e) (ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (c) During the Year, no special resolution was passed through postal ballot. There is no special resolution proposed to be conducted through postal ballot. But the Company has conducted Postal Ballot during the year for approving Ordinary Resolutions. The Scrutinizers were M/s. GMJ & Associates, Company Secretaries.
- (d) Whether any special resolution is proposed to be conducted through postal ballot: NO

8. Means of Communication:

Quarterly results: Results are submitted to Stock Exchanges electronically as provided by the respective exchange & published in newspapers and uploaded on the Company's website.

Newspapers wherein results normally published: Business Standard & Mumbai Tarun Bharat.

Any website, where displayed: www.bhageriagroup.com

Presentations made to institutional investors or to the analysts: Investor presentations were made on June 03, 2019 for the quarter/year ended March 31, 2019, on July 25, 2019 for the Quarter ended June 30, 2019, on November 13, 2019 for the Quarter ended September 30, 2019 and on 03, February, 2020 for the quarter ended December 31, 2019 during the year.

9. General Shareholders Information:

a) Annual General Meeting - Date, Time and Venue

Annual General Meeting: 31st Annual General Meeting

Day & Date : Saturday, 29 August, 2020

Time : 11.00 A.M.

Venue : Through VC/OAVM, The venue of the 31st AGM shall be deemed to be the Registered Office of the Company.

b) Financial Year: 2020-21 (Tentative)

*Financial reporting for the quarter ended June 30, 2020: 2nd week of August, 2020.

*Financial reporting for the quarter ended September 30, 2020: 2nd week of November, 2020.

*Financial reporting for the quarter ended December 31, 2020: 2nd week of February, 2021.

*Financial reporting for the Year ended March 31, 2021: Audited Results by end of May, 2021.

c) **Dividend Payment Date:** The Final Dividend, if approved, shall be paid/credited on and before September 28, 2020.

d) Listing On Stock Exchanges:

The Company's Shares are listed on:

BSE Limited	National Stock Exchange of India Limited
Listing Department	Exchange Plaza,
P.J. Towers, 1st Floor,	Bandra Kurla Complex,
Dalal Street, Fort,	Bandra (E),
Mumbai – 400 001	Mumbai- 400 051

Payment of Listing Fees: The annual listing fees for the year 2020-21 has been paid.

e) Stock Code:

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

NSE Limited, Mumbai
Scrip Name: BHAGERIA

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

f) Market price data :

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

Month	Company's Shares		Closing	
	High (₹)	Low (₹)	Closing (₹)	BSE Sensex
April, 2019	288.65	256.65	259.00	39,031.55
May, 2019	298.00	227.00	270.05	39,714.20
June, 2019	284.00	242.00	251.75	39,394.64
July, 2019	276.95	100.05	107.50	37,481.12
August, 2019	112.00	95.00	104.30	37,332.79
September, 2019	135.10	97.10	107.30	38,667.33
October, 2019	115.00	101.70	109.85	40,129.05
November, 2019	115.30	93.95	97.60	40,793.81
December, 2019	133.75	88.35	116.50	41,253.74
January, 2020	125.00	104.90	113.65	40,723.49
February, 2020	154.55	110.65	125.05	38,297.29
March, 2020	137.00	66.00	76.95	29,468.49

Note: Price from July 17, 2019 is Ex-bonus

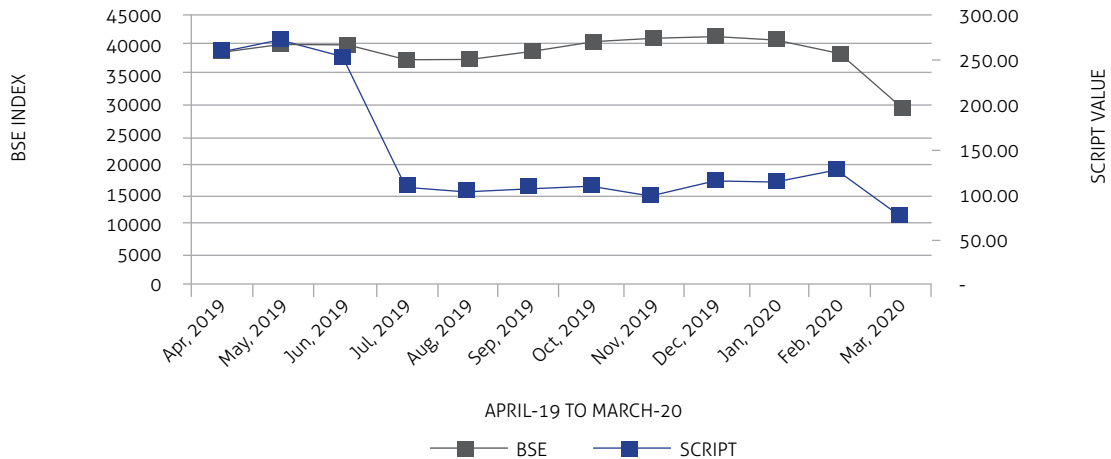
High, Low during each month in last financial year on NSE Ltd :

Month	Company's Shares		Closing	
	High (₹)	Low (₹)	Closing (₹)	NSE Nifty50
April, 2019	289.70	257.10	259.15	11,748.15
May, 2019	290.00	221.15	271.10	11,922.80
June, 2019	280.00	241.35	253.85	11,788.85
July, 2019	278.35	100.10	107.75	11,118.00
August, 2019	114.85	97.00	102.35	11,023.25
September, 2019	135.65	96.05	108.00	11,474.45
October, 2019	116.00	100.80	110.25	11,877.45
November, 2019	116.90	95.25	97.20	12,056.05
December, 2019	133.00	88.05	116.85	12,168.45
January, 2020	125.50	102.00	113.75	11,962.10
February, 2020	154.95	110.00	124.60	11,201.75
March, 2020	143.30	64.95	75.65	8,281.10

Note: Price from July 17, 2019 is Ex-Bonus.

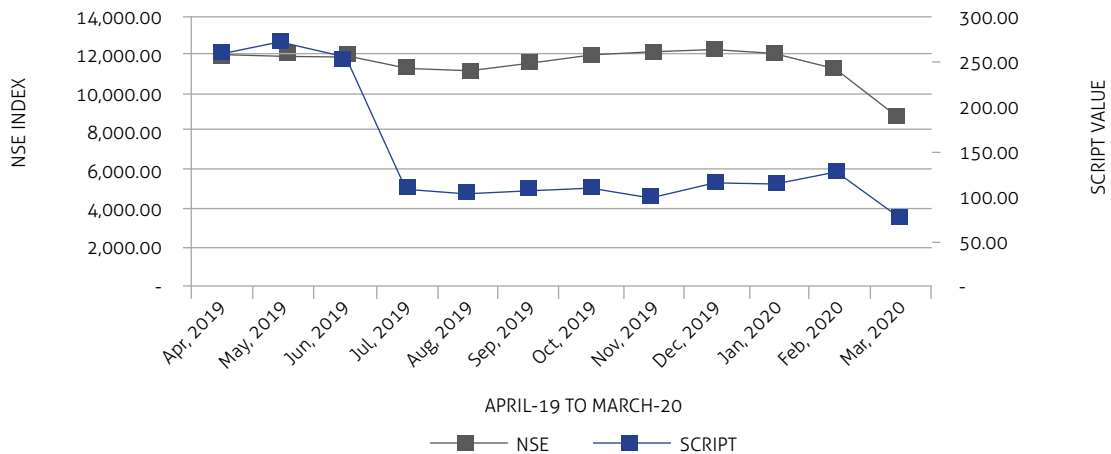
g) Performance in comparison to broad-based indices such as BSE and NSE etc.

BSE INDEX & MOVEMENT OF SCRIPT



Adjusted for 1:1 Bonus. The share has been trading ex-bonus on the exchanges w.e.f July 17, 2019.

NSE INDEX & MOVEMENT OF SCRIPT



Adjusted for 1:1 Bonus. The share has been trading ex-bonus on the exchanges w.e.f July 17, 2019.



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

i) Registrar and Share Transfer Agents:
SHAREX DYNAMIC [INDIA] PRIVATE LIMITED
[Unit: BHAGERIA INDUSTRIES LIMITED]
C 101, 247 Park, LBS Marg, Vikhroli West,
Mumbai-400083.
Tel: 022 2851 5606 / 2851 5644
Email: support@sharexindia.com

j) Share Transfer Systems:

RTA of the Company does verify documents, process and effect transfer of shares transfer request received at the office of the Company/RTA. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

k) Distribution of Shareholding :
Shareholding Pattern as on March 31, 2020:

Category	No. of shares held	% of shareholding
A) Promoter and Promoter Group	30762376	70.48
B) Public shareholding		
B1) Institutions		
Mutual funds	12300	0.02
Bank/Financial Institutions	12636	0.02
Foreign Portfolio Investors	42244	0.10
B2) Non-Institutions		
Individual share capital upto ₹2 Lakhs	5318241	12.19
Individual share capital in excess of ₹ 2 lakhs	1098640	2.52
B3) Any other		
Trust	432	0.00
Clearing Members	125283	0.29
IEPF	309400	0.71
Non-Resident Indian(NRI)	486847	1.12
HUF	537329	1.23
Bodies Corporate	4938452	11.32
Total (A+B)	43644180	100.00

Distribution of Shareholding as on March 31, 2020:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 100	4584	201710	0.46
101 to 200	1724	306203	0.71
201 to 500	2172	813865	1.87
501-1000	941	732210	1.68
1001-5000	909	1962187	4.49
5001-10000	130	967828	2.21
10001 - 100000	100	2403237	5.51
100001 & above	33	36256940	83.07
Total	10593	43644180	100.000

l) Dematerialisation of Shares & Liquidity:

As on March 31, 2020, 4,30,39,351 shares representing 98.61 % of total equity shares were held in dematerialized form with NSDL and CDSL. The 100% shareholding of Promoters & Promoters Group is in dematerialised form in compliance with Regulation 31(2) of the Listing Regulations.

Liquidity:

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

Particulars	BSE	NSE
Number of Trades	4372	30191
Number of Shares	95322	4241967

m) Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and likely impact on equity :NOT APPLICABLE**n) Commodity price risk or foreign exchange risk and hedging activities –**

Market driven. For detailed information on foreign exchange risk and hedging activities, please refer to notes to Financial Statements.

o) Plant Locations :**Chemical Plants-**

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

Solar Power Plant –

- 1) 1.20 MWP Rooftop Solar Power Plant with Lucas TVS Limited situated at Padi, Chennai-600 050, India.

- 2) 1 MWP Rooftop Solar Power Plant with Asahi India Glass Limited situated at Plot No.F-76 to 81, SIPCOT Industrial Part, Irungattukottai, Sriperumbudur, District – Kancheepuram, Tamil Nadu – 602 117.

- 3) 480 KWP Rooftop Solar Power Plant with TRIL Infopark Limited situated at Ramanujan IT City, Rajiv Gandhi Salai (OMR), Taramani, Chennai – 600 113.

- 4) 100 MWP Rooftop Solar Power Plant with Dr.Hedgewar Hospital situated at GarkhedaParisar, Near Gajanand Temple, Aurangabad – 431 005.

- 5) 30 MW Solar Power Plant at Ahmednagar, Maharashtra.

- 6) 1001.7 KWP Rooftop Solar power Plant with Kajaria Ceramics limited situated at 19 Km stone, Village Gailpur, Bhiwandi-Alwar Road, PO Tapukara, Dt. Alwar (Raj)-301707.

- 7) 1.1 MWP Ground Mounted Solar Plant situated at Andur, taluka Tuljapur District Osmanabad for captive consumption for Tarapur Plant.

p) Address for Correspondence :

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

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

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

Facilities	Amount (in Crore)	Rating	Rating Action
Long-term Fund Based Bank Facilities (Term loan)	-	-	Withdrawn*
Long-term/Short-term Bank Facilities	76.00 (Reduced from 79.00 crore)	CARE A:Stable/ CARE A1 (Single A; Outlook : Stable /AOne)	Revised and reclassified from CARE A2+ to CARE A; Stable/ CARE A1
Total Facilities	76.00 (Rupees Seventy Six crore only)		

*the Long Term ratings assigned to Term Loan facilities have been withdrawn, as the loans are repaid in full and no-due was submitted by the Company.



10. Other Disclosures:

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

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

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

During the year 2019-20, Company has paid penalty of ₹ 20,000/- each to both stock exchange in respect of Non-Compliance 295(1) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 for one day delay in credit of bonus shares.

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

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

- d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all mandatory requirements of Listing Regulations and has implemented the following non mandatory requirements:

- A. The Board: Not Applicable since the Company has an Executive Chairperson.
- B. Shareholders Rights: Presently the company is not sending half yearly communication.
- C. Modified opinion(s) in the Audit Report: It is always the company's endeavour to present unqualified financial statements. There are

no audit modified opinions in the company's financial statement for the year under review.

- D. Separate posts of Chairperson and CEO : The Company is already having separate posts for Chairperson/CEO and Managing Director / Jt. Managing Director
- E. Reporting of Internal Auditor: The Internal Auditor is directly reporting to Audit Committee
- e) web link where policy for determining 'material' subsidiaries is disclosed: Not Applicable
- f) web link where policy on dealing with related party transactions: www.bhageriagroup.com
- g) disclosure of commodity price risks and commodity hedging activities: Market Driven
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):
The Company has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under regulation 32 (7A) of the Listing Regulations, during the financial year ended March 31, 2020.
- i) a certificate from Replace with GMJ & Associates, Company Secretaries has been obtained and certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.
- j) where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not Applicable
- k) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: as per Note no. 34(a) of financials.
- l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
a. number of complaints filed during the financial year- Nil

- b. number of complaints disposed off during the financial year- Nil
- c. number of complaints pending as on end of the financial year- Nil

of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the code for the effective period. The Declaration by the Chairperson to that effect forms part of this Report.

11. Non Compliance of any requirement of Corporate Governance Report of sub-paras (2) To (10) of para C of Corporate Governance Report of Schedule V Annual Report of Listing Regulations:

NONE

15. CEO Certification:

As required under Regulation 17(8) of Listing Regulations, a Certificate duly signed by Mr. Suresh Bhageria, Chairperson has been obtained. The Certificate is annexed to this Report.

12. Disclosure to the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

As Per Details Given Under The Heading "Other Disclosures", Sub point (d) – Non Mandatory Requirements.

16. Auditors' Certificate on Corporate Governance:

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

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

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

17. Declaration:

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

14. Code of Conduct:

The Company has adopted a Code of Conduct for the Directors, Senior Management Personnel and Employees

Registered Office:

1002, Topiwala Centre,
Off S. V. Road,
Goregaon [West],
Mumbai -400062.
Date: June 26, 2020.

For and on behalf of the Board
BHAGERIA INDUSTRIES LIMITED

SURESH BHAGERIA
CHAIRPERSON
(DIN: 00540285)

CEO CERTIFICATION

The Board of Directors
Bhageria Industries Limited,
Mumbai

Re: Financial Statements for the year 2019-20 – Certification by CEO

I, Suresh Bhageria, Chairperson of Bhageria Industries Ltd., hereby certify that:

- (A) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31,2020 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violating the Company's code of conduct.
- (C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee that:
- (1) There have been no significant changes in internal control over financial reporting during the year;
 - (2). There have been no significant changes in accounting policies during the year; and
 - (3). There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Mumbai
Date: June 26, 2020.

Suresh Bhageria
Chairperson
(DIN: 00540285)

AUDITORS' CERTIFICATE

To
The Members,
BHAGERIA INDUSTRIES LIMITED,

We have examined the compliance of conditions of Corporate Governance by BHAGERIA INDUSTRIES LIMITED, for the year ended on March 31, 2020, as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

For MRB & Associates

Chartered Accountants

ICAI Firm Registration number -136306W

Manish R Bohra

Partner

Membership No-058431

UDIN: 20058431AAAACR6437

Place: Mumbai.

