



ANNEXURE-VIII

Corporate Governance Report

The Board of Directors of the Company has pleasure in presenting the Company's Report on Corporate Governance for the Financial Year 2020-21, pursuant to Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulation').

1. Company's philosophy on code of governance:

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

The Company has over the years followed best practices of Corporate Governance. Your Company is committed to the Company's Code of Conduct which articulates values and ideals that guide and govern the conduct of the company as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support our Mission, Vision and Values.

Your Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company's corporate governance philosophy has been further strengthened through the BCIL Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices ("Insider Trading Code").

Your Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders.

Your Company continues to strengthen its governance principles to generate long-term value for its various

stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

Your Company's Corporate Governance Framework ensures making timely disclosures and disclosing accurate information regarding the financial performance of the Company.

Your Company has adopted a Code of Conduct for its employees including the Managing Director, CEO, and other Executive and Non-Executive Directors including Independent Directors, which also suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ('the Act'). The Company has also adopted the Guidelines on Board Effectiveness to fulfill its responsibilities towards its stakeholders.

Your Company has adhered to the requirements stipulated under Regulations 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as applicable [including notifications and/or circulars by Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) in the wake of COVID-19], with regard to Corporate Governance and the same has been disclosed in this Report. The Company endeavours to ensure that highest standards of ethical and responsible conduct are met throughout the organisation.

Transparency and accountability are the two basic requirements of Corporate Governance. Responsible Corporate conduct is integral to the way the Company does the business. The actions are governed by the values and principles which are reinforced at all levels in your Company. The code of business is reflected in the continued commitments to ethical business practices across all the dealings.

Your Company firmly believes that Board independence is essential to bring objectivity and transparency in the management and in the dealings of your Company. As on March 31, 2021, the Board consists of nine





members out of which one (1) is Non-Executive Chairman, two (2) are Executive/ Whole-time Directors, four (4) are Non-Executive Independent Directors including one (1) Non- Executive Independent Woman Director and two (2) are Non-Executive Directors.

Ethics/Governance Policies:

Your company has adopted a set of policies and Codes and ensures that the business of your company is carried out in line with its core value systems. Your Company strives to conduct the business and strengthen the relationship in a manner that is dignified, distinctive and responsible. Your Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with stakeholders. Your Company has adopted various codes and policies to carry out business in an ethical manner. Some of these codes and policies are:

- Code of Conduct & Ethics for Board & Senior Management
- Code of Conduct for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct to Regulate, Monitor & Report Trading by Insiders
- Policy on Related Party Transactions
- Corporate Social Responsibility Policy
- Sustainability Policy
- Nomination & Remuneration Policy
- Board Evaluation Framework
- Familiarisation Programme for Independent Directors
- Policy on Preservation of Documents
- Whistle Blower Policy
- Policy on Determination of Materiality of Events
- Business Responsibility Policy

Appropriate Governance Structure with defined roles and responsibilities:

Your Company has put in place an internal management structure with defined roles and responsibilities of every constituent of the system. The Company's shareholders appoint the Board of Directors, which in turn governs the Company. The Board has constituted four Committees to discharge its responsibilities in

an effective manner. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 as amended from time to time.

Board Leadership:

An enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. Your Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to methodize the decision making process at the meeting of the Board and its Committees in an informed and efficient manner.

The Board critically evaluates your Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions if any, possible risks and risk mitigation measures and the financial reports. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

As the COVID-19 pandemic continues to disrupt every aspect of Business resulting in strained supply chains, liquidity concerns, financial strains, absent employees, a move to remote working: the list of operating challenges seems endless. Your Company has taken a proactive role in ensuring that the Company's operations are carried out efficiently during the pandemic.

2. Board of Directors:

Composition and category of Directors

The Board of your company bears the ultimate responsibility for the organization and administration of your company. It is vital to have a well-balanced Board with a combination of Executive, Non-Executive, Independent and Woman Directors on the Board of the Company to ensure Board's independence and effective management. As on 31st March, 2021,





the Company has nine Directors. Out of the nine Directors seven (i.e. 78%) are Non-Executive Directors out of which 4 (i.e. 35%) are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The Board periodically evaluates the need for change in its composition and size.

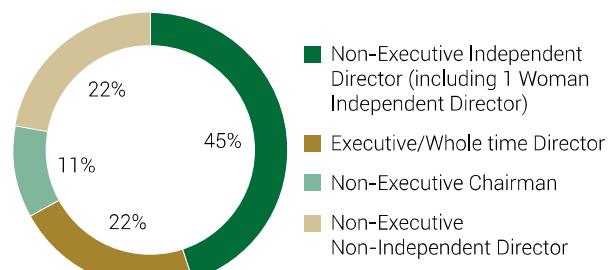
None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2021 have been made by the Directors. None of the Directors are related to each other except Smt S. Lalitha Sree and Sri S. Chandra Sekhar.

Independent Directors are non-executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed there under. In terms of Regulation 25(8) of SEBI Listing Regulations, declarations were received from the Independent Directors and the Board of Directors has confirmed

that all the independent Directors meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

The Company has an active, experienced, diverse and a well-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Nomination and Remuneration Committee of the Board ensures the right composition of the Board. As on March 31, 2021, the composition of the Board of Directors was as under:

Board Composition as on March 31, 2021



Attendance of each Director at the meeting of the Board of Directors and last Annual General Meeting and :

Name of Director	Category	Attendance at Board Meetings		Whether present at the previous AGM
		Held	Attended	
Sri K.S. Raju	Chairman Non-Independent Non-Executive	4	4	Y
Sri S. Chandra Sekhar	Promoter, Managing Director	4	4	Y
Sri Ketan Chamanlal Budh	Whole time Director	4	3	Y
Sri Sudhakar Kudva	Independent Non-Executive	4	4	Y
Sri D. Sadasivudu	Non-Executive - Non Independent Director	4	4	Y
Smt S. Lalitha Sree	Non-Executive - Non Independent Director	4	4	Y
Sri G.S.V. Krishna Rao	Independent Non-Executive	4	4	Y
Sri Kishor Shah#	Non-Executive - Independent Director	4	2	NA
Dr G Aruna#	Non-Executive - Independent Director	4	1	NA
Smt A. Lakshmi Sowjanya*	Non-Executive - Independent Director	4	1	Y

* Smt A. Lakshmi Sowjanya Resigned from the Board w.e.f. September 09, 2020

#Sri Kishor Shah and Dr G Aruna has appointed as Non-Executive - Independent Director of Company w.e.f. September, 14, 2020 and December 04, 2020 respectively.





Name and number of other board of directors or committees in which a director is a member or chairperson, and :

Name of the Director	No of Directorships in listed entities including this listed entity	Number of memberships/ chairmanships in Audit / Stakeholder Committee(s) including this listed entity	Name of the other listed Company as on 31-03-2021		Category of Directorship
			Chairman	Member	
Sri K.S. Raju	2	-	1	Nagarjuna Oil Refinery Ltd	Non-Executive, Non-Independent
Sri S. Chandra Sekhar	1	-	1	-	-
Sri Ketan Chamanlal Budh	1	-	-	-	-
Sri Sudhakar Kudva	2	2	2	NACL Industries Ltd	Non-Executive, Independent
Sri D. Sadasivudu	1	-	1	-	-
Smt S. Lalitha Sree	1	-	-	-	-
Sri G.S.V. Krishna Rao	1	1	1	-	-
Sri Kishor Shah	1	-	1	GKW Limited	Non-Executive Independent
Dr G Aruna	1	-	-	-	-

Note:

- The directorships held by directors as mentioned above, does not include directorships in Foreign Companies.
- In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all Public Limited Companies have been considered.

Number of shares held by the directors as on 31st March, 2021:

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

Roles, Responsibilities and Duties of the Board:

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 read with the rules and Schedule IV of the said Act. The Board has complete access to all the information within the Company. As a part of its function, the Board periodically reviews all the relevant information, which is required to be placed before it, pursuant to the SEBI Listing Regulations, and, in particular, reviews and approves financial statements, business plans, projects, strategies, annual budgets, projects and capital expenditure. The Board discharges all its responsibilities, functions, duties and obligations in timely and effective manner in accordance with applicable laws, keeping close watch on the business operations of the Company.

Board Meetings

During the year, the Board met four times on 23rd June, 2020, 20th August, 2020, 5th November, 2020 and 28th January, 2021. In the wake of COVID-19 pandemic and to adhere to the lockdown and social distancing norms, the directors participated in the meetings of the Board and Committees held after March 2020, through video conferencing/ other audio visual means. The meetings and agenda items taken up during the meetings complied with the Companies Act, 2013 and Listing Regulations read with various circulars issued by Ministry of Corporate Affairs (MCA) and Securities Exchange Board of India ("SEBI") due to COVID-19 pandemic.

The maximum gap between any two Board Meetings was less than one hundred and twenty days. The necessary quorum was present for all the meetings. All material information was circulated





to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part-A of Schedule II of sub-regulation 7 of Regulation 17 of the Listing Regulations.

During the year, a separate meeting of the Independent Directors was held on 28th January, 2021, without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting by participating through video conferencing/other audio visual means.