Date: June 26, 2020.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
Bhageria Industries Limited
 Office No. 1002, 10th Floor,
 Topiwala Centre, Off S.V. Road,
 Goregaon (West),
 Mumbai – 400062.

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	S. P. Tulsian	00018156	09/08/2014
2.	Mukund Chitale	00101004	25/03/2019
3.	Suresh Bhageria	00540285	21/12/1994
4.	Vinod Bhageria	00540308	12/07/1989
5.	Omprakash Bubna	00541174	12/07/1989
6.	S. S. Gupta	01147494	11/08/2011
7.	Chandraprabha Bhageria	01444875	10/05/2014
8.	Ganapathi Yadav	02235661	21/10/2019
9.	Sandeep Singh Kumar	02814440	09/11/2013
10.	Vikas Bhageria	02976966	02/03/2015

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

For GMJ & Associates
 Company Secretaries

Sd/-
[SONIA CHETTIAR]
 PARTNER

Place: Mumbai
 Date: June 26, 2020.

ACS: 27582 COP: 10130
 UDIN A027582B000387953

BUSINESS RESPONSIBILITY REPORT

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2020, pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company:	L40300MH1989PLC052574
2	Name of the Company:	Bhageria Industries Limited
3	Registered address:	Office No. 1002, 10th Floor, Topiwala Centre, Off S.V. Road, Goregaon (West), Mumbai - 400062
4	Website:	www.bhageriagroup.com
5	E-mail:	info@bhageriagroup.com
6	Financial Year reported:	2019-2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise):	Manufacturing of Organic Chemicals (20119) Generation of Solar Power (35105)
8	List three key products/services that the Company manufactures/provides (as in balance sheet):	a) H Acid b) Vinyl Sulphone c) Gamma Acid
9	Total number of locations where business activity is undertaken by the Company:	The Company's businesses and operations are spread across the country. Details of plant locations operated by the Company, are provided in the section 'Shareholder Information', in the Corporate Governance Report
10	Markets served by the Company: Local/State/National/International:	All

Section B: Financial Details of the Company

1	Paid up Capital as on 31.3.2020	2182.20 (₹ In Lakhs)
2	Total Turnover:	41927.87 (₹ in Lakhs)
3	Total profit after taxes:	6581.42 (₹ in Lakhs)
4	Total Spending on Corporate Social Responsibility (CSR):	184.29 (₹ in Lakhs)
	Percentage of profit after tax (%):	2.80%

List of CSR activities in which expenditure has been incurred:

1. Promotion of Education.
2. Rural development.
3. Eradicating Hunger, Poverty and Malnutrition.

For more details, please refer Annexure A to Director's report.

Section C: Other Details

1	Does the Company have any Subsidiary Company/ Companies?	NO
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).	NA
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:	NO

Section D: BR Information

1. Details of Director/Directors responsible for BR.

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

1. DIN Number: 00540285
2. Name: Suresh Kehavdeo Bhageria
3. Designation: Chairperson

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00540285
2	Name	Suresh Kehavdeo Bhageria
3	Designation	Chairperson
4	Telephone number	022-40436631
5	e-mail id	suresh@bhagerigroup.com

2. Principle-wise (as per NVGs) BR Policy/policies

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Company engages with the relevant stakeholders from time to time, their concerns are noted and discussed internally which helps in our policies.								
3	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company.								
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.bhageriagroup.com								
7	Has the policy been formally Communicated to all relevant internal and external stakeholders?	The policy has been communicated to company's relevant internal stakeholders. Company continues to explore other formal ways to communicate the policies with all relevant stakeholders.								
8	Does the company have in-house Structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The company is working on developing and improving its system for evaluating the implementation of policy internally.								

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

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

3. Governance related to BR**(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

This being the first Business Responsibility Report, there is no defined frequency. However, the BRR will be reviewed on an annual basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This being the first Business Responsibility Report of the Company, the Company proposes to publish it annually.

Section E: Principle-Wise Performance**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability****1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/Others?**

The Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted code of conduct to promote ethical conduct and to deter wrongdoing so as to protect the best interest of the company and its stakeholders.

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

During the reporting period, 11 complaints were received from the shareholders and all the complaints were satisfactorily resolved. Details are given in corporate governance report.

The Whistle Blower Policy is in place to facilitate employees to report concerns of any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. As a

responsible corporate body, BIL is particular about its financial and other disclosures on an ongoing basis in a transparent and truthful manner.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

- Sulphuric Acid.
- Dye Intermediates.
- Generation of Solar Power.

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

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

We are amongst the dyes intermediates manufacturing companies to have processes that ensure minimum waste generated per unit, treat wastes to permissible limits before disposal. Waste water treatment and reused, recycle in process plant & achieved Zero liquid discharge to Environment.

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

Water Intake curtailed by 30% as per directive of NGT by reuse/recycle of treated effluent.

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

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

Yes, Company has installed in-house manufacturing facility for one of its key raw material i.e. Sulphuric Acid & its allied product Oleum 65% and 23%.

This saves cost of purchase (including transportation cost), time, & also helps in reducing carbon footprint.

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

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

Bhageria Industries Ltd is a strong believer in procurement of goods and services from local and small producers. Procurement of good and services from local sources is a smart strategy we have been following for years, since it reduces time, cost and efforts in procurement. During installation of Company's Sulphuric acid plant, Company has hired local fabricator, civil contractor, ready mixer vendor, brick supplier to fulfill the requirements. Regular interaction, long term association/relationship, provision of timely assistance with financial, sourcing and logistic inputs with local and small producers help in improving their capacity and capability.

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

Yes, company have a mechanism to recycle its product and waste.

- 1) Company has recycled treated waste water >10% in plant.
- 2) Recovery of sodium sulfate >10% from waste water & reuse/recycle in process.
- 3) Recovery of Nitric Acid (Dilute) 5-10% and re-use in process.
- 4) Recovery of Ammonia Solution and recycle in Gamma Acid plant process.

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees:295
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis:232
3. Please indicate the Number of permanent women employees:29
4. Please indicate the Number of permanent employees with disabilities: NIL
5. Do you have an employee association that is recognized by management : No
6. What percentage of your permanent employees is members of this recognized employee association? N.A.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

Permanent Employees	Continuous process, all employees of the Company are provided with EHS (Environment, Health & Safety) Training & the Company believes in continual learning of its employees for skill upgradation.
Permanent Women Employees	
Casual/Temporary/ Contractual Employees	
Employees with Disabilities	

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

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

Yes, the internal and external stakeholders of the Company include employees, customers, shareholders, government authorities, suppliers & contractors, community etc.

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

Identifying the disadvantaged, vulnerable & marginalized stakeholders is an ongoing process.

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

Yes. The Company has engaged with the disadvantaged, vulnerable and marginalised stakeholders through the CSR projects undertaken from time to time. For more details on the special initiatives, please refer our CSR Initiatives in Annexure A of Directors Report.

Principle 5: Businesses should respect and promote human rights

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

The Company supports and respects the protection of human rights of all relevant stakeholders at all times. Prime importance is given towards maintaining better working condition in the plants to take care of the health & safety of employees.

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

The Company has not received any complaint with respect to human rights during the financial year 2019-20.

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

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

The Company's aim to focus on safety, health and environment is the key to sustainable growth. The

Company believes in accomplishing the Safety, Health and Environment (SHE) goal of being harmless to the environment, no risk to employees and no incidents which might create a negative impact on the community.

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

At Bhageria, environment sustainability is not just compliance to laws it is more about our concern. It is as important to us as our business growth. We being a proactive organization emphasized on investment to develop environment management systems, install effluent treatment plants and developing a green belt within the factory premises by planting various species of trees. Total sapling for the year is about 135 numbers and total tree plantation is about 2500 numbers including dense plants.

The Company continues to adhere to environment friendly manufacturing process and set new standards in reducing pollution. Company has set up/installed Sulphuric Acid plant with waste heat recovery boiler and connected to CO-GEN System (Electricity & Steam) which replaced coal fired boiler.

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

Yes, Company is continuously identifying and assessing potential environmental risks.

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

No

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

- To utilise the alternate sources of Energy, the Company has setup a SOLAR POWER Plant. The Company has invested in assets (crystallizer, salt recovery plant or rotary kiln) and the manufacturing facility became zero liquid discharge-compliant.

- The Company has well-equipped primary & secondary effluent treatment plants with BOD and COD testing apparatus. However, to cope with the highly hazardous effluents, the Company has set up incinerator resulting in zero pollution.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, our emissions and waste generated lie within the permissible limits of CPCB / SPCB.

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

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

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

- a) CHEMEXCIL (Chemicals, Cosmetics & Dye Export Promotion Council)
- b) Federation of Indian Export Organisations.
- c) GDMA (Gujarat Dyestuff Manufacturers Association)

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

NO

Principle 8: Businesses should support inclusive growth and equitable development

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

The Company's Social Projects are based on its policy on Corporate Social Responsibility. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. The detailed report on CSR initiative is annexed Annexure A to Director's Report.

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

The details of Programmes/projects undertaken are given in Annexure A to Director's Report for list of CSR activities.

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

Company has monitored and reviewed its initiative for its effective implementation, quantitatively and qualitatively.

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

The details are given in Annexure A to Director's Report for list of CSR activities.

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

Bhageria Industries Limited is fully committed towards better development of community through its CSR initiatives. The Company is continuously reviewing the implementation of its initiatives and performs impact assessments of its initiatives internally and makes efforts to identify various beneficiaries to ensure that its initiatives are adopted and benefited successfully.

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

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

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Yes, the Company displays product information on the product as mandated under applicable laws.

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

No such cases were filed against the Company.

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

Bhageria Industries Limited is a customer driven company and continuously tries to improve its product quality & services to meet customer's needs. Bhageria engages with its customers and carries consumer reviews for different products to know the customer satisfaction level so that necessary steps may be taken to enhance the customer satisfaction levels. Bhageria also measures customer perceptions on satisfaction, loyalty, advocacy and value for money.

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Overview

The global economy witnessed slowdown in CY 2019 primarily due to the trends like unprecedented run-up in debt worldwide, and the prolonged deceleration of productivity growth. International trade and investment were also weaker than expected at the start of the year. Factors like further escalation of trade disputes between the world's largest economies, namely the U.S. and China, as well as renewed financial turmoil in emerging and developing economies, and abrupt deceleration of economic growth among major economies also led to the slowdown of the global economy. The world GDP saw an increase of 2.4%¹ in CY 2019 as compared to that of CY 2018.

Another headwind faced by the global economy is that of COVID-19. The pandemic represents the largest economic shock the world economy has witnessed in decades, causing a collapse in global activity. Various mitigation measures such as lockdowns, closure of schools and non-essential business, and travel restrictions have been imposed by most economies to limit the spread of the virus. These measures have adversely affected the economies as they sharply curbed consumption and investment, as well as restricted labor supply and production. They have also disrupted financial and commodity markets, global trade, supply chains, travel, and tourism. Owing to this, a contraction of 5.2% in the global GDP is estimated for FY 2020-21.

Many economies are countering these problems by introducing new policies and stimulus packages. These measures will help in reviving the individual economies as well as the world economy at large. Assuming that the pandemic recedes in such a way that domestic mitigation measures can be lifted, adverse global spillovers ease during the second half of the year, and dislocations in financial markets will not be long-lasting, a moderate recovery is envisioned in CY 2021, with global growth rate estimated at 4.2%.

Indian Economic Overview

The Indian economy recorded an estimated GDP growth of 4.2%² in FY 2019-20, which implied a decline as compared to the previous year. The economy faced multiple headwinds due to various reasons like demonetization, introduction

of GST, as well as the slowdown of manufacturing and construction industries. Demonetization initiated a curtailment of consumer spend in the country. It also resulted in a hit on farmers' income levels which had in turn triggered the snowballing effect of slowdown in the Indian economy. The rural market started to stagnate at first and then growth started to decelerate for most companies catering to the rural markets. Another major concern was a sharp fall in consumer demand. GST and other tax reforms of the government, after demonetization, also progressively drew away dispensable cash from people's hands. Real estate and construction sector had the worst impact of all on the GDP³. Although the economy went through a tough phase, it was placed at 5th rank globally, in terms of growth rate. India is considered as the fastest growing economy when compared to other emerging countries. India witnessed a jump from 77th position in 2018 in the World Bank's latest report on the 'Ease of Doing Business' to the 63rd position in 2019.

The outbreak of COVID-19 has sharply weakened consumption and manufacturing activity, and has damaged the tourism and other services industries across the nation. Stringent measures to restrict the spread of the virus, which heavily curtail activity, will contribute to further contraction of the growth rate. Spillovers from contracting global growth and stress in the financial sector will also adversely impact economic activity. The GDP is projected to contract by 3.2% in FY2020-21 given the effects of such measures combined with already existing factors.

The government has provided some support to the economy by introducing fiscal stimulus and continued monetary policy easing. Government has also been working on a mission mode on the next phase of Ease of Doing Business Reforms relating to easy registration of property, fast disposal of commercial disputes and simpler tax regime for making India, one of the easiest places to do business.

63rd

Position of India in Ease of Doing Business as per World Bank

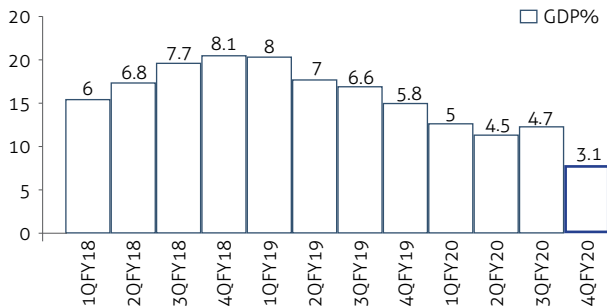
¹<https://openknowledge.worldbank.org/bitstream/handle/10986/33748/211553-Ch01.pdf>

²<http://pubdocs.worldbank.org/en/392371588788025001/Global-Economic-Prospect-2020-Analysis-SAR.pdf>

³TheWeek

Introduction of various other policies have been made which will help in the revival of the economy. The Indian economy is expected to bounce back in FY 2020-21 with the help of these initiatives.

Graph 1: Quarterly GDP Rate at Constant Prices (2011-12)



Key Government Initiatives

The Indian government undertook multiple initiatives in FY 2019-20 to help the economy grow. Some of the major initiatives are as follows –

- **Decrease in Corporate Tax** – The government of India slashed the country’s Corporate Tax Rate to 22% with effect from April 1, 2019. The tax cut aims to stimulate private investments from international players.
- **Dividend Distribution Tax** – According to the Union Budget 2020-21 which was announced in February 2020, companies will no longer be required to pay the Dividend Distribution Tax (DDT)
- **Agriculture** – The government made a budget allocation of ₹2.83 lakh crore for the sector comprising agriculture and allied activities. It has also set a target of doubling farmers’ income by 2022.⁴
- **Stimulus Package** – A stimulus package worth ₹20 lakh crore was introduced by the government in May 2020 to combat the challenges faced due to COVID-19. It includes ₹8.01 lakh crore of liquidity measures announced by the RBI since March and also comprises the ₹1.92 lakh crore package of free food grain and cooking gas to the poor and cash to some sections announced in March. The first set of relief measures focused on enabling the Indian economy’s backbone – MSMEs that employ around 11 crore people and have a GDP share of approximately 29%. Many other sectors of the economy are bound to benefit from this package which will help in the revival of the economy.