The Company has proper systems to enable the Board to review on a half yearly basis compliance reports of all laws applicable to the Company, as prepared by the Company as well as to assess the steps taken by the Company to rectify instances of non-compliances, if any.

Agenda and relevant information to Directors:

The agenda for each Board/ Committee meeting is circulated well in advance to the Directors. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Every Board/ Committee Member is free to suggest

items for inclusion in the agenda. The agendas and other relevant documents/ information to Board/ Committee members are provided in secured electronic mode.

Matters of the Meetings :-

All divisions / departments of the Company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussion/ approval/ decision of the Board meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board/ Committee meetings.

Presentations by management:

The Chief Executive Officer, Chief Financial Officer and the Company Secretary update the Board on their related matters through presentations / Board notes. Such presentations and Board notes cover finance, sales, major business segments and operations of the Company, including business opportunities, business strategy and risk management practices, internal audit observations, regulatory changes and their probable impact on the operations of the Company.

Attendance at the Board Meetings held during the year

Name of Director	Category	Meetings held on				No of Meetings Attended
		June 23, 2020	August 20, 2020	November 5, 2020	January 28, 2021	
Sri K.S. Raju	Non-Executive Chairman	Y	Y	Y	Y	4
Sri S. Chandra Sekhar	Managing Director	Y	Y	Y	Y	4
Sri Ketan Chamanlal Budh	Whole time Director	Y	Y	Y	N	3
Sri Sudhakar Kudva	Non-Executive Independent Director	Y	Y	Y	Y	4
Sri D. Sadasivudu	Non-Executive Director	Y	Y	Y	Y	4
Smt S. Lalitha Sree	Non-Executive Director	Y	Y	Y	Y	4
Sri G.S.V. Krishna Rao	Non-Executive Independent Director	Y	Y	Y	Y	4
Sri Kishor Shah [#]	Non-Executive Independent Director	N.A	N.A	Y	Y	2
Dr G Aruna [^]	Non-Executive Independent Woman Director	N.A	N.A	N.A	Y	1
Smt A. Lakshmi Sowjanya*	Non-Executive Independent Woman Director	N	Y	N.A	N.A	1

[#]Sri Kishor Shah was appointed in the Board w.e.f. September 14, 2020.

[^]Dr G Aruna was appointed in the Board w.e.f. December 4, 2020

* Smt A. Lakshmi Sowjanya, Non-Executive Independent Director of the Company resigned from the Board w.e.f. September 9, 2020.





Independent Directors

The Company currently has 4 Non-Executive Independent Directors comprising 44.4% of the total strength of the Board of Directors. Smt A. Lakshmi Sowjanya, Non-Executive Independent Director of the Company resigned from the Board w.e.f. September 9, 2020, for personal reasons. During the year, the Board of Directors based on the recommendations made by the Nomination & Remuneration committee, appointed Sri Kishor Shah and Dr G Aruna as Additional Directors (under the category Non-Executive Independent) with effect from September 14, 2020, and December 4, 2020, respectively, subject to approval of the shareholders in this Annual General Meeting.

Selection of Independent Directors:

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment as Independent Director on the Board. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other Companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Independence of Directors

The Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1) (b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the Listing Regulations and are independent of the management.

Further, the Independent Directors of the Company have taken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Meetings of Independent Directors:

Pursuant to Schedule IV of the Companies Act, 2013 & Rules made there under and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the Management. The meeting shall review the performance of non-independent directors and the Board as a whole; review the performance of the Chairperson of the Board, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of information between the Management and the board that is necessary for it to effectively and reasonably perform its duties.

During the year under review, one meeting of the Independent Directors of the Company was held on January 28, 2021, as required under Schedule IV of the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. At their Meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that are necessary for the Board to effectively and reasonably perform their duties. The Meeting was attended by all the Independent Directors as on that date and Sri Sudhakar Kudva chaired the said Meeting.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment are issued to the Independent Directors after their appointment by the Members. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at www.bhagirad.com.





Familiarisation programmes for Board Members

The Company has a familiarisation programme for its Independent Directors. The objective of the programme is to familiarise the Independent Directors to enable them to understand the Company, its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it and operations of its subsidiaries. These include orientation programme upon induction of new Directors as well as other initiatives to update the Directors on a continuous basis.

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes to its Directors including review of long-term strategy, industry outlook, regulatory updates at the Board and Audit Committee Meetings, Corporate Social Responsibility and Litigation updates. The Directors are also kept continuously updated by regularly sharing various useful articles relating to the Company's performance and operations.

During the year, as part of the induction programme, Dr. G Aruna, Independent Director visited the Company's plant at Ongole and met the leadership teams there. The Director spent entire day at the respective plant to get a deeper insight on the Company's operations. Pursuant to Regulation 46 of the Listing Regulations, the details of such familiarisation programme during the year FY 2020-21 are available on the website of the Company at www.bhagirad.com

Skills/Expertise/Competencies of the Board of Directors.

The Directors of your Company comprise of qualified individuals who collectively possess the skills, competencies, and experience across diverse fields that enable them to make effective contributions to the Board and its Committees.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business (es) for it to function effectively and those available with the Board as a whole.

- i. **Sales & Marketing:** Experience in sales and marketing management based on understanding of the consumer & industry, developing strategies

to grow sales and market share, build brand awareness, equity and enhance enterprise reputation.

- ii. **General management/Governance and Compliance:** Service on a company board to develop insights about maintaining board and management accountability, Strategic thinking, decision making, protecting shareholder interests, and observing appropriate governance practices. Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance and monitor risk and compliance management frameworks and systems.
- iii. **Financial skills:** Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc. Management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a financial officer, accounting officer, controller, auditor or person performing similar functions
- iv. **Technical and professional skills/ Policy Development:** Ability to identify key issues and opportunities for the Company within the industry and develop appropriate policies to define the parameters within which the organisation should operate and knowledge including legal and regulatory aspects.
- v. **Operational Skill/ Strategy planning, Mergers and Acquisitions:** Experience in operating and managing business. Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities. Leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyze the fit of a target with the Company's strategy and culture, accurately value transactions, and evaluate operational integration plan.
- vi. **Leadership:** Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management.





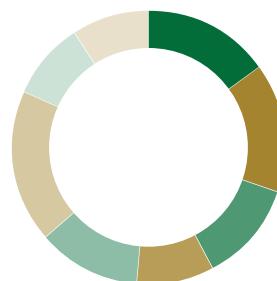
Demonstrated strengths in developing talent, planning succession, and driving change and long-term growth. Oversee strategic human resource management including workforce planning, employee and industrial relations and oversee large scale organisational change.

vii. Information Technology: A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models. Knowledge and experience in the strategic use and governance of information management and information technology within the organisation.

viii. International Business: Knowledge of and experience in companies with operations outside of India.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Skills and Expertise



- Financial
- Policy Development
- Leadership
- Information Technology
- Strategy Planning, Mergers and Acquisitions
- Governance and Compliance
- Sales and Marketing
- International Business

Given below is a list of core skills, expertise and competencies of the individual Directors:

Director	Area of Expertise							
	Financial	Policy Development	Leadership	Information Technology	Strategy planning, Mergers and Acquisitions	Governance and Compliance	Sales & Marketing	International Business
Sri Satyanarayana Raju Kanumuru	✓		✓			✓		
Sri Sadasivudu Dodda					✓			✓
Sri Chandra Sekhar Singavarapu	✓	✓	✓		✓	✓	✓	✓
Sri Sudhakar Kudva	✓	✓	✓			✓		
Smt Lalitha Sree Singavarapu					✓	✓		
Sri G.S.V. Krishna Rao	✓	✓				✓		
Sri Ketan Chamanlal Budh		✓	✓		✓		✓	✓
Sri Kishor shah	✓	✓				✓		
Dr G. Aruna					✓		✓	✓

These skills/competencies are broad-based, encompassing several areas of expertise/ experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

Policy for Prevention of Insider Trading

The Company has adopted a Policy for Prohibition of Insider Trading ("Policy/Code") for Regulating, Monitoring and Reporting of Trades by Designated

Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Policy is applicable to Promoters, Member of Promoter's Group, all Directors, designated persons and third parties such as auditors, consultants etc. who are expected to have access to unpublished price sensitive information relating to the Company. The trading window is closed from the first day of the every quarter and will open after 48 hours of the declaration of financial results and occurrence of any material events as per the code.





Appointment/Re-appointment of Directors

As required under Regulation 26(4) and Regulation 36(3) of the Listing Regulations and Secretarial Standards - 2 on General Meetings issued by Institute of Company Secretaries of India, particulars of Directors seeking appointment/ re-appointment at this AGM are given in the Notice of the AGM which forms part of this Annual Report.

Code of Conduct

The Company has adopted the policy of Code of Conduct for its Whole-time Directors, Senior Management Personnel and other Executives which is available on the website of the Company at www.bhagirad.com. The Board has also adopted a Code of Conduct for Non-Executive Directors, which incorporates the duties of Independent Directors as laid down in Schedule IV of the Act ('Code for Independent Directors') and Regulation 17(5) of the Listing Regulations and the same is available on the website of the Company at www.bhagirad.com.