Global Dyes and Pigment Industry

Dyes and pigments are the key additives used in paints, coatings, sealants, and varnishes to provide an aesthetic appeal; these products are widely used in automotive, aviation, and construction industries. Growth in the dyes & pigments market is partly driven by a turnaround in these key industries and their increasing need in these applications. The paints & coatings industry is also growing significantly because of rising infrastructure. The global market for synthetic dyes and pigments reached a value of nearly \$52 billion in CY 2018, increasing at a compound annual growth rate (CAGR) of 1.4% since 2014. Asia-Pacific region is projected to be a major market for paints & coatings due to increasing population and infrastructure projects. The region is the largest market for synthetic dyes and pigments companies, accounting for 41.9% of the global market. It is followed by Western Europe, North America, South America, the Middle East, and then the other regions. The COVID-19 pandemic has affected every aspect of life globally. This has brought along several changes in market conditions of this industry.

Key Market Trends

- Asia-Pacific Region to Dominate the Market
 - The growth of textile industry in China and India is rapidly increasing with the availability of cheap labor force. China holds the largest share in the global market of about 40%, followed by India the with over 5% share.
 - The demand for textiles in South Korea has remained stable with an increasing preference for technical textiles production in the country.
 - The production of standard plastic in the Asia-Pacific region occupied a market share of approximately 61% in the global standard plastics production with a total of 181,264,800 metric ton.
 - Indonesia has a major share of the paint and coating market, followed by Thailand.

With the increasing demand from the various end-user industries, like the paint and coating, printing inks, textiles and plastics industry, the demand for dye and pigments is expected to rapidly increase till 2024.⁵

\$52 billion

Estimated market size of synthetic dyes and pigments (2018)

⁴The Hindu

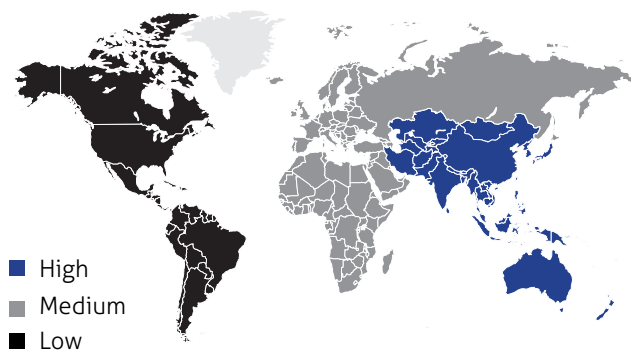
⁵<https://www.mordorintelligence.com/industry-reports/dyes-and-pigments-market>

- **Competitive Landscape** - The dyes & pigments market is partially consolidated. In terms of market share, few of the major players currently dominate the market. Factors such as the growing demand for high-performance pigments and growing demand for paints and coatings will provide considerable growth opportunities to dyes and pigments manufactures.
- **Need to minimize the environmental footprint** - The industry faces several concerns regarding the impact of its products on the environment. As consumers become more conscious of environmental impact and sustainability, organizations are expected to be more heavily impacted by their commitment towards minimizing the environmental footprint from their existing and upcoming products. These concerns have encouraged the emergence of bio-based solvents and pigments for exceptional bio-degradable properties. The industry will have to constantly improve products in this aspect in order to maintain demand.

Outlook

The dyes and pigments market is estimated to grow at a CAGR of 5.1% to nearly \$63.3 billion by 2022. Factors such as, increased demand from the packaging industry, rising demand for high performance pigments and economic growth will drive this growth. However, factors such as instability in raw material costs, expected increases in interest rates, reduction in free trade and growing competition from natural dyes and pigments may impact the demand. The pigments market is expected to be the fastest-growing segment going forward at a CAGR of 5.2%. The global Dyes and Organic Pigments market is anticipated to rise at a considerable rate during the forecast period, between CY 2020-25, despite the challenges faced due to COVID-19. Africa and Asia-Pacific are expected to be the fastest growing regions in this market.

Dyes & Pigments Market - Growth Rate by region, 2019-2024



63.3 billion^E

Dyes and pigments market size by 2022

Indian Dyes and Dyestuff Industry

According to a report by Federation of Indian Chambers of Commerce and Industry (FICCI), the chemical industry in India has a market size of nearly \$163 Billion and is expected to grow to \$304-billion by 2025, registering a CAGR of 9.3%. The Indian Dye and Dyestuffs Industry is an important aspect of the Indian Chemical Industry that significantly contributes to the latter's growth. Moreover, growth of industries such as industrial paint, printing, plastic and tannery is further boosting the demand for dyes and dye intermediates for end-use applications. Additionally, the robust demand for dyes and dye intermediates from textile industry is anticipated, which would further steer growth in the Indian dyes and dye intermediates market.

The Indian dyestuffs and pigments market, owing to increased urbanization, better technology, and growing population has also come a long way from being an import-dependent market to one which is driven by exports. During April 2019-January 2020, exports of dyes increased 9.12%⁷ year-on-year to US\$ 2.27 billion. The dyestuff industry is an important aspect of economic development in India. Dyes and pigments are used by almost every end-use industry, particularly textile, leather, plastic, and paper industries. The expansion of the textile industry is leveraging the market demand for dyestuff in India. The Indian dyestuff market is also expanding considerably owing to the increasing export volume to various major countries.

Key Market Trends

- Among end-user industries, Paints and coatings industry accounts for the largest share of the market and is estimated to be the fastest growing end-user industry.
- The largest consumption of pigments is accounted by the production of architectural and decorative coatings industry. Thus, rising construction and infrastructure activities in Asia-Pacific act as the major driver for the dye and pigment market.
- The Indian infrastructure sector has become one of the major focus areas for the government. The government has therefore undertaken a National Infrastructure Pipeline and allocated ₹111 Lakh crores. Moreover, to boost infrastructure and construction of buildings in the country, the government has decided to come up with

⁶<https://www.businesswire.com/news/home/20190404005330/en/Synthetic-Dyes-Pigments---Global-Market-Opportunities>

⁷<https://www.ibef.org/exports/chemical-industry-india.aspx#the>

⁸Market Insights Report

a single window clearance facility, in order to provide speedy approval for the construction projects.

- Hence, with the increasing demand from the various end-user industries, like the paint and coating, printing inks, textiles and plastics industry, the demand for dye and pigments is expected to rapidly increase

Outlook

Dyestuff production volume in India is projected to reach 572.2 thousand tonnes by 2024, increasing at a CAGR of 9.11%, during FY 2020-24.⁸ With stringent performance norms to be adhered to and a growing demand for High Performance Pigments (HPP) worldwide, this industry is bound to grow with thrusts in textile, automobiles, plastics and various other industries. Although the recent past was dull for this industry due to downturn in consumption patterns as well as the economic slowdown, it has recovered quite well. A growing middle-class population and rising per capita incomes feed the growth of this industry as consumers seek better lifestyles thus indirectly lifting demand of dyes and pigments. Additionally, changing customer preferences, boom and expansion of infrastructure in certain parts of the world creates new market opportunities for the dye industry.

Indian Solar Energy Market Overview

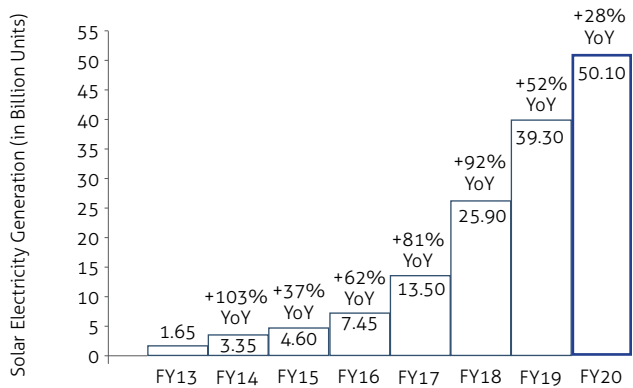
The Indian renewable energy sector is the 4th most attractive renewable energy market in the world. Installed renewable power generation capacity has increased at a fast pace over the past few years. With the increased support of government, the sector has become attractive from investors perspective. In CY 2019, India installed 7.3 GW of solar power across the country, establishing its position as the third-largest solar market in the world. As of February 2020, the installed renewable energy capacity stood at 86.75 GW, of which solar energy comprises 34.40 GW⁹. The country has been building a solar power plant in Rajasthan, which will be the world’s largest with a capacity of 2,255 MW. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWH by CY 2040, renewable energy is set to play an important role. Around ₹36,729.49 crore (US\$ 5.26 billion) investment has been made during April-December 2019 by private companies in renewable energy.

Solar-generated electricity accounted for 50.1 billion units (BU) in FY 2019-20. This shows a growth of 28% year-over-year (YoY) compared to the FY 2018-19, where the total solar energy generated was 39.3 BUs.¹⁰ However, the YoY increase was the lowest in the past six years as solar installations have slowed down considerably. The electricity generated from

solar in FY 2019-20 accounted for 3.6%, which was higher when compared to 2.85% in FY 2018-19. Even though solar was the most installed new power generation source over the past three years, in terms of generation, its contribution compared to coal is still very small.

The outbreak of Covid-19 poses a threat to ongoing Solar projects in the country which have been halted and developers have been concerned about the delays their projects have been facing because of the production slowdown in China and the lockdown orders in India. With the solar industry relying on China for around 80% of its requirement of solar supply, power companies were facing disruption even before the announcement of a nation-wide lockdown in the country. Imports of solar power equipment in January 2020 had declined by about 70% as compared to January 2019. Industry players have been facing delays in procurement of modules, solar cells, and other components. Also, about 85% of the labours in solar parks are migrants, and given the situation of the lockdown, most migrants moved back to their homes, reverse migration is awaited by the industry. The government’s classification of solar as an essential service and allowing the movement of goods and commodities has provided some much-needed respite in these difficult times.

India: Solar Electricity Generation (in BU) and YoY Growth



Data from CEA

Source: Mercom India Research

Government Initiatives

- The Ministry of New and Renewable Energy (MNRE) under the supervision of the Government of India has formulated an action plan to achieve a capacity of 100 GW from solar power by March 2022.
- The Delhi government has decided to shutdown thermal power plant in Rajghat and develop it into 5,000 KW solar park

⁹<https://www.ibef.org/industry/renewable-energy.aspx>

¹⁰Central Electricity Authority

- The Ministry of New and Renewable Energy (MNRE) has decided to provide custom and excise duty benefits to the solar rooftop sector, which in turn will lower the cost of setting up as well as generate power, thus boosting growth.
- The Union Budget for FY 2020-21 has provided for a budgetary allocation of ₹2,516 crore for the solar power sector, including both grid-interactive and off-grid projects. The budget has also provided for Central Financial Assistance for capacity addition of 7,500 megawatt of solar power in 2020-21.

Outlook

The Government of India is committed to increase the use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily. It plans to establish renewable energy capacity of 500 GW by 2030. This is proving to be a major thrust for the sector as the market players have enough incentive to move to clean source. By 2030, renewable sources are expected to help meet 40% of India's power needs. India's renewable energy sector is expected to attract investments and is expected to account 55% of the total installed power capacity by 2030.

The outlook of solar power projects is likely to remain stable in FY 2020-21 given revenue generation in line with projections and limited exposure to weak counterparties. However, there could be some slippages in construction timelines due to delays in the import of modules from China. Measures taken by the government will help the industry to stably grow in FY 2020-21.

Corporate Overview

With over 30 years of experience, Bhageria Industries Limited today is one of the leading manufacturers & exporters of dye and dye-intermediates. With an objective to serve the dyes & intermediates industry all over the globe, the Company has established its manufacturing units in Gujarat and Maharashtra with a total capacity of 13,000 TPA and Sulphuric Acid Plant with capacity of 300 TPD. The Company's products are primarily exported to countries like Korea, Japan, Taiwan, China, Germany, Indonesia, Thailand, USA & other European and African.

The Company is also engaged in the generation of Solar Power & EPC Contract and has setup 30 MW solar power plant in Ahmednagar and a 4.88 MWP solar rooftop outlay located mostly in Chennai.

Financial review

The Company's revenues in FY 2019-20 is ₹419 Crore. EBITDA stood at ₹103 Crore compared to ₹130 Crore in the previous year. The Company reported a post-tax profit of ₹66 Crore during FY 2019-20 compared to a post-tax profit of ₹72 Crore in the previous year. The Company proposed a final dividend of ₹3 per equity share on Face Value of ₹5 each.

(₹ in Crores)

Particulars	2019-20	2018-19
Total Revenue (₹)*	419.28	467.70
EBITDA (₹)	103.18	130.20
EBITDA Margin (%)	24.61	27.84
PAT (₹)	65.81	71.51
PAT Margin (%)	15.70	15.29
Net Worth (₹)	402.17	342.40

* It comprises revenue from operations and other income.

Financial Ratios

Ratios	FY 2019-20	FY 2018-19
Inventory Turnover (in times)	9.98	12.40
Interest Coverage Ratio	47.86	28.43
Current Ratio (in times)	2.15	1.98
Debt Equity Ratio (in times)	0.05	0.07
EBITDA Margin (%)	24.61	27.84
Return on Equity (%)	17.68	22.43
Net Profit Margin (%)	15.70	15.29
Earnings per share (in ₹)	15.08	16.38

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

Debtors' turnover: The Company's debtor's turnover stood at 5.85 times Compared to 6.14 times in FY2018-19

Inventory turnover: Inventory Turnover Ratio is 9.98 (FY20) compared to 12.40 (FY 19) and Higher inventory levels were on account of the Government-led lockdown towards the end of March 2020.

Interest Coverage ratio: The Company's interest Coverage ratio stood at 47.86 times against 28.43 times in FY2018-19. The decrease in finance cost resulted in increased interest coverage ratio. The Company continues to have a high interest coverage ratio despite an increase in interest cost during the year, indicating stronger financial health and capability of meeting interest obligations.

Current ratio: The Company's Current ratio stood at 2.15 in FY2019-20 Compared to 1.98 in the previous financial year.

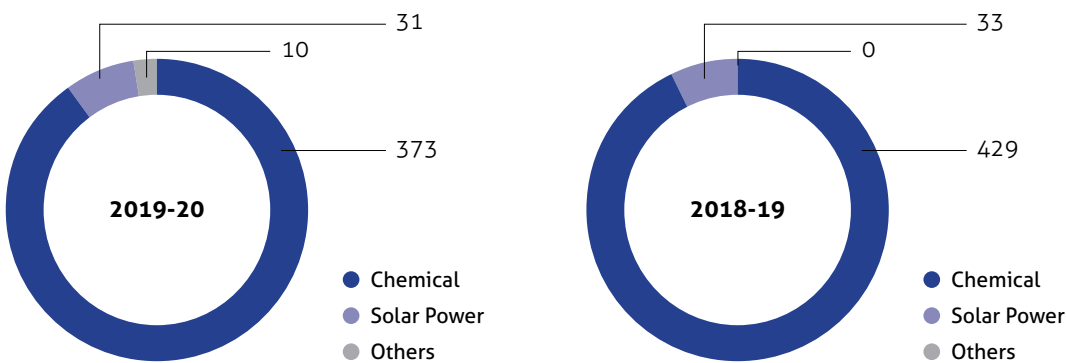
Debt-Equity ratio: The debt-equity ratio of the Company improved to 0.05x following Rs.3 Crore debt repayment in FY2019-20. A very low debt to equity ratio indicates a strong ability to repay its debt obligations.

Operating Profit: Operating profit margins lower by 174 bps to 31.55 per Cent following lower price realization.

Net Profit margin: Net Profit Margin for FY 20 is 15.7% (₹65.7 crore) compared to 15.3% in FY 19 (₹71.4 crore).

Return on Net Worth: The return on net worth lower by 475 bps to 17.68% as compared to previous year due to decrease in profit after tax.

Segment wise performance (₹ in Crores)



Risks and mitigating measures

Risks

Economic risk

The unexpected pandemic has brought unprecedented disruption and slowdown in economy

Technology risk

Inability to upgrade technologies could deteriorate quality of the product and result in loss of market share

Mitigation

The pandemic Covid-19 has caused slowdown in consumer demand and deceleration of economies across the globe. However, India remains better placed for recovery in economic growth as compared to other global nations, will bounce back stronger

The Company continues to invest in strengthening its manufacturing infrastructure with modern technologies. This has helped enhance quality of the products to meet a growing customer base and increase operational efficiencies.