As on March 31, 2021, all the Board Members and Senior Management of the Company have affirmed compliance with their respective Codes of Conduct. A declaration to this effect duly signed by the Managing Director & CEO forms part of this Report. Senior Management of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

3. Committees of the Board

There are four statutory Board Committees as on 31st March, 2021 and the quorum for committee meetings is as per the Companies Act and SEBI Listing Regulation.

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders Relationship Committee
- D. Corporate Social Responsibility Committee

The quorum for committee meetings is either two members or one-third of the members of the committee, whichever is higher with at least one Independent Director. The Company Secretary of the company is acting as the Secretary in each Committee.

A. Audit Committee

The Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time. The Audit Committee meetings were held four times during the financial year 2020-21 i.e. on 23rd June, 2020, 20th August, 2020, 5th November, 2020 and 28th January 2021.

The Audit Committee's role is to assist the Board fulfill its Corporate Governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions. The Audit Committee functions according to its Charter/Terms of Reference that defines its composition, authority, responsibilities and reporting functions. The Board has adopted a Charter of the Audit Committee for its functioning. All the items listed in Section 177 of the Act and Regulation 18(3) read with Part C of Schedule II of the Listing Regulations are covered in its terms of reference.

Terms of reference

The Audit Committee of the Company is responsible for supervising the Company's internal controls and financial reporting process and inter alia, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information;
- Review of the Company's accounting policies, internal accounting controls, financial and such other matters;
- Review the functioning of Whistleblower Mechanism of the Company which shall include the Vigil Mechanism for Directors and employees to report genuine concerns in the prescribed manner;
- Discuss and review, with the management and auditors, the annual/quarterly Financial Statements before submission to the Board;
- Hold timely discussions with external auditors regarding critical accounting policies and practices, significant reporting issues and judgements made, nature and scope of audit;
- Evaluate auditors' performance, qualification, independence and effectiveness of audit process;





- Recommend to the Board, the appointment, re-appointment, removal of the external auditors, fixation of audit fees and also approval for payment of audit and non-audit services;
- Scrutinise inter-corporate loans and investments, and review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary;
- Reviewing the adequacy of internal control system, internal audit function and risk management function;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Provide guidance to the Compliance Officer for setting forth policies and implementation of the Company's Code of Conduct for Prevention of Insider Trading. Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, atleast once in a financial year and verifying that the systems for Internal Controls are adequate and are operating effectively;
- Review the significant related party transactions;
- Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 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;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further pursuant to Regulation 18(2)(c) of the Listing Regulations, the Audit Committee is empowered to investigate any activity within its terms of reference, seek information it requires from any employee, obtain outside legal or other Independent professional advice and secure attendance of outsiders with relevant expertise, if considered necessary. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Composition/Meetings of the Committee as on March 31, 2021:

Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri Sudhakar Kudva	Non-Executive Independent Director	Chairman	4	4
Sri S. Chandra Sekhar	Executive Director	Member	4	4
Sri G.S.V Krishna Rao	Non-Executive Independent Director	Member	4	4
Sri Kishor Shah*	Non-Executive Independent Director	Member	4	2

* Sri Kishor Shah was appointed as a Member of the Audit Committee on November 5, 2020

Sri Sudhakar Kudva, Chairperson of the Audit Committee is a Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India. He has over 36 years of experience in various senior positions in India and abroad. The industry spectrum of his experience includes International Trading and Contracting, Financial Services, Manufacturing of alloy and carbon steel, seamless tubes, Mining, Port operations and Logistics. All Members of the Audit Committee are financially literate.

Sri B Krishnamohan Rao, Chief Financial Officer of the Company is the permanent invitee and Statutory

Auditor and Internal Auditors are also invited to the Audit Committee Meeting and Smt Saheli Banerjee, Company Secretary, acts as the Secretary to the Committee.

The composition of the Committee is in conformity with Section 177 of the Act and Regulation 18(1) of the Listing Regulations. The Chairperson of the Audit Committee has one on one meetings both with the Internal Auditor and the Statutory Auditors to discuss key concerns on periodic basis. The Managing Director, CEO, Executive Director, Chief Financial Officer,





Statutory Auditor and Risk & Internal Auditor attend and participate in all the Meetings of the Committee. The Committee, from time to time, also invites such of the executives, as it considers appropriate, to be present at the Meetings.

B. Nomination And Remuneration Committee

The Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The Nomination & Remuneration Committee meetings were held twice during the financial year 2020-21 i.e. on June 23, 2020 and November 5, 2020.

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on the expected performance criteria. NRC also recommends to the Board the remuneration payable to Directors and Senior Management Personnel of the Company.

Terms of reference

The Board has adopted a charter of the NRC for its smooth functioning covering aspects relating to composition, responsibilities, evaluation process, remuneration, Board development and also for reviewing strategies. The key terms of reference of the NRC, inter alia, are as follows:

- Make recommendations to the Board regarding the setup and composition of the Board;
- 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 of Directors their appointment and removal;
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel ('KMP') and other employees;
- Support the Board and Independent Directors, as may be required, in evaluation of the performance of the Board, its Committees and Individual Directors;
- Formulate criteria for evaluation of Directors and the Board;
- Recommend to the Board, the appointment or removal of KMP and executive team members;
- 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;
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team members of the Company;
- Devise a policy on Board diversity;
- Recommend to the Board the appointment or re-appointment of Directors;
- Review matters related to remuneration and benefits payable upon retirement and severance to the Managing Director/Executive Director(s), KMP and executive team members;
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of Board, KMP and executive team members;
- Oversee familiarization programmes for Directors;
- Review people strategy and its alignment with the business strategy periodically or when a change is made to either;
- Provide guidelines for remuneration of Directors on material subsidiaries;
- Perform other activities related to the charter as requested by the Board from time to time

Composition/Meetings of the Committee as on March 31, 2021: The composition and terms of reference of the NRC are in compliance with the provisions of Section 178(1) of the Act and Regulation 19 of the Listing Regulations.





Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri Sudhakar Kudva	Non-Executive Independent Director	Chairman	2	2
Sri K.S.Raju	Non-Executive Director	Member	2	2
Sri G.S.V Krishna Rao	Non-Executive Independent Director	Member	2	2

Sri Sudhakar Kudva, Chairperson of the NRC, was present at the last AGM held on September 4, 2020. Sri B Krishna Mohan Rao, Chief Financial Officer of the Company is the invitee to the Nomination & Remuneration Committee Meeting and Smt Saheli Banerjee, Company Secretary acts as the Secretary to the Committee.

Nomination/Remuneration Policy:

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

Board and Director Evaluation:

One of the key functions of the Committee is to monitor and review the board evaluation framework.

The NRC has defined the evaluation criteria, procedure and time schedule for the performance evaluation process of the Board, its Committees and Directors. The criteria for Board Evaluation was based on the Guidance Note issued by SEBI which, inter alia, included questions on the following:

Board Evaluation	Evaluation of Individual Directors	Committee Evaluation
<ul style="list-style-type: none"> • Board Structure - qualifications, experience and competencies • Board Diversity • Meetings – regularity, frequency, agenda, discussion and recording of minutes 	<ul style="list-style-type: none"> • Professional qualifications and experience • Knowledge, skills and competencies • Fulfillment of functions, ability to function as a team 	<ul style="list-style-type: none"> • Mandate and composition • Effectiveness of the Committee • Structure of the Committee • Meetings – regularity, frequency, agenda, discussion and dissent, recording of minutes





Board Evaluation

- Functions – strategy, governance, compliances, evaluation of risks, stakeholder value and responsibility, conflict of interest, and monitoring action plans
- Independence of management from the Board, access of Board and management to each other Succession plan and professional development

Evaluation of Individual Directors

- Attendance
- Commitment, contribution, integrity and independence

In addition to the above, the Chairperson of the Board Meetings is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer Meetings, impartiality and ability to keep shareholders' interests in mind.

Committee Evaluation

- Independence of the Committee from the Board and contribution to decisions of the Board

The Company has followed the practice of implementing each of the observations from the annual evaluation by calendarising its implementation through the Action Taken Report which is reviewed by the Board of Directors from time to time.

The procedure followed for the performance evaluation of the Board, Committees and Individual Directors is detailed in the Board's Report.

Remuneration to Directors

The Nomination and Remuneration Committee determines and recommends to the Board the compensation payable to director(s). All Board-level compensation shall be approved by the shareholders and disclosed separately in the financial statements.

The compensation payable to the Independent/ Non-Executive Directors is limited to sitting fees and

reimbursement of actual conveyance, travelling and other expenses for attending the Board & Committee meeting(s), as approved by the Board & shareholders, as per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time.

There is no pecuniary relationship or transactions between the company and Non-Executive directors except the sitting fees they are getting for attending the board/committee meeting and dividend on shares held by him/her.

The Non-Executive Directors are paid remuneration by way of Sitting Fees and reimbursement of actual expenses for attending the Board/ Committee Meeting. The Non-Executive Directors/ Independent Directors do not have any material pecuniary relationship or transactions with the Company.