Risks

Industry risk

A sectoral slump could result in loss in revenue and impact business sustainability

Mitigation

The Company's product portfolio serves customer across the globe across several downstream industries, positions it to sustain its market leadership and expand the business in the coming years.

Raw material risk

Trade disruption with international countries and rising prices could impact profitability and margins

The Company has long-term contracts with suppliers in addition to strengthening its backward integration process. This strengthens the supply chain by bringing controlled quality checks and higher economies of scale.

Raw material risk

Trade disruption with international countries and rising prices could impact profitability and margins

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Liquidity risk

The pandemic Covid-19 could result in severe cash flow challenges, damaging the working capital, resulting in business disruption

The Company is well placed with cash flow reserves of ₹59 crore (cash flow from operations) and continues to be long-term debt-free as on March 31, 2020.

Human resources

Bhageria believes and considers its Human Resource as a key asset for driving growth. The Company considers the skills, commitment and energy of its people as vital resources for achieving goals and succeeding strategically. Its People Development Processes lay emphasis on sharpening skill sets and delivering exceptional value to focus on areas that are critical for realizing the Company's vision and objectives. The Company provides employees with multiple opportunities to improve their knowledge, skills and abilities, thereby ensuring and encouraging professional growth through various initiatives.

As at March 31, 2020, the Company employed 295 employees. During fiscal 2020, we added 40 new hires, net of attrition. The key aspects of our HR practice include recruitment, training and development, and compensation.

Internal control systems and their adequacy

The Company's internal audit system is continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending

issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee takes note of the audit observations and takes corrective actions whenever necessary. It maintains a continuous dialogue with the statutory and internal auditors to ensure that internal control systems are operating effectively

Cautionary statement

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

Independent Auditors' Report

To
The Members of
Bhageria Industries Limited

Report on the Audit of the Ind AS Financial Statements Opinion

We have audited the accompanying Ind AS Financial Statements of **Bhageria Industries Limited** ("the Company"), which comprise of the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow 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. (Hereinafter referred to as "Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at March 31, 2020, and its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial

Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind As Financial Statement.

Emphasis of Matter

We further draw your attention to Note 51 of Ind As Financial Statement, as regards the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation.

Our opinion is not modified in respect of this matter.

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

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

Information Other than the Ind AS 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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS 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.

Responsibility of Management and Those Charged with Governance for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS 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 Section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 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, Statement of Cash Flows and Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our Report expressed 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements in Note No. 43.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. 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 B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MRB & Associates
Chartered Accountants

Firm Registration Number-136306W

Manish R Bohra
Partner

Place : Mumbai
Date : 26th June, 2020

Membership No:058431
UDIN :20058431AAAACQ5979

Annexure "A" to the Independent Auditors' Report

Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Bhageria Industries Limited.

We have audited the internal financial controls over financial reporting of Bhageria Industries Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of directors of the company 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of company's internal financial control over financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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, to the best of our knowledge and according to the explanations given to us, the Company has maintained, in all material respects, adequate internal financial controls

over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For MRB & Associates
Chartered Accountants**

Firm Registration Number-136306W

**Manish R Bohra
Partner**

Place : Mumbai
Date : 26th June, 2020

Membership No:058431
UDIN :20058431AAAACQ5979

Annexure “B” to the Independent Auditors’ Report

Referred to in Paragraph 2 under “Report on Other Legal and Regulatory Requirements” section of our Report of even date to the members of Bhageria Industries Limited

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

- i. In respect of its fixed assets: -
 - a. The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment’s;
 - b. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;
 - c. All title deeds of immovable properties are held in the name of the company.
- ii. In Respect of inventory
 - a. The inventories have been physically verified during the year by the management. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - b. During such verification, no material discrepancies where noticed.
- iii. According to the information and explanations given to us, the company has not granted any loans to companies, firms, Limited liability partnership or other parties covered in the Register maintained under section 189 of the Companies Act, 2013.
- iv. The company has not advanced any loan, investments, guarantees and securities during the period under audit and the provisions of section 185 and 186 of the Companies Act, 2013 are complied with.
- v. The Company has not accepted any public deposit for the year ended 31st March, 2020.
- vi. We have reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities, and are of the opinion that prima facie, the specified accounts and records have been made and maintained.
- vii. In respect of statutory dues:-
 - (a) The company has been generally regular in depositing undisputed statutory dues, including Provident fund, Investor education and Protection Fund, Employees’ State Insurance, Income-Tax, Sales-tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax, Goods and Services Tax, Cess and any other material statutory dues to the appropriate authorities. The Company did not have any undisputed amount payable in this respect at 31st March, 2020 for a period of more than six months from the date when they become payable.
 - (b) On the basis of examination of books of account, there is no dues of income tax, Wealth Tax, Service Tax, Goods and Service Tax, Excise Duty and Cess, which is disputed and not deposited. The particulars of Dues of Sales Tax and Customs Duty as on 31st March, 2020 which has not been deposited on account of a dispute, are given below-

(₹ in Lakhs)

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Current year	Previous year
The Gujarat Value Added Tax Act, 2006	Sales Tax	Gujarat Value Added Tax Tribunal, Ahmedabad	2008-09	8.81	8.81
Customs Act,1962	Custom Duty	Additional Commissioner of Customs (Preventive) Mumbai	2011-12	16.33	16.33
Customs Act,1962	Custom Duty	Additional Commissioner of Customs (Preventive) Mumbai	2012-13	16.96	16.96

- viii. In our opinion and according to the information and explanations given to us the Company has not defaulted in repayment of dues to a financial institutions or banks.
- ix. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- x. In our opinion and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company has not been classified as Nidhi Company hence clause 3(xii) of the order is not applicable to the company.
- xiii. According to the information and explanations provided by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. The Company has not entered into any non- cash transactions with directors or persons connected with him therefore clause 3(xv) of order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore clause 3(xv) of order is not applicable to the company

For MRB & Associates
Chartered Accountants

Firm Registration Number-136306W

Manish R Bohra
Partner

Place : Mumbai
 Date : 26th June, 2020

Membership No:058431
 UDIN :20058431AAAACQ5979

Balance Sheet

as at March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment	4	32,935.35	28,468.02
(b) Capital Work-In-Progress	4	1,797.11	1,509.49
(c) Investment Property	5	211.76	209.44
(d) Financial Assets			
(i) Investments	6	44.47	46.95
(ii) Others	7	236.50	1,311.83
(e) Other Non- Current Assets	8	331.22	645.76
		35,556.40	32,191.48
2. Current Assets			
(a) Inventories	9	3,802.85	1,871.45
(b) Financial Assets			
(i) Investments	10	0.01	945.68
(ii) Trade Receivables	11	7,814.35	6,331.64
(iii) Cash and Cash Equivalents	12	880.27	488.24
(iv) Other Bank Balances other than (iii) above	13	3,235.33	3,092.80
(v) Others	14	422.48	444.36
(c) Current Tax Asset (net)	15	428.74	993.69
(d) Other Current Assets	16	489.21	352.64
		17,073.24	14,520.50
		52,629.64	46,711.98
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	17	2,182.21	1,091.10
(b) Other Equity	18	38,035.27	33,148.70
		40,217.48	34,239.80
LIABILITIES			
1. Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(b) Provisions	19	169.84	114.12
(c) Deferred Tax Liabilities (Net)	20	4,306.82	5,018.47
		4,476.66	5,132.60
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	2,068.06	2,349.47
(ii) Trade Payable	22		
Total outstanding dues of micro enterprises and small enterprises		201.67	-
Total outstanding dues of creditors other than micro enterprises and small enterprise		4,949.70	3,942.87
(iii) Other Financial Liabilities	23	562.61	364.46
(b) Other Current Liabilities	24	141.87	675.88
(c) Provisions	25	11.59	6.90
		7,935.49	7,339.58
		52,629.64	46,711.98
Summary of Significant Accounting Policies	2-3		

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

For MRB & Associates

 Chartered Accountants
 FRN : 136306W

Manish R Bohra

 Partner
 Membership No. 058431

 Place : Mumbai
 Date : 26th June, 2020

For and on behalf of the Board of Directors
Suresh Bhageria

 Chairperson
 DIN: 00540285

Ketan Gaur

 Company Secretary
 Membership No.50087

 Place : Mumbai
 Date : 26th June, 2020

Vinod Bhageria

 Managing Director
 DIN: 00540308

Rakesh Kachhadiya

Chief Financial Officer

Statement of Profit and Loss

for the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Note No.	For the Year ended March 31, 2020	For the year ended March 31, 2019
I Revenue			
Revenue from Operations	26	41,367.95	46,240.96
Other Income	27	559.92	529.18
Total Income		41,927.87	46,770.14
II Expenses			
Cost of materials consumed	28	23,703.26	26,905.14
Purchase of Stock-in-Trade	29	1,229.94	185.39
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	30	(538.14)	45.32
Employee Benefits Expenses	31	1,629.62	1,346.23
Finance Costs	32	167.63	380.49
Depreciation and Amortization Expenses	33	2,296.17	2,218.43
Other Expenses	34	5,584.78	5,268.04
Total Expenses		34,073.26	36,349.04
III Profit before tax (I- II)		7,854.62	10,421.10
IV Less: Tax Expense:			
Current Tax		1,980.00	3,404.37
Deferred Tax	20	(706.81)	(133.25)
(Excess) / Short Provision for tax		-	(0.66)
Total Tax Expense		1,273.19	3,270.46
V Profit for the Year (III-IV)		6,581.42	7,150.64
VI Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit obligations		(16.64)	(13.82)
Tax Effect on above		4.84	4.83
Other Comprehensive Income for the year, net of tax		(11.79)	(8.99)
VII Total Comprehensive Income for the year (V+VI)		6,569.63	7,141.65
VIII Earnings Per Equity Share (Face Value ₹5 Per Share):	35		
Basic and Diluted (₹)		15.08	16.38
Summary of Significant Accounting Policies	2-3		

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

For MRB & Associates

Chartered Accountants
FRN : 136306W

Manish R Bohra

Partner
Membership No. 058431

Place : Mumbai
Date : 26th June, 2020

For and on behalf of the Board of Directors

Suresh Bhageria

Chairperson
DIN: 00540285

Ketan Gaur

Company Secretary
Membership No.50087

Place : Mumbai
Date : 26th June, 2020

Vinod Bhageria

Managing Director
DIN: 00540308

Rakesh Kachhadiya

Chief Financial Officer

Statement of Changes in Equity for the for the year ended March 31, 2020

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

(₹ in Lakhs)

Particulars	Note No.	No. of Shares	Amount
Balance as at April 1, 2018		1,58,79,560	793.98
Changes in equity share capital during the year 2018-19		-	-
Add : Allotment of shares on account of Business Combination		59,42,530	297.13
Balance as at March 31, 2019	17	2,18,22,090	1,091.10
Changes in equity share capital during the year 2019-20			
Add : Allotment of shares on account of Bonus Issue		2,18,22,090	1,091.10
Balance as at March 31, 2020		4,36,44,180	2,182.21

B : Other Equity

(₹ in Lakhs)

Particulars	Note No.	Reserve and Surplus				Total Other Equity	
		Pending for allotment on account of Business Combination	Capital Reserve	Securities Premium	General Reserve		Retained Earnings
Balance as at April 1, 2018		297.13	14,068.69	1,091.61	440.10	12,840.13	28,737.66
Total Comprehensive income for the year							
Profit for the year		-	-	-	-	7,150.64	7,150.64
Other Comprehensive Income		-	-	-	-	(8.99)	(8.99)
Less : Allotment of shares on account of Business Combination		(297.13)	-	-	-	-	(297.13)
Interim Dividend (Including Corporate Dividend Tax)		-	-	-	-	(986.55)	(986.55)
Final Dividend (Including Corporate Dividend Tax)	18	-	-	-	-	(1,446.94)	(1,446.94)
Balance as at March 31, 2019		-	14,068.69	1,091.61	440.10	17,548.29	33,148.70
Total Comprehensive income for the year							
Profit for the year		-	-	-	-	6,581.42	6,581.42
Other Comprehensive Income		-	-	-	-	(11.79)	(11.79)
Less : Allotment of shares on account of Bonus		-	-	(1,091.10)	-	-	(1,091.10)
Final Dividend (Including Corporate Dividend Tax)		-	-	-	-	(591.94)	(591.94)
Balance as at March 31, 2020		-	14,068.69	0.51	440.10	23,525.97	38,035.27

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

For MRB & Associates

Chartered Accountants
FRN : 136306W

Manish R Bohra

Partner
Membership No. 058431

Place : Mumbai
Date : 26th June, 2020

For and on behalf of the Board of Directors

Suresh Bhageria

Chairperson
DIN: 00540285

Ketan Gaur

Company Secretary
Membership No.50087

Place : Mumbai
Date : 26th June, 2020

Vinod Bhageria

Managing Director
DIN: 00540308

Rakesh Kachhadiya

Chief Financial Officer

Cash Flow Statement

for the year ended march 31, 2020

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the year ended March 31, 2019
A. Cash Flow from Operating Activities		
Net Profit Before Tax	7,854.62	10,421.10
Adjustments:		
Depreciation and Amortization on Property, Plant and Equipment	2,296.17	2,218.43
Loss/ (Profit) on Sale of property, plant and equipment (net)	(1.26)	3.95
Interest Income	(315.06)	(195.60)
Exchange Fluctuation (Gain)/ Loss on Loan	-	161.64
Net (gains) / loss arising on financial assets measured at FVTPL	6.16	3.12
Profit on Sale of Current Investment	(15.58)	(51.01)
Dividend Income	-	(0.02)
Re-measurement gains/ (losses) on defined benefit obligations	(16.64)	(13.82)
Finance Costs (Including Fair Value Change in Financial Instruments)	167.63	380.49
Operating cash flows before working capital changes	9,976.05	12,928.29
Adjustments for Changes in Working Capital		
Decrease/ (Increase) in Inventories	(1,931.39)	1,231.51
Decrease/ (Increase) in Trade receivables	(1,482.72)	2,405.45
Decrease/ (Increase) in Non-Current Financial Assets - Others	(25.52)	(36.52)
Decrease/ (Increase) in Financial Assets - Other	21.88	(98.48)
Decrease/ (Increase) in Other Current Assets	(136.57)	582.18
Increase/ (Decrease) in Trade Payables	1,208.50	(1,280.36)
Increase/ (Decrease) in Current Financial Liabilities - Other	135.21	(228.24)
Increase/ (Decrease) in Other Current Liabilities	(534.01)	430.98
Increase/ (Decrease) in Non-Current Provisions	55.72	45.95
Increase/ (Decrease) in Current Provisions	4.69	1.82
Cash generated from operations	7,291.83	15,982.58
Income taxes paid (net of refund)	(1,415.04)	(2,286.58)
Net cash flow from operating activities (A)	5,876.79	13,696.00
B. Cash Flow from Investing Activities		
Purchase or Construction of Property, Plant and Equipment (including capital work-in-progress and capital advances)	(6,676.42)	(2,869.98)
Proceeds from/ (Investment in) fixed deposits (net)	958.32	(1,480.71)
Decrease/ (Increase) in Non-Current Investments	0.00	6.80
Sale of Property, Plant and Equipment	1.69	2.50
Proceeds from Sale of Investment	957.58	(817.98)
Interest Received	315.06	195.60
Dividend Received	-	0.02
Net cash flow from/ (used in) investing activities (B)	(4,443.77)	(4,963.76)

Cash Flow Statement for the year ended march 31, 2020

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the year ended March 31, 2019
C. Cash Flow from Financing Activities		
Dividend (Including Corporate Dividend Tax)	(591.94)	(2,433.49)
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	-	(1,122.42)
Increase / (Decrease) in Current Borrowings	(281.41)	(4,930.32)
Finance Costs	(167.63)	(340.15)
Net cash flow from financing activities (C)	(1,040.99)	(8,826.37)
Net cash Increase/(decrease) in cash and cash equivalents (A+B+C)	392.03	(94.13)
Cash and cash equivalents at the beginning of the year	488.24	582.37
Cash and cash equivalents at the end of the year (Refer Note 12)	880.27	488.24
Net cash Increase/(decrease) in cash and cash equivalent	392.03	(94.13)

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

For MRB & Associates

Chartered Accountants
FRN : 136306W

Manish R Bohra

Partner
Membership No. 058431

Place : Mumbai

Date : 26th June, 2020

For and on behalf of the Board of Directors

Suresh Bhageria

Chairperson
DIN: 00540285

Ketan Gaur

Company Secretary
Membership No.50087

Place : Mumbai

Date : 26th June, 2020

Vinod Bhageria

Managing Director
DIN: 00540308

Rakesh Kachhadiya

Chief Financial Officer

Notes to the Financial Statements for the year ended March 31, 2020

Note 1: Company Overview

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

Note 2: Summary of Significant Accounting Policies

a) Statement of Compliance

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

b) Basis of Measurement

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

c) Current versus non-current classification

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

The asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;

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

All other liabilities are classified as non-current.