The Details of remuneration paid/payable for the year ended March 31, 2021 is as follows:

(in ₹)

Name	Sitting Fees	Remuneration	Perquisites	Commission	Total
Independent Directors					
Sri Sudhakar Kudva	2,00,000	-	-	-	2,00,000
Sri G S V Krishna Rao	1,80,000	-	-	-	1,80,000
Smt A Lakshmi Sowjanya	25,000	-	-	-	25,000
Sri Kishor Shah	70,000	-	-	-	70,000
Dr G Aruna	35,000	-	-	-	35,000
Non-Executive Directors					
Sri K S Raju	1,20,000	-	-	-	1,20,000
Smt S Lalitha Sree	1,20,000	-	-	-	1,20,000
Sri D Sadasivudu	1,10,000	-	-	-	1,10,000
Executive Directors					
Sri S Chandra Sekhar	Nil	80,00,000	5,76,000	42,50,000	1,28,26,000
Sri Ketan Chamanjal Budh	Nil	27,50,000	1,98,000	-	29,48,000





Service Contract, Severance Fees and Notice Period

Terms of Agreement	Sri S Chandra Sekhar Managing Director	Sri Ketan Chamanlal Budh Whole-time Director
Period of Contract	5 years upto May 31, 2025	3 years upto May 13, 2022
Severance fees/notice period	The Contract may be terminated earlier, without any cause, by either Party by giving 3 months' Notice to the other, which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board, in lieu of such notice). There is no separate provision for payment of severance fees.	

Succession Plan

The Company believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company and strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity. The Nomination and Remuneration Committee works along with the Management team of the Company for a structured leadership succession plan.

Retirement Policy for Directors

As per the Company's policy, the Managing and Executive Directors retire at the age of 65 years, Non-Independent Non-Executive Directors retire at the age of 70 years and the retirement age for Independent Directors is 75 years.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee ('SRC') Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The Stakeholders Relationship Committee meeting was held once during the financial year 2020-21 on January 28, 2021. The SRC looks into various aspects of interest of shareholders.

Terms of reference

- The terms of reference of the Stakeholders Relationship Committee is as follows:
- Resolving the grievances of the security holders including complaints related to transfer/transmission of shares / debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Reviewing details of transfer of unclaimed dividend/securities to the Investor Education and Protection Fund;
- Reviewing the transfer, transmission, dematerialization of securities;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- Reviewing adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Reviewing various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- To approve issue of duplicate certificates.

Composition/Meetings of the Committee as on March 31, 2021:

Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri G.S.V Krishna Rao	Non-Executive Independent Director	Chairman	1	1
Sri D. Sadasivudu	Non-Executive Director	Member	1	1
Sri Sudhakar Kudva	Non-Executive Independent Director	Member	1	1





The Company Secretary acts as the Secretary to the Committee.

The Company has always valued its customer relationships. This philosophy has been extended to investor relationship, focusing on servicing the needs of various stake-holders viz. investors, analysts, brokers and the general public.

All valid requests for share transfer received during the year have been acted upon and no transfer is pending

Details of Investor complaints and Compliance Officer are provided herein below.

Stakeholders Relationship Committee - other details:

Name of non-executive director heading the committee	Sri G.S.V Krishna Rao
Name, designation and address of Compliance Officer:	<p>Saheli Banerjee Company Secretary Bhagiradha Chemicals & Industries Limited Plot No.3, Sagar Society Road No.2, Banjara Hills Hyderabad-500034. Ph: 040 42221212 / 2323 E-mail: info@bhagirad.com</p>
Details of the Complaints /request during Financial Year 2020-21 as follows:	<p>i. Number of shareholder complaints/request received: Nil ii. Number of complaints solved to the satisfaction to the shareholders: Nil iii. Number of pending complaints: NIL</p>

D. Corporate Social Responsibility Committee (CSR)

The Corporate Social Responsibility (CSR) Committee's composition and terms of reference are in compliance with the provisions of section 135 of the Companies Act, 2013. The CSR Committee meetings were held twice during the financial year 2020-21 i.e. on June 23, 2020 and on August 20, 2020.

The CSR Committee was entrusted with the specific responsibility of reviewing corporate social responsibility programmes, health and safety framework and sustainable development. The overall roadmap as well as specific issues of concern including those related to safety and climate change is reviewed in detail. The scope of the CSR Committee also included approving the budget of CSR, reviewing the CSR programmes and monitoring the CSR spends.

Terms of reference

The terms of reference of the CSR Committee is as follows:

To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

To recommend the amount of expenditure to be incurred on the activities for the above said purpose.

To review and monitor the Company's CSR Policy periodically and activities of the Company on behalf of the Board to ensure that the Group is in compliance with appropriate laws and legislations;

- To provide guidance to management to evaluate long term strategic proposals (including technologies adopted) with respect to CSR implications;
- To review periodic reports on performance of corporate social responsibility.