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

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

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

d) Use of Estimates, Judgments and Assumptions

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

e) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received

Notes to the Financial Statements for the year ended March 31, 2020

or receivable, taking into account contractually defined terms of payment including excise duty collected which flows to the Company on its own account but excluding taxes or duties collected on behalf of the government.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

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

There is no significant impact of the adoption of the standard on the financial statements of the Company.

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

• Sale of goods

- Revenue from sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of goods, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- Revenue is measured at the fair value of the consideration received or receivable. The amount recognized as revenue is exclusive of Service Tax, Value Added Taxes (VAT), and Goods and Service Tax (GST) and is net of discounts.

• Other Operating Revenue

- Other Operating revenue comprises of following items:
 - Revenue from solar power
 - Job work income
 - Duty drawback and other export incentives

- Revenue from manufacturing charges is recognized on completion of contractual obligation of manufacturing and delivery of product manufactured.

- Revenue from export incentives are recognized upon adherence to the compliances as may be prescribed with regard to export and / or realization of export proceeds as per foreign trade policy and its related guidelines.

- Revenue from sale of scrap is recognized on delivery of scrap items.

• Other Income

- Other income comprises of interest income, rent income, dividend from investment and profits on redemption of investments.
- Interest income from financial assets is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis by reference to the principal outstanding and at the effective rate applicable, which is the rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- Dividend income from investment is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably).
- Profit on redemption of investment is recognized by upon exercise of power by the company to redeem the investment held in any particular security / instrument (non-current as well as current investment).

f) Foreign Currency-Transactions and Balances

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency').

The Company's functional currency is Indian Rupee and accordingly, the financial statements are presented in Indian Rupee.

Notes to the Financial Statements for the year ended March 31, 2020

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

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

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

g) Employee Benefits

- **Short-term obligations**

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

- **Other Long-term employee benefit obligations**

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the related service are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees

up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

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

- **Post-employment obligations**

The Company operates the following post-employment schemes:

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

- I. **Defined benefit plan - Gratuity Obligations**

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

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

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

Notes to the Financial Statements for the year ended March 31, 2020

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

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

II. Defined Contribution Plan

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

h) Tax Expenses

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

- **Current tax:**
Current tax payable is calculated based on taxable profit for the year. Current tax is recognized based on the amount expected to be paid to or recovered from the tax authorities based on applicable tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- **Deferred tax:**
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary timing difference. Deferred tax assets are recognized for deductible temporary differences to the extent that it is probable that

taxable profit will be available against which the deductible temporary difference can be utilized.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted on the reporting date. Current and deferred tax for the year are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

- **Minimum Alternate Tax (MAT) Credit:**

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

i) Property, Plant and Equipment

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

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

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

Notes to the Financial Statements for the year ended March 31, 2020

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

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

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

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

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

j) Investment Properties

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

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

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

Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

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

k) Borrowing Costs

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

l) Impairment of Non-Financial Assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

m) Inventories

Inventories are valued at lower of cost (on First-In-First-Out) or net realizable value after providing for obsolescence and other losses, where considered

Notes to the Financial Statements for the year ended March 31, 2020

necessary. Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of purchased inventory is determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

n) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense related to a provision is presented in the statement of profit and loss net of any reimbursement/contribution towards provision made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability:

Contingent liability is disclosed in the case;

- When there is a possible obligation which could arise from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or;
- A present obligation that arises from past events but is not recognized as expense because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or;
- The amount of the obligation cannot be measured with sufficient reliability.

Contingent asset:

Contingent asset is disclosed in case a possible asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

o) Leases

As lessee

Initial measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets: initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability: Company measure the lease liability by

- increasing the carrying amount to reflect interest on the lease liability;
- reducing the carrying amount to reflect the lease payments made; and
- remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment: Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise

Notes to the Financial Statements for the year ended March 31, 2020

the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard prospectively to its leases.

p) Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes party to the contractual provision of the instrument.

Part I - Financial Assets

• Initial recognition and measurement

Financial assets are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the concerned Financial assets, as appropriate, on initial recognition.

Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognized immediately in profit or loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.

• Subsequent measurement

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

- o Financial Assets at amortized cost
- o Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income)
- o Financial Assets at FVTPL (Fair Value through Profit or Loss)
- o **Financial Assets at amortized cost:**
A Financial Assets is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

o Financial Assets at FVTOCI (Fair Value through Other Comprehensive Income):

A Financial Assets is classified as at the FVTOCI if following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows (i.e. SPPI) and selling the financial assets.

Financial instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On

Notes to the Financial Statements for the year ended March 31, 2020

de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

o **Financial Assets at FVTPL (Fair Value through Profit or Loss):**

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any financial instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

o **Other Equity Investments:**

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss.

• **De- recognition:**

A financial asset is primarily derecognized when rights to receive cash flows from the asset have expired or the Company has transferred its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risk and reward of the ownership of the financial asset.

• **Impairment of financial assets:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss'(ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months from the reporting date.

For trade receivables, Company applies 'simplified approach', which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

Part II - Financial Liabilities

• **Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

• **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

• **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through

Notes to the Financial Statements for the year ended March 31, 2020

profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss is designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- **Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

- **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as

a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

- **De-recognition:**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- **Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Part-III Fair Value Measurement:

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Notes to the Financial Statements for the year ended March 31, 2020

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

q) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

r) Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred;

- Liabilities incurred to the former owners of the acquired business;
- Equity interest issued by the group; and
- Fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests' proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition-date fair value of any previous equity interest in the acquired entity

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Business Combination involving entities or business under common control shall be accounted for using the pooling of interest method.

s) Cash Flow Statements:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of Company is segregated.

t) Derivative Financial Instruments and Hedge Accounting

Initial recognition and subsequent measurement:

Company uses derivative financial instruments such as forward currency contracts to mitigate its foreign currency fluctuation risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of heading instrument is recognized in the Statement of Profit or Loss.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Notes to the Financial Statements for the year ended March 31, 2020

u) Earnings Per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events, other than conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

In case of a bonus issue, the number of ordinary shares outstanding is increased by number of shares issued as bonus shares in current year and comparative period presented as if the event had occurred at the beginning of the earliest year presented.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

v) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

w) Segment Reporting

The Company identifies operating segments based on the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Note 3: Key Accounting Judgements, Estimates & Assumptions

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

A. Income taxes and Deferred tax assets:

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The management assumes that taxable profit will be available while recognizing the deferred tax assets.

B. Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life as prescribed in the Schedule II of the Companies Act, 2013 and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

C. Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a group of

Notes to the Financial Statements for the year ended March 31, 2020

assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

D. Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

E. Recognition and measurement of defined benefit obligation:

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

F. Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

G. Contingencies:

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/ litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

H. Allowances for uncollected trade receivable and advances:

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated amounts which are irrecoverable. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets. The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumptions and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

Notes to the Financial Statements for the year ended March 31, 2020

Note 4 : Property, Plant and Equipment

Particulars	(₹ in Lakhs)																
	Leasehold Land	Freehold Land	Residential Building	Godown	Factory Building	Boundary Wall	Safety & Lab Equipments	Plant & Machinery	E.T.P Generator	Solar Power Plant	Furniture & Fixtures	Vehicles	Office Equipment	Computer	Total	Capital Work-in Progress	
Gross Carrying Amount as at April 1, 2018	8,077.16	820.29	1.44	6.06	2,092.98	22.00	7.98	2,009.89	771.26	0.52	19,809.54	245.21	89.02	31.09	38.53	34,022.98	434.42
Additions / Transfer	-	78.86	108.79	-	-	364.87	1.20	241.72	-	-	62.47	109.41	7.76	1.92	-	977.00	1,075.07
Disposals	-	-	-	-	-	-	-	-	-	-	-	(27.03)	-	-	-	(27.03)	-
As at March 31, 2019	8,077.16	899.16	110.23	6.06	2,092.98	386.87	9.18	2,251.60	771.26	0.52	19,809.54	307.68	171.40	38.85	40.45	34,972.94	1,509.49
Additions / Transfer	1,624.13	56.05	-	-	160.57	-	-	4,899.03	-	-	-	11.31	0.34	1.25	6,752.67	4,902.40	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	(6.96)	-	-	(6.96)	(4,614.79)	-
As at March 31, 2020	9,701.29	955.21	110.23	6.06	2,253.55	386.87	9.18	7,150.63	771.26	0.52	19,809.54	307.68	175.74	39.19	41.70	41,718.66	1,797.11
Accumulated depreciation as at April 1, 2018	3.38	-	0.84	4.36	242.17	12.64	6.66	1,130.67	467.86	0.52	2,221.67	95.11	75.12	24.48	35.50	4,318.99	-
Depreciation charged during the year	-	-	0.10	0.26	108.23	40.71	0.26	206.17	64.06	-	1,721.14	40.58	18.90	4.02	2.11	2,206.54	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	(20.58)	-	-	(20.58)	-
As at March 31, 2019	3.38	-	0.93	4.62	350.40	53.35	6.93	1,336.84	531.92	0.52	3,942.80	133.69	73.45	28.50	37.60	6,504.95	-
Depreciation charged during the year	-	-	5.33	0.22	107.19	150.32	0.45	289.79	50.26	-	1,597.47	45.14	32.75	4.42	1.53	2,284.88	-
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-	-	(6.53)	-	-	(6.53)	-
As at March 31, 2020	3.38	-	6.26	4.84	457.59	203.68	7.38	1,626.63	582.18	0.52	5,540.27	178.83	99.67	32.92	39.14	8,783.31	-
Net carrying amounts as at March 31, 2020	9,697.91	955.21	103.96	1.22	1,795.97	183.20	1.81	5,524.00	189.08	0.00	14,269.27	128.85	76.07	6.27	2.56	32,935.35	1,797.11
Net carrying amounts as at March 31, 2019	8,073.78	899.16	109.29	1.44	1,742.59	333.52	2.26	914.76	239.34	0.00	15,866.74	173.99	97.95	10.35	2.85	28,468.02	1,509.49

Notes

- No depreciation has been claimed on assets, to the extent of input credit claimed.
- Refer Note 44 for disclosure of contractual commitment for acquisition of property, plant and equipment.
- Refer Note 21 for information on property, plant and equipment hypothecated / mortgaged as security by the Company.
- Capital work-in-progress mainly comprises addition / expansion projects in progress.

Notes to the Financial Statements for the year ended March 31, 2020

Note 5 : Investment Property

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Gross Carrying Amount		
Opening gross carrying amount	257.87	257.87
Additions	13.61	-
Closing gross carrying amount	271.48	257.87
Accumulated Depreciation		
Opening accumulated depreciation	48.43	36.54
Depreciation charged for the year	11.28	11.89
Closing accumulated depreciation	59.72	48.43
Net carrying amount	211.76	209.44

Notes:

- The Investment Property consist of offices situated at Goregaon, Mumbai.
- Net revenue recognised in the statement of profit and loss for the above investment properties is Profit of ₹ 1.27 Lakhs (P.Y. Profit of ₹ 0.02 Lakhs) during the financial year ended March 31, 2020 and March 31, 2019 respectively
- Disclosure for Fair Value

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment Property	431.80	431.80

- Description of valuation techniques used and key inputs to valuation on investment properties.

The Company obtains independent valuations for its investment properties at reasonable interval. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

- Current prices in an active market for investment properties of different nature or recent prices of similar investment properties in less active markets, adjusted to reflect those differences.
- Discounted cash flow projections based on reliable estimates of future cash flows.
- Capitalised income projections based upon a estimated net market income from investment properties and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by reputed third party and independent valuers. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 2.

e) Investment Property pledged/ mortgaged as security :

Refer Note 21 for information on Investment Property hypothecated / mortgaged as security by the Company.

- The Company does not have any contractual obligations to purchase, construct or develop, for maintenance or enhancements of investment property.

Notes to the Financial Statements for the year ended March 31, 2020

Note 6 : Non-Current Financial Assets - Investments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
- Quoted Equity Instruments		
Investments carried at fair value through profit or loss		
6,500 (March 31, 2019: 6,500) Equity Shares of Kisan Mouldings Limited of ₹ 10 each fully paid up	0.47	2.95
- Unquoted Equity Instruments		
Investments carried at fair value through profit or loss		
200 (March 31, 2019 : 200) Equity Shares of The Thane Janta Sahakari Bank Limited of ₹. 50 each fully paid up	0.94	0.94
Investments carried at Cost		
43,061 (March 31,2019 : 43,061) Equity Shares of The Tarapur Environmental Protection Society of ₹ 100 each fully paid up	43.06	43.06
Total	44.47	46.95
Aggregate amount of quoted investments -At Cost	2.60	2.60
Aggregate amount of quoted investments -At Market Value	0.47	2.95
Aggregate amount of unquoted investments -At Cost	43.16	43.16
Aggregate amount of unquoted investments -At Market Value	44.00	44.00
Category-wise Non current investment		
Financial assets measured at fair value through profit & loss	1.41	3.89
Financial assets carried at amortised cost	43.06	43.06
Total	44.47	46.95

Note 7 : Non-Current Financial Assets - Others

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Carried at amortised cost		
Telephone Deposit	0.49	0.49
Electricity Deposit	190.95	189.50
Rent Deposit	6.42	4.40
Other Security Deposits	33.51	11.45
Fixed Deposit - For more than twelve month*	5.13	1,105.98
[*₹.5.13 Lakhs (P.Y. ₹55.98 Lakhs) under lien against bank guarantee and loans from banks]		
Total	236.50	1,311.83

Note 8 : Other Non-Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Advances	331.22	645.76
Total	331.22	645.76

Notes to the Financial Statements for the year ended March 31, 2020

Note 9 : Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw Materials	2,385.16	1,118.97
Goods-in-transit /at port	139.08	3.55
Work-in-progress	171.98	324.72
Finished Goods	996.33	305.45
Power and Fuel	32.51	82.41
Stores and Spares	77.79	36.34
Total	3,802.85	1,871.45

Note : Inventories are valued considering provision for allowance for obsolescence, inventory carrying risk and delay in usage caused by the slow production pace due to lower off-take in the present situation. In addition to the historical pattern of inventory provision, the Company has considered the likelihood of reduction in sales price, customer orders on hand and margins, including subsequent cancellations, if any, nature and aging of inventories to reflect current and estimated future economic conditions also taking into account the possible effects due to COVID-19. This assessment is also considering the product demand, expected price trend and sales plan in respective industries.

Amounts recognized in the Statement of Profit and Loss : Nil (March, 2019 Nil)

Note 10 : Current Financial Assets - Investments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
- Quoted Mutual Fund Instruments		
Investments carried at fair value through profit or loss		
0.70 unit (as at March 31, 2019: 35,373.867) of Liquid fund of DSP Mutual Fund	0.01	945.68
Total	0.01	945.68
Aggregate amount of quoted investments -At Cost	0.01	942.00
Aggregate amount of quoted investments -At Market Value	0.01	945.68

Note 11 : Current Financial Assets - Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	7,814.22	6,331.64
Receivables from related parties (refer note 47)	0.13	-
Less: Allowance for doubtful trade receivables	-	-
Total Receivables	7,814.35	6,331.64
Current Portion	7,814.35	6,331.64
Non - Current Portion	-	-

Notes to the Financial Statements for the year ended March 31, 2020

Note 11 : Current Financial Assets - Trade Receivables (Contd..)**Break-up of security details**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables -Secured, considered good	485.99	667.55
Trade receivables -Unsecured, considered good	7,328.36	5,664.09
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
Less: Allowance for doubtful trade receivables	-	-
Total	7,814.35	6,331.64

Note : Trade receivables are valued considering provision for allowance using expected credit loss method. No Allowance for Doubtful debts is recognised in the Statement of P & L because there is no significant change in credit risk. There is no significant default in subsequent recoveries and no consequential default considering emerging situations due to COVID-19. This assessment is considering the nature of industries, impact immediately seen in the demand outlook of these industries and the financial strength of the customers in respect of whom amounts are receivable.

Note 12 : Current Financial Assets - Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Bank Balances		
- In current accounts	237.65	312.42
- In fixed deposits with maturity of less than 3 months*	638.31	173.61
Cash in Hand	4.31	2.21
Total	880.27	488.24

*₹ 67.31 Lakhs (P.Y. ₹ 67.09 Lakhs) lien against bank guarantee and loan arrangements from Bank

Note 13 : Current Financial Assets - Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed Deposits with maturity period of more than 3 months but less than 12 months (include accrued interest)*	3,168.42	3,027.19
Unpaid Dividend Account**	66.91	65.61
Total	3,235.33	3,092.80

* ₹ 458.76 Lakhs (P.Y. Rs. 36.11 Lakhs) lien against bank guarantee and loan arrangements from Bank

** The amount is to be utilised towards settlement of respective unpaid dividends.

Note 14 : Current Financial Assets - Others

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Duty Drawback Receivable	19.36	15.00
Incentive Licenses	103.12	94.72
Foreign Currency Forward Contracts Receivable	-	34.64
Security Deposit with Solar Energy Corporation of India (SECI)	300.00	300.00
Total	422.48	444.36

Notes to the Financial Statements for the year ended March 31, 2020

Note 15 : Current Tax Assets (net)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
MAT Credit Entitlement	245.38	854.35
Income Tax Refund	147.28	89.39
Taxes Paid (incl. Tax Deducted at Source)	1,407.11	2,290.09
Less : Provision for Income Taxes	(1,371.03)	(2,240.14)
Total	428.74	993.69

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Accounting profit before tax from continuing operations	7,854.62	10,421.10
Tax at income tax at the rate of 29.12% (March 31, 2019: 34.944%)	2,287.26	3,641.55
Tax effect of :		
Difference in Depreciation and Amortisation	27.86	53.53
Income exempt from tax/items not deductible	(335.11)	(290.71)
Income tax expense reported in the statement of Profit and Loss	1,980.00	3,404.37
Tax adjustment for earlier year	-	(0.66)
Deferred Tax Expense Reported in the statement of Profit and Loss	(706.81)	(133.25)
	1,273.19	3,270.46

The recently promulgated Taxation Laws (Amendment) Ordinance 2019 has inserted section 115BAA in the Income Tax Act, 1961 providing existing domestic companies with in option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961 for assessment year (A.Y) 2020-21 or subsequent A.Ys. Once exercised such an option cannot be withdrawn for the same or subsequent A.Ys. The Company has not exercised this option and continues to pay tax as per the old regime.

Note 16 : Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Advances other than Capital Advances:		
Advance Payment to Vendors	38.26	16.48
Advance Payment to Employees	29.06	19.88
Balance with Government Authorities:		
- Cenvat Credit Receivables	19.17	19.17
- Vat Refund Receivables	77.14	103.08
- GST Refund Receivables	274.94	166.66
Prepaid Expenses	50.62	27.37
Total	489.21	352.64

Notes to the Financial Statements for the year ended March 31, 2020

Note 17 : Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Capital		
5,00,00,000 (March 31, 2019: 2,80,00,000) Equity Shares of ₹ 5 each	2,500.00	1,400.00
Total	2,500.00	1,400.00
Issued, Subscribed and Paid up Capital		
4,36,44,180 (March 31, 2019: 2,18,22,090) Equity Shares of ₹ 5 each fully paid up	2,182.21	1,091.10
Total	2,182.21	1,091.10

(a) Terms / rights attached to**Equity Shares**

The Company has only one class of Equity Shares having par value of ₹5/- each. (p.y. equity shares of ₹5/-each). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount to various stakeholders of the company.

Dividend

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(b) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year.**Equity Shares:**

(₹ in Lakhs)

Particulars	Year ended 31st March, 2020		Year ended 31st March, 2019	
	Number of shares	Amount (₹ in Lakhs)	Number of shares	Amount (₹ in Lakhs)
Balance as at Beginning of the year	2,18,22,090	1,091.10	1,58,79,560	793.98
Add : Allotment of shares on account of Business Combination [^]	-	-	59,42,530	297.13
Add : Allotment of shares on account of Bonus @	2,18,22,090	1,091.10	-	-
Balance as at the end of the year	4,36,44,180	2,182.21	2,18,22,090	1,091.10

Note: @ The Board of Directors of the Company at its meeting held on 29th May, 2019, approved a proposal to issue bonus shares in the ratio of one equity share of Rs.5 each for every one equity share of Rs. 5 each held by the shareholders of the Company as on the record date i.e on 18th July, 2019, which was approved by the shareholders by means of an ordinary resolution through a postal ballot. The Company allotted 2,18,22,090 equity shares as fully paid up bonus shares by utilising Security Premium amounting to Rs.1,091.10 Lakhs

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

(₹ in Lakhs)

Shares held by	As at March 31, 2020		As at March 31, 2019*	
	Number of Shares	%	Number of shares	%
Equity shares with voting rights				
Bhageria Trade Invest Pvt. Ltd.	65,10,530	14.92%	32,55,265	14.92%
Suresh Kumar Keshavdeo Bhageria	39,52,694	9.06%	19,76,347	9.06%
Akashdeep International Pvt. Ltd.	39,68,372	9.09%	19,84,186	9.09%
Deepak Vishwambharlal Bhageria	23,97,274	5.49%	11,98,637	5.49%

*Before cancellation and pending allotment of shares to shareholders of Nipur Chemicals Limited

Notes to the Financial Statements for the year ended March 31, 2020

Note 17 : Equity Share Capital (contd..)

(d) Shares issued during the last five years for consideration other than cash

(₹ in Lakhs)

Particulars	Year (Aggregate No. of Shares)					
	2019-20	2018-19	2017-18	2016-17	2015-2016	2014-2015
Equity Shares :						
Fully paid up pursuant to contract(s) without payment being received in cash	-	59,42,530	-	-	-	-
Fully paid up by way of bonus shares	2,18,22,090	-	-	-	-	-
Shares bought back	-	-	-	-	-	-

(e) The Company is a standalone company and does not have any holding company.

Note 18 : Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Pending for allotment on account of Business Combination	-	-
(ii) Securities Premium	0.51	1,091.61
(iii) Capital Reserve	14,068.69	14,068.69
(iv) General Reserve	440.10	440.10
(v) Retained Earnings	23,525.97	17,548.29
Total	38,035.27	33,148.70

(i) Pending for allotment on account of Business Combination :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance as at beginning of the year	-	297.13
Less : Allotment of Shares on account of Business Combination [^]	-	(297.13)
Balance as at the end of the year	-	-

Note : [^]59,42,530 Equity Shares of ₹ 5/- each fully paid allotted on May 19, 2018 to Equity Shareholders of Nipur Chemicals Limited in pursuant to the Scheme of Amalgamation sanctioned by Honourable National Company Law Tribunal, Mumbai Bench on April 5, 2018.

(ii) Securities Premium :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance as at beginning of the year	1,091.61	1,091.61
Less: Amount utilised during the year on account bonus shares	(1,091.10)	-
Balance as at the end of the year	0.51	1,091.61

Note : @ The Board of Directors of the Company at its meeting held on 29th May, 2019, approved a proposal to issue bonus shares in the ratio of one equity share of Rs.5 each for every one equity share of Rs. 5 each held by the shareholders of the Company as on the record date i.e on 18th July, 2019, which was approved by the shareholders by means of an ordinary resolution through a postal ballot. The Company allotted 2,18,22,090 equity shares as fully paid up bonus shares by utilising Security Premium amounting to Rs.1,091.10 Lakhs

Notes to the Financial Statements for the year ended March 31, 2020

Note 18 : Other Equity (Contd..)**(iii) Capital Reserve:**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance as at beginning of the year	14,068.69	14,068.69
Add : Additions during the year	-	-
Balance as at the end of the year	14,068.69	14,068.69

(iv) General Reserve:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance as at beginning of the year	440.10	440.10
Less: Utilised during the year	-	-
Balance as at the end of the year	440.10	440.10

(v) Retained Earnings:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Balance as at beginning of the year	17,548.29	12,840.13
Add: Profit for the year	6,581.42	7,150.64
Add: Items of Other Comprehensive Income recognised directly in Retained Earnings		
Re-measurement gains/ (losses) on defined benefit obligations (net of tax)	(11.79)	(8.99)
Less: Utilised for Interim Dividend (Including Corporate Dividend Tax)	-	(986.55)
Less: Utilised for Final Dividend (Including Corporate Dividend Tax)	(591.94)	(1,446.94)
Balance as at the end of the year	23,525.97	17,548.29

NATURE AND PURPOSE OF RESERVES

- Capital Reserve : Capital Reserve is utilised in accordance with provision of the Act.
- Security Premium : Security Premium is used to record the premium on issue of shares. This reserve is utilised in accordance with the provision of the Act.
- General Reserve : The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- Retained Earnings : Retained earnings are the profit that the Company has earned till date, less any transfer to general reserve, dividend or other distributions paid to shareholders.

Notes to the Financial Statements for the year ended March 31, 2020

Note 19 : Non-Current Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee Benefits:		
Provision for Gratuity	169.84	114.12
Total	169.84	114.12

Note 20 : Deferred Tax Liabilities (Net)

The major components of deferred tax Liabilities/ (Assets) as recognized in the financial statements are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities/ (Assets) arising on account of timing differences in:		
Property, Plant and Equipment - Depreciation	4,358.23	5,059.00
Gratuity	(51.11)	(42.29)
Financial Instruments - Borrowings	-	-
Changes in Fair Value of Investment	(0.30)	1.76
Deferred Tax Liabilities (net)	4,306.82	5,018.47

Movement in Deferred Tax Liabilities/ (Assets)

(₹ in Lakhs)

Particulars	Depreciation	Gratuity	Changes in Fair Value of Investment	Borrowings	Total
As at March 31, 2019	5,059.00	(42.29)	1.76	-	5,018.47
Charged/ (Credited):					
To Profit or Loss	(700.77)	(3.97)	(2.06)	-	(706.81)
To Other Comprehensive Income	-	(4.84)	-	-	(4.84)
As at March 31, 2020	4,358.23	(51.11)	(0.30)	-	4,306.82

Note 21 : Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured Loans (Repayable on demand)		
Working Capital Loans from Banks	1,798.32	2,349.47
Buyer's Credit from Bank	269.74	-
Total	2,068.06	2,349.47

Note:

These working capital facilities are secured against the following charge on various assets of the Company :

- Primary : Hypothecation charge on the entire current assets of the Company, both present & future.
- Collateral : Extension of mortgage charge on factory land and building situated at Plot No. 6310, Phase IV, GIDC, Vapi, Gujarat and Office premises situated at A1/101, Virwani Industrial Estate, Goregaon (E), Mumbai - 400063 owned by the Company.
- Personal Guarantees of some of the Directors of the company.

Notes to the Financial Statements for the year ended March 31, 2020

Note 22 : Current Financial Liabilities - Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payable		
Total outstanding dues of micro enterprises and small enterprises	201.67	-
Total outstanding dues of creditors other than micro enterprises and small enterprise		
(i) Related party (Refer Note 47)	0.43	0.34
(ii) Others	4,949.27	3,942.54
Total	5,151.37	3,942.87

Note :

- The Micro and Small Enterprises have been identified on the basis of information available with the Company.

Details of dues to such parties are given below:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount remaining unpaid as at the end of the year	201.67	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
Amount of interest paid by the Company in terms of Section 16, of (MSMED Act 2006) along with the amounts of payments made beyond the appointed date during the year.	-	-
Amount of interest due and payable for the period of delay in making payment without the interest specified under the (MSMED Act 2006).	-	-
The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the (MSMED Act 2006).	-	-

Note 23 : Current Financial Liabilities - Others

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest Accrued	5.53	2.86
Foreign Currency Forward Contracts Payable	59.14	-
Unpaid Dividend	66.91	65.61
Liabilities for Acquisition of Property, Plant and Equipment	262.62	199.68
Employee Related Liabilities	168.40	96.31
Total	562.61	364.46

Notes to the Financial Statements for the year ended March 31, 2020

Note 24 : Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Tax Payable (Including Provident Fund, Tax Deducted at Source and other indirect taxes)	36.30	171.20
Advances from Customers	-	407.43
Other Liabilities	105.56	97.26
Total	141.87	675.88

Note 25 : Current Provisions:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Employee benefits:		
Provision for Gratuity	11.59	6.90
Total	11.59	6.90

Note 26 : Revenue from Operations

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Value of Sales	37,774.98	42,259.51
Other Operating Revenue:		
Revenue from Solar Power	3,067.16	3,312.69
Job work Income	206.67	24.10
Duty drawback and other export incentives	312.86	642.25
Other Revenue	6.28	2.41
Total	41,367.95	46,240.96

Notes :

- (i) On adoption of Ind AS 115 - Revenue from Contracts with Customers with effect from April 1, 2018, there is no significant impact on the financial statements of the company.

Note 27 : Other Incomes

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Interest income earned on financial assets that are not designated as at fair value through profit or loss		
From Bank deposits (at amortised cost)	315.06	195.60
From Others (at amortised cost)	23.33	7.84
Dividend income		
Dividends from investment in equity shares (designated at cost or at FVTPL)	-	0.02
Other gains or losses:		
Net gains / (loss) arising on financial assets measured at FVTPL	(6.16)	(3.12)
Profit on Sale of Current Investment	15.58	51.01
Profit on Sale of Fixed Assets	1.26	-

Notes to the Financial Statements for the year ended March 31, 2020

Note 27 : Other Incomes (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Other non-operating income		
Rental Income	14.66	13.55
Foreign Exchange Gain (Net)	179.90	212.78
Miscellaneous Income	16.31	51.51
Total	559.92	529.18

Note 28 : Cost of Materials

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Opening Stock	1,122.53	2,345.14
Add: Purchases	25,104.97	25,682.53
Less: Closing Stock	2,524.24	1,122.53
Total	23,703.26	26,905.14

Note 29 : Purchase of Stock in Trade

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Traded goods	1,229.94	185.39
Total	1,229.94	185.39

Note 30 : Change in Inventories of finished goods, work-in-process and stock in trade

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Inventories at the end of the year :		
Finished Goods	996.33	305.45
Work-in-process	171.98	324.72
Stock-in-trade	-	-
	1,168.31	630.17
Inventories at the beginning of the year :		
Finished Goods	305.45	509.78
Work-in-process	324.72	165.71
Stock-in-trade	-	-
	630.17	675.49
Total	(538.14)	45.32

Notes to the Financial Statements for the year ended March 31, 2020

Note 31 : Employee Benefits Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Salaries, Wages and Bonus	1,503.30	1,250.86
Contributions to Provident and Other Funds	32.67	28.46
Gratuity Expenses	44.60	33.94
Staff Welfare Expenses	49.05	32.96
Total	1,629.62	1,346.23

Note 32 : Finance Costs

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Interest on Borrowings from Banks on Term Loans	-	74.64
Interest on Borrowings from Banks	128.03	195.06
Bank Charges and Commission	39.60	70.45
Borrowings measured at amortized cost	-	40.34
Total	167.63	380.49

Note 33 : Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Depreciation on property, plant and equipment	2,284.88	2,206.54
Depreciation on investment property	11.28	11.89
Total	2,296.17	2,218.43

Note 34 : Other Expenses

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Manufacturing Expenses		
Job Work and Labour Charges	774.54	627.02
Repairs and Maintenance - Machinery	179.15	184.74
Repairs and Maintenance - Buildings	3.13	10.24
Power, Fuel and Water Charges	2,371.72	2,281.29
Stores & Spares	403.01	429.15
Lab Expenses	80.16	79.70
Factory Expenses	27.20	12.84
Effluent Treatment Charges	80.38	86.13
(A)	3,919.29	3,711.11
Selling & Distribution Expenses		
Commission	27.40	21.25
Freight and Forwarding	707.98	753.47
Business Promotion	29.35	33.68
Loading and Unloading Charges	10.31	9.31
(B)	775.04	817.71

Notes to the Financial Statements for the year ended March 31, 2020

Note 34 : Other Expenses (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Establishment Expenses		
Contribution towards CSR	184.29	104.00
Legal and professional Charges	114.03	128.41
Donations and contributions	62.40	33.92
Solar Operating Expenses	156.88	127.06
Rent, Rates and Taxes	79.67	97.12
Miscellaneous Expenses	25.11	39.30
Travelling and Conveyance	87.05	56.52
Indirect Tax Expenses	57.91	24.74
Insurance Expenses	50.26	37.54
Vehicle Expenses	23.70	24.10
Amalgamation Exp	-	0.75
Repairs and Maintenance - Others	4.58	8.17
Printing and Stationery	6.37	12.24
Communication	7.74	9.04
Membership Fees	0.74	0.34
Director Sitting Fees	12.00	11.75
Bad Debts	-	6.01
RTA Charges	4.60	3.41
Repairs and maintenance - Computer	3.73	2.50
Loss on Sale of Fixed Assets	-	3.95
Postage & Courier Expense	9.41	8.35
	(C)	
	890.45	739.22
Total (A+B+C)	5,584.78	5,268.04

Note 34 (a) : Payments to the auditors

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(a) Payments to the auditors comprises (net of GST input credit, where applicable)(incl. in Legal and Professional Charges)		
Payments to Statutory Audit		
i) Audit Fees	6.00	6.00
ii) Other Services	-	3.00
Payments to Cost Audit		
i) Audit Fees	0.90	0.85
Total	6.90	9.85

Notes to the Financial Statements for the year ended March 31, 2020

Note 35 : Earnings Per Equity Share

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Net Profit attributable to Equity Shareholders (₹ in Lakhs)	6,581.42	7,150.64
Weighted Average Number of Equity Shares	4,36,44,180	4,36,44,180
Basic and Diluted Earnings Per Share (₹)	15.08	16.38
Face value per Share (₹)	5.00	5.00

Note : The Company has issued and allotted 2,18,22,090 equity shares to the eligible holders of equity shares on the record date (i.e July 18, 2019) as bonus equity shares by utilising share premium on July 19, 2019. The Earning Per Shares Figures for the year ended March 31, 2019 have been adjusted to give effect to the allotment of the bonus shares, as required by Ind AS-33.

Note 36 : Financial Assets at Amortised Cost Method

The carrying value of the following financial assets recognised at amortised cost:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Non-Current Financial Assets		
Others	236.50	1,311.83
Current Financial Assets		
Trade receivables	7,814.35	6,331.64
Cash and Cash Equivalents	880.27	488.24
Other bank balances	3,235.33	3,092.80
Others	422.48	409.71
Total	12,588.94	11,634.22

Note: The fair value of the above financial assets are approximately equivalent to carrying values as recognised above.

Note 37 : Financial Liabilities at Amortised Cost Method

The carrying value of the following financial liabilities recognised at amortised cost:

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
Non-Current Financial Liabilities		
Borrowings	-	-
Current Financial Liabilities		
Borrowings	2,068.06	2,349.47
Trade Payable	5,151.37	3,942.87
Other Financial Liabilities	503.46	364.46
Total	7,722.89	6,656.81

Note: The fair value of the above financial liabilities are approximately equivalent to carrying values as recognised above.

Notes to the Financial Statements for the year ended March 31, 2020

Note 38 : Financial Assets at Fair Value Through Profit or Loss

The carrying value of the following financial assets recognised at fair value through profit or loss:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non- Current Financial Assets		
Investments	44.47	46.95
Current Financial Assets		
Investments	0.01	945.68
Others	-	34.64
Total	44.48	1,027.28

Note: The above investments are quoted instruments in active markets and the same are recognised at fair value. Fair value measurement is done considering the Level -1 of Fair Value Hierarchy as per the Ind-AS 113.

Note 39 : Financial Liabilities at Fair Value Through Profit or Loss

The carrying value of the following financial liabilities recognised at fair value through profit or loss:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current Financial Liabilities		
Other Financial Liabilities	59.14	-
Total	59.14	-

Note: The above other financial liabilities includes Foreign Currency Forward and Options Contracts. Fair value measurement is done considering the Level - 2 of Fair Value Hierarchy as per the Ind-AS 113.

Note 40 : Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations directly or indirectly. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The below note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis and Credit ratings	Diversification of bank deposits and credit limits
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk - Interest rate	Borrowings at variable rates		Not used any Interest rate derivatives.
Market Risk - Price risk	Equity Instruments	Sensitivity analysis	Company maintains its portfolio in accordance with the framework set by the Risk Management policies.
Market Risk - Foreign exchange risk	Export, Import and Borrowings		Forward contracts and Currency options

Notes to the Financial Statements for the year ended March 31, 2020

Note 40 : Financial Risk Management Objectives and Policies (Contd..)

Credit Risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed by the management on regular basis with market information and individual credit limits are defined accordingly. Outstanding customer receivables are regularly monitored and any further services to major customers are approved by the senior management.

On account of adoption of Ind-AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company does not expect any credit risk on account of trade receivables.

Financial instruments and cash deposits

Credit risk from balances/investments with banks and financial institutions is managed in accordance with the Company's treasury risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity Risk :

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as and when required.

The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company invests its surplus funds in bank fixed deposit and liquid schemes of mutual funds, which carry no/negligible mark to market risks.

The table below provides details regarding the maturities of significant financial liabilities as at March 31, 2020 and March 31, 2019:

Particulars	Carrying amount	Less than 12 Months	More than 12 Months	Total
				(₹ in Lakhs)
Year ended March 31, 2020				
Secured Loans	2,068.06	2,068.06	-	2,068.06
Trade Payables	5,151.37	5,151.37	-	5,151.37
Interest Accrued	5.53	5.53	-	5.53
Liabilities for Acquisition of Property, Plant and Equipment	262.62	262.62	-	262.62
Others Liabilities	377.18	377.18	-	377.18
Year ended March 31, 2019				
Secured Loans	2,349.47	2,349.47	-	2,349.47
Trade Payables	3,942.87	3,942.87	-	3,942.87
Interest Accrued	2.86	2.86	-	2.86
Liabilities for Acquisition of Property, Plant and Equipment	199.68	199.68	-	199.68
Others Liabilities	837.80	837.80	-	837.80

Notes to the Financial Statements for the year ended March 31, 2020

Note 40 : Financial Risk Management Objectives and Policies (Contd..)**Market Risk :**

Market risk comprises three types of risk: price risk, interest rate risk and currency risk. The risks may affect income and expenses, or the value of its financial instruments of the Company. The objective of the Management of the Company for market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company exposure to, and the Management of, these risks is explained below:

Price risk

Equity price risk is related to the change in market price of the investments in quoted equity securities. The value of the financial instruments is not material and accordingly any change in the value of these investments will not affect materially the profit or loss of the Company.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since, the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is very low. The Company has not used any interest rate derivatives.

Interest rate sensitivity

No sensitivity analysis is prepared as the Company does not expect any material effect on the Company's results arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

Foreign Exchange Risk

Foreign exchange risk arises on future commercial transactions and on all recognised monetary assets and liabilities, which are denominated in a currency other than the functional currency of the Company. The Company's management has set policy wherein exposure is identified, benchmark is set and monitored closely, and accordingly suitable hedges are undertaken. Policy also includes mandatory initial hedging requirements for exposure above a threshold.

The Company's foreign currency exposure arises mainly from foreign exchange imports, exports and foreign currency borrowings, primarily with respect to USD.

As at the end of the reporting period, the carrying amounts of the company's foreign currency denominated monetary assets and liabilities in respect of the primary foreign currency i.e. USD and derivative to hedge the exposure, are as follows:

(USD in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
USD exposure		
Assets	28.05	32.69
Liabilities	21.51	10.84
Net	6.54	21.86
Derivatives to hedge USD exposure		
Forward contracts (USD)	23.75	15.25
Option contracts- (USD)	-	-
Total Hedge USD	23.75	15.25
Net Exposure in USD	30.29	37.11

The Company's exposure to foreign currency changes for all other currencies is not material.

Notes to the Financial Statements for the year ended March 31, 2020

Note 40 : Financial Risk Management Objectives and Policies (Contd..)

Foreign currency sensitivity analysis

The following table demonstrate the sensitivity to a reasonable possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities and derivatives is as follows:

If ₹ had (strengthened) / weakened against USD by 2%

Particulars	(₹ in Lakhs)	
	Profit or (Loss)	
	Strengthening	Weakening
As At 31st March, 2020	(45.67)	45.67
As At 31st March, 2019	(51.34)	51.34

Note 41 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the value of the share and to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company can adjust the dividend payment to shareholders, issue new shares, etc. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	(₹ in Lakhs)	
	March 31, 2020	March 31, 2019
A) Net Debt		
Borrowings (Current and Non-Current including accrued interest)	2,073.59	2,352.34
Cash and Marketable Securities	(4,049.17)	(4,464.07)
Net Debt (A)	(1,975.57)	(2,111.73)
B) Equity		
Equity share capital	2,182.21	1,091.10
Other Equity	38,035.27	33,148.70
Total Equity (B)	40,217.48	34,239.80
Net Gearing Ratio (Net Debt / Capital) i.e. (A / B)	(0.05)	(0.06)

Note 42 : Dividend on Equity Shares

Particulars	(₹ in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
(i) Equity Shares		
Final Dividend for the year ended 31st March, 2019 of ₹ 1.125 (31st March, 2018 - ₹5.50) per fully paid share	491.00	1,200.23
DDT on Final Dividend	100.93	246.71
Interim Dividend for the year ended 31st March, 2020 of ₹ NIL (31st March, 2019 - ₹ 3.75) per fully paid share	-	818.34
DDT on Interim Dividend	-	168.21

Notes to the Financial Statements for the year ended March 31, 2020

Note 42 : Dividend on Equity Shares (Contd..)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(ii) Proposed Dividends on equity shares:		
Final Dividend recommended by the board of directors for the year ended 31st March, 2020 ₹ 3.00 per fully paid equity share (31st March, 2019: ₹1.125 per share) subject to approval of shareholders in the ensuing annual general meeting.	1,309.33	491.00
DDT on Proposed Dividend	-	100.93

Note: Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability (Including Dividend Distribution Tax) as at reporting date.

Note 43 : Contingent Liabilities not provided for

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Claims against the company not acknowledged as debt		
Disputed Liabilities in respect of Sales Tax	8.81	8.81
Disputed Custom Liabilities	33.29	33.29
b) Guarantees		
Bank Guarantee Given by Bank on Behalf of the Company	60.98	50.00
c) Other money for which the company is contingently liable		
	-	-
Total	103.08	92.10

Note 44 : Capital Commitments:

Capital expenditure contracted for at the end of the reporting period, but not recognised as liabilities, is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated value of Contracts in respect of Property, Plants and Equipments remaining to be Executed (Net of Capital Advances)	378.50	1,391.89
Total	378.50	1,391.89

Note 45 : Segment Information**Information about Primary Business Segment**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. The Company is engaged in Dyes, Dyes Intermediates and Basic Chemicals and Generation and Distribution of Solar Power during the year, consequently the Company have separate reportable business segment for the year ended March 31, 2020.

Information about Secondary Geographical Segment

The Company is engaged in providing services to customers located in India and outside india, consequently the Company have separate reportable geographical segment for the year ended March 31, 2020. i.e. Domestic and Export.

(a) Primary Segment

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
1. Segment Revenue (net of taxes)		
(a) Segment - A (Chemical)	37,313.79	42,928.27
(b) Segment - B (Solar Power)	3,067.16	3,312.69
(c) Segment - C (Others)	987.00	-
Less: Inter Segment Revenue	-	-
Net Sales / Income from Operations	41,367.95	46,240.96

Notes to the Financial Statements for the year ended March 31, 2020

Note 45 : Segment Information: (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
2. Segment Results Profit/(Loss) (before tax and interest from each segment)		
(a) Segment - A (Chemical)	7,550.08	10,280.67
(b) Segment - B (Solar Power)	1,138.04	1,208.43
(c) Segment - C (Others)	203.01	-
Less: Interest	167.63	380.49
Add: Other Un-allocable Income (net off)	(868.88)	(687.52)
Total Profit Before Tax	7,854.62	10,421.10
3. Assets		
(a) Segment - A (Chemical)	34,893.47	26,751.28
(b) Segment - B (Solar Power)	16,788.67	18,431.59
(c) Segment - C (Others)	52.29	-
(d) Unallocated	895.21	1,529.11
Total Assets	52,629.64	46,711.98
4. Liabilities		
(a) Segment - A (Chemical)	7,794.15	7,020.83
(b) Segment - B (Solar Power)	80.51	346.11
(c) Segment - C (Others)	127.99	-
(d) Unallocated	4,409.50	5,105.23
Total Liabilities	12,412.16	12,472.18

(b) Secondary Segment

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Revenue from Domestic Sales	31,010.36	31,595.07
Revenue from Exports	10,357.59	14,645.89
Total	41,367.95	46,240.96

Note 46 : Employee Benefits:

The Company has classified the various benefits provided to employees as under:

I. Defined Contribution Plans

- a. Employers' Contribution to Provident Fund and Employee's Pension Scheme
- b. Employers' Contribution to Employee's State Insurance

During the year, the Company has incurred and recognised the following amounts in the Statement of Profit and Loss:
(₹ in Lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Employers' Contribution to Provident Fund and Employee's Pension Scheme	22.69	17.22
Employers' Contribution to Employee's State Insurance	9.98	11.24
Total Expenses recognised in the Statement of Profit and Loss (Refer Note 31)	32.67	28.46

Notes to the Financial Statements for the year ended March 31, 2020

Note 46 : Employee Benefits: (Contd..)**II. Defined Benefit Plan**

Gratuity Fund

(₹ in Lakhs)

Particulars	Year ended March 31, 2020 (% p.a.)	Year ended March 31, 2019 (% p.a.)
a. Major Assumptions		
Discount Rate	6.74%	7.74%
Salary Escalation Rate @	For First Year : 0%	5.00%
@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.	Thereafter : 5%	
Employee Turnover	2.00%	2.00%
b. Change in Present Value of Obligation		
Present Value of Obligation as at the beginning of the year	158.68	110.58
Current Service Cost	34.18	27.31
Past Service Cost	-	-
Interest Cost	13.34	9.57
Benefit paid	(6.75)	(2.39)
Total Actuarial (Gain)/ Loss on Obligations	16.30	13.61
a. Effect of Change in Financial Assumptions	(9.69)	1.52
b. Effect of Change in Demographic Assumptions	-	(0.15)
c. Experience (Gains)/ Losses	25.99	12.24
Present Value of Obligation as at the end of the year	215.74	158.68
c. Change in Fair value of Plan Assets during the Period		
Fair value of Plan Assets, Beginning of Period	37.67	37.32
Interest Income Plan Assets	2.92	2.93
Actual Company Contributions	-	-
Actuarial Gains/(Losses)	(0.34)	(0.20)
Benefits Paid	(5.93)	(2.39)
Fair value of Plan Assets, End of Period	34.31	37.67
d. Net (assets) / liability recognized in the balance sheet and the Fair Value of Assets		
Present Value of Obligation at the end of the year	215.74	158.68
Fair Value of Plan Assets at the end of the year	34.31	37.67
Net (assets) / liability recognized in the balance sheet	181.43	121.02
Net liability - current (refer note 25)	11.59	6.90
Net liability - non current (refer note 19)	169.84	114.12
e. Expenses Recognised in the Statement of Profit and Loss		
Current Service Cost	34.18	27.31
Net Interest Cost / (Income)	10.42	6.63
Past Service Cost	-	-
Total expenses recognised in the Statement of Profit and Loss	44.60	33.94

Notes to the Financial Statements for the year ended March 31, 2020

Note 46 : Employee Benefits: (Contd..)

(₹ in Lakhs)

Particulars	Year ended March 31, 2020 (% p.a.)	Year ended March 31, 2019 (% p.a.)
f. Expense Recognised in the Statement of Other Comprehensive Income		
Amount recognized in OCI, Beginning of Period	29.85	16.03
Remeasurements due to :		
Effect of Change in financial assumptions*	(9.69)	1.52
Effect of Change in demographic assumptions	-	(0.15)
Effect of experience adjustments	25.99	12.24
Return on plan assets (excluding interest)	0.34	0.20
Amount recognized in OCI, Current Year	16.64	13.82
Amount recognized in OCI, End of Period	46.48	29.85
*This figure does not reflect interrelationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.		
g. Maturity profile of defined benefit obligation		
With in 1 year	11.98	7.16
1-2 year	9.61	8.19
2-3 year	42.89	8.25
3-4 year	21.80	36.44
4-5 year	7.04	17.42
Above 5 years	112.99	85.12
h. Sensitivity Analysis for significant assumption is as below		
Defined Benefit Obligation - Discount Rate + 100 basis points	(16.11)	(17.08)
Defined Benefit Obligation - Discount Rate - 100 basis points	18.82	17.81
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	16.54	17.20
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(13.71)	(16.27)

Note 47 : Related Party Disclosure:

i) Relationship

Description of relationship

Directors & Key Management Personnel :

Names of Related Parties

Mr. Suresh Bhageria (Chairman)

Mr. Vikas Bhageria (Joint Managing Director)

Mr. Vinod Bhageria (Managing Director)

Ms. Chandrabhabha Bhageria (Whole Time Director)

Relative of key management personnel with whom the Company has entered into transactions

Mr. O.P. Bubna (Independent Non-Executive Director)

Mr. S.P. Tulsian (Independent Non-Executive Director)

Mr. P.S. Dalvi (Independent Non-Executive Director)*

Notes to the Financial Statements for the year ended March 31, 2020

Note 47 : Related Party Disclosure: (Contd..)

Mr. Surendra Shriram Gupta (Independent Non-Executive Director)

Mr. Mukund M. Chitale (Independent Non-Executive Director)

Mr. Sandeep Singh (Independent Non-Executive Director)

Mr. Ganapati Dadasaheb Yadav (Additional Independent Non-Executive Director)**

Dr. Shyam Agrawal (Independent Non-Executive Director) (up to March 21, 2019)

Mr. Rakesh L Kachhadiya (Chief Financial Officer)

Mr. Ketan Gaur (Company Secretary)

Enterprises in which Key Management personnel and relatives of Key Management personnel have significant influence :

M/s Dainik Multitrade Pvt Ltd.
M/s Akashdeep International Pvt. Ltd.
Smt. Ratnadevi Bhageria Charitable Trust

Close family members of Key Management Personnel
Daughter of Suresh Bhageria

Mrs. Vanita Saraf

Notes:

- 1) The list of related parties above has been limited to entities with which transactions have taken place.
- 2) Related party transactions have been disclosed till the time the relationship existed.
- 3) Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis.
- 4) *Mr. Pradeep Kumar Shankar Dalvi, Independent Director resigned from the Company on January 25, 2020.
- 5) **Mr. Ganapati Dadasaheb Yadav appointed as an Additional (Independent) Director on October 21, 2019.

ii) Transaction with Related Parties during the year

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
KMP Remuneration and Salary *		
Mr. Suresh Bhageria	140.00	153.00
Mr. Vikas Bhageria	120.00	120.00
Mr. Vinod Bhageria	10.53	10.53
Ms. Chandraprabha Bhageria	45.00	12.00
Mr. Rakesh L Kachhadiya	9.52	8.51
Mr. Ketan Gaur	4.92	3.99
	329.97	308.03

Notes to the Financial Statements for the year ended March 31, 2020

Note 47 : Related Party Disclosure: (Contd..)

(₹ in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Sitting Fees		
Mr. O. P. Bubna	2.00	2.50
Mr. S. P. Tulsian	2.00	2.25
Mr. P. S. Dalvi	1.50	2.50
Mr. Surendra Shriram Gupta	2.00	1.50
Mr. Sandeep Singh	2.00	1.75
Mr. Mukund Manohar Chitale	2.00	-
Dr. Shyam Agrawal	-	1.25
Mr. Ganapati Dadasaheb Yadav	0.50	-
	12.00	11.75
Salary to Relatives		
Mrs. Vanita Saraf	25.80	12.90
	25.80	12.90
Sale of Goods		
M/s. Akashdeep International Pvt. Ltd.	0.13	295.43
	0.13	295.43
Purchase of Land & Building		
M/s Dainik Multi Trade Pvt Ltd.	-	116.00
	-	116.00
Professional Fees		
Mr. Surendra Shriram Gupta	0.25	0.70
Mrs. Vanita Saraf	-	15.05
	0.25	15.75
Rent Expenses		
M/s Dainik Multi Trade Pvt Ltd.	-	8.64
Mr. Suresh Bhageria	2.26	2.15
Mrs. Vanita Saraf	0.88	0.83
Mrs. Chandraprabha Bhageria	1.14	1.08
M/s. Akashdeep International Pvt. Ltd.	0.88	0.83
	5.15	13.52
Donations and CSR Expenses		
Smt. Ratnadevi Bhageria Charitable Trust	13.25	9.20
	13.25	9.20

iii) Balance with Related Parties :

(₹ in Lakhs)

Particulars	Balances as at March 31, 2020	Balances as at March 31, 2019
Receivables		
M/s. Akashdeep International Pvt. Ltd.	0.13	-
	0.13	-
Remuneration / Salary / Other Payable		
Mr. Suresh Bhageria	2.94	0.18
Mr. Vikas Bhageria	4.00	-
Mr. Vinod Bhageria	0.78	-
Ms. Chandraprabha Bhageria	1.20	0.09

Notes to the Financial Statements for the year ended March 31, 2020

Note 47 : Related Party Disclosure: (Contd..)

(₹ in Lakhs)

Particulars	Balances as at March 31, 2020	Balances as at March 31, 2019
Mr. Rakesh L Kachhadiya	0.87	-
Mr. Ketan Gaur	0.43	-
Mrs. Vanita Saraf	1.50	0.07
	11.71	0.34
Payables		
M/s. Akashdeep International Pvt. Ltd.	0.07	-
M/s Dainik Multi Trade Pvt Ltd.	-	100.78
	0.07	100.78

Note 48 : Events after the Reporting Period

There was no significant event after the end of the reporting period which requires any adjustment or disclosure in the Financial Statements.

Note 49 : CSR Expenditure

Gross amount required to be spend during the year 154.33 Lakhs

Amount spent during the year ₹184.29 Lakhs as detailed hereunder :

(₹ in Lakhs)

Nature of activity	2019-20	2018-19
Promoting Healthcare and Literacy including preventive healthcare	-	52.42
Rural Development	69.72	25.93
Eradicating Hunger, Poverty and Malnutrition	2.57	14.94
Promoting Education	112.00	10.71
Total	184.29	104.00
Amount required to be spent as per Section 135 of the Act		
Amount spent during the year on		
(i) Construction / acquisition of an asset	-	-
(ii) On purposes other than (i) above	184.29	104.00

Note 50 : Lease

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard prospectively to its leases.

As Lessee:

The company has availed the exemption given under Ind AS 116 for the Short term lease. Correspondingly company has recognized the lease payment on straight line basis in Statement of Profit and Loss over the life of lease term (Refer Note no. 34). Therefore, no right to use assets and lease liability is recognized in financial statement.

As Lessor:

Operating Lease income are recognised in the Statement of Profit and Loss. (Refer Note no. 27)

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Less than one year	15.46	14.66
One to five years	-	-
More than five years	-	-

Notes to the Financial Statements for the year ended March 31, 2020

Note 51 : Estimation of uncertainties relating to the global health pandemic COVID-19

Our Chemical Manufacturing facilities at Tarapur, Maharashtra and Vapi, Gujarat were closed w.e.f. March 25, 2020 following countrywide lockdown due to COVID-19. The Company thereafter commenced partial Manufacturing facilities at Tarapur, Maharashtra from May 7, 2020 and Vapi, Gujarat from May 1, 2020 after obtaining necessary approvals from the concerned government/ local authorities. There was no major impact on the solar business, the plants were running at 100% capacity. In view of pandemic relating to COVID - 19, the Company has considered internal and external information available upto the date of approval of these financial statements and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables. Inventories, investments, other financial and non-financial assets, for possible impact on these financial statements. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position. etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial statements. The Company believes that there is no impact on its ability to meet its liabilities as and when they fall due. However, the actual impact of COVID - 19 on the Company's financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

Note 52 : Approval of Financial Statements :

The Financial Statements were approved for issue by the Board of Directors on 26th June, 2020

Note 53 : Previous Years' Figures:

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous period's figures have been regrouped or rearranged wherever necessary.

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

For MRB & Associates

Chartered Accountants
FRN : 136306W

Manish R Bohra

Partner
Membership No. 058431

Place : Mumbai

Date : 26th June, 2020

For and on behalf of the Board of Directors

Suresh Bhageria

Chairperson
DIN: 00540285

Ketan Gaur

Company Secretary
Membership No.50087

Place : Mumbai

Date : 26th June, 2020

Vinod Bhageria

Managing Director
DIN: 00540308

Rakesh Kachhadiya

Chief Financial Officer

Six Years Financial Summary

(₹ in Lakhs)

Financial Year	2019-20 #	2018-19 #	2017-18 #	2016-17 #	2015-16	2014-15
Income						
Revenue from Operation (Gross)	41,367.95	46,240.96	41,187.03	37,345.91	25,592.45	43,619.30
Less : Excise Duty & GST Recovered	-	-	(3,855.99)	-	(1,747.43)	(2,378.75)
Other Income	559.92	529.18	1,154.11	1,008.04	193.99	264.51
	41,927.87	46,770.14	38,485.15	38,353.95	24,039.01	41,505.05
Expenditure						
Material & Overheads (+ / - Stock Adjustment)	31,609.46	33,750.12	29,351.78	31,105.77	21,195.00	35,668.51
Finance Cost	167.63	380.49	604.76	155.80	129.97	213.08
Profit Before Depreciation & Tax	10,150.78	12,639.53	8,528.60	7,092.38	2,714.04	5,623.46
Depreciation	2,296.17	2,218.43	2,288.32	603.71	339.44	147.86
Tax Expenses	1,273.19	3,270.46	2,206.38	2,142.24	842.01	1,814.97
Profit for the Year	6,581.42	7,150.64	4,033.90	4,346.43	1,532.58	3,660.63
Other Comprehensive Income (Net of tax)	(11.79)	(8.99)	(7.35)	(4.44)	-	-
Total Comprehensive Income for the year	6,569.63	7,141.65	4,026.55	4,341.99	1,532.58	3,660.63
EBITDA (₹)	10,318.41	13,020.02	9,133.36	7,248.18	2,844.01	5,836.54
EBITDA (%)	24.6%	27.8%	23.7%	18.9%	11.8%	14.1%
Dividend (%)	60%	97.5%	110%	100%	50%	50%
Dividend (in ₹ per shares)	3.00	4.88	5.50	5.00	5.00	5.00
Earning Per Share (Face Value of ₹ 5 each)	15.08	16.38	9.24	11.52	4.81	11.49
Cash Earning Per Share (Face Value of ₹ 5 each)	20.34	21.47	14.49	13.12	5.88	11.96
Statement of Assets & Liability						
A. Equity and Liability						
Shareholders' Funds						
(a) Share capital	2,182.21	1,091.10	793.98	793.98	796.28	796.28
(b) Reserves and surplus	38,035.27	33,148.70	28,737.66	25,669.50	6,954.61	5,903.67
	40,217.48	34,239.80	29,531.64	26,463.48	7,750.89	6,699.94
Non-Current Liabilities						
(a) Long-Term Borrowings	-	-	920.44	440.55	588.21	-
(b) Other Long-Term Liabilities	-	-	-	-	-	3.50
(c) Long-Term Liabilities & Provision	169.84	114.12	68.17	49.58	-	-
(d) Deferred Tax Liabilities (net)	4,306.82	5,018.47	5,156.54	3,636.99	430.03	224.62
	4,476.66	5,132.60	6,145.15	4,127.12	1,018.24	228.12
Current Liabilities						
(a) Short-Term Borrowings	2,068.06	2,349.47	7,279.79	13,958.22	808.03	1,699.02
(b) Trade Payables	5,151.37	3,942.87	5,223.23	3,384.02	3,240.31	2,879.09
(c) Other Current Liabilities	704.47	1,040.34	1,308.03	4,557.65	658.21	341.58
(d) Short-Term Provisions	11.59	6.90	5.08	3.52	472.54	540.27
	7,935.49	7,339.58	13,816.13	21,903.41	5,179.09	5,459.96
(A)	52,629.64	46,711.98	49,492.92	52,494.01	13,948.22	12,388.02
B. Assets						
Non-Current Assets						
(a) Net Fixed Assets	34,944.22	30,186.94	30,359.73	28,720.80	2,659.31	1,802.18
(b) Non-Current Investment	44.47	46.95	53.75	149.54	-	-
(c) Long-Term Loans and Advances	567.71	1,957.58	467.60	136.10	29.96	48.98
	35,556.40	32,191.48	30,881.08	29,006.44	2,689.27	1,851.16
Current Assets						
(a) Current Investment	0.01	945.68	79.81	2,732.76	3,336.00	2,133.25
(b) Sundry Debtors	7,814.35	6,331.64	8,737.09	5,221.26	4,490.57	4,403.28
(c) Inventories	3,802.85	1,871.45	3,102.96	2,382.96	1,856.21	2,535.03
(d) Cash & Bank Balance	880.27	3,581.04	3,300.44	10,952.19	875.92	844.13
(e) Other Current Assets	4,575.76	1,790.69	3,391.54	2,198.40	700.25	621.17
	17,073.24	14,520.50	18,611.84	23,487.57	11,258.95	10,536.86
(B)	52,629.64	46,711.98	49,492.92	52,494.01	13,948.22	12,388.02

prepared in accordance with new accounting standards prescribed under Companies (Indian Accounting Standards) Rules, 2015 applicable to the Company w.e.f. April 1, 2017.



BHAGERIA INDUSTRIES LIMITED

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