- Composition/Meetings of the Committee as on March 31, 2021:

Name	Category	No. of Meetings		
		Designation	Held	Attend
Sri Sudhakar Kudva	Non-Executive Independent Director	Chairman	2	2
Sri S. Chandra Sekhar	Executive Director	Member	2	2
Smt S. Lalitha Sree	Non-Executive Independent Director	Member	2	2

Sri B Krishnamohan Rao, Chief Financial Officer of the Company is the invitee to the Corporate Social Responsibility Committee Meeting and Smt Saheli Banerjee, Company Secretary acts as the Secretary to the Committee.

4. Subsidiary Companies

During the year under review, your Company has incorporated a wholly owned Subsidiary Company, namely Bheema Fine Chemicals Private Limited (CIN: U24299TG2020PTC142050), on July 22, 2020, with its registered office at Plot no- 3, Sagar Society, Road No 2, Banjara Hills, Hyderabad, with an object to carry on the business of manufacturing and marketing of various agrochemicals and intermediates.

The subsidiary of the Company functions independently, with an adequately empowered Board of Directors. The minutes of Board Meetings of subsidiaries are placed before the Board of the Company for its review on a regular basis.

5. General Body Meetings

Annual General Meetings (AGM)

During financial year ended March 31, 2021, the Company's Annual General Meeting was held through VC/OAVM pursuant to the Ministry of Corporate Affairs ("MCA") circular No. 20/2020 dated May 5, 2020 read together with circulars No. 14/2020 dated April 8, 2020 and No. 17/2020 dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015 and the deemed venue was the Registered Office of the Company.

Financial Year	Date	Time	Venue	Special Resolutions passed during last 3 FYs
2017-2018	14.08.2018		Hotel Green Park, Ameerpet, Hyderabad	Nil
2018-2019	09.08.2019	11.00 AM	Registered Office of the Company through VC/ OAVM	<ul style="list-style-type: none"> Re-appointment of Sri. Sudhakar Kudva as an Independent Non-Executive Director Appointment of Sri Ketan Chamanlal Budh as whole time Director Revision of Remuneration and other terms & conditions of the appointment of Sri S. Chandra Sekhar, Managing Director of the Company
2019-2020	04.09.2020			<ul style="list-style-type: none"> Reappointment of and revision in remuneration payable to Sri S. Chandra Sekhar (DIN: 00159543) as Managing Director Continuation of Directorship of Sri D. Sadasivudu Borrowing Powers of the Company and Creation of Charge / Providing Of Security up to ₹150 Cr

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



6. Means of Communication:

Stock Exchange Intimations

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the Listing Regulations are disseminated to the Stock Exchange by filing them with the BSE Limited ('BSE') through BSE Online Portal. They are also displayed on the Company's website at www.bhagirad.com

Financial Results

The quarterly/half-yearly/annual financial results are displayed under 'Investors' section of the Company's website viz. www.bhagirad.com. They are also filed with the BSE through BSE Online Portal, as per the applicable provisions of the SEBI (LO&DR) Regulations, 2015 as amended from time to time.

The shareholders are provided with the necessary information with notices sent for the Annual General Meeting / Extraordinary General Meeting. Any other information sought by shareholders is being provided on request.

News Paper where results normally published

The quarterly/annual Financial results are published in English newspaper namely i.e. Financial express all editions and vernacular language newspaper namely i.e. Nava Telangana (Telugu), Hyderabad edition

Letters and Reminders to Shareholders for Unclaimed Shares/Dividends:

In addition to the statutory requirement, a voluntary reminder for unclaimed shares/dividends is also sent to the shareholders as per records.

Live Webcast of AGM

Due to COVID-19 norms, for AGM held on September 4, 2020, the Company provided live Webcast facility of the proceedings of the AGM which was extensively viewed by the Members.

Company's Website

The Company's website is in line with the requirements laid down under Regulation 46 of

the Listing Regulations. It is a comprehensive reference of Company's management, vision, mission, policies, corporate governance, corporate sustainability, disclosures to investors, updates and news. The section on '**Investors**' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, presentation made to institutional investors and analysts, corporate benefits, information relating to stock exchange intimations, Company policies, Registrar and Transfer Agent ('RTA'), etc. The section on '**Media**' includes all major press releases, awards and campaigns. The Company has also uploaded the details of the unclaimed dividends by the Members on its website at www.bhagirad.com. The Members can log in and find out whether their dividends for any of the years is outstanding.

Presentations to shareholders/ Members

Annual Report: The Annual Report containing inter-alia Notice of the 28th Annual General Meeting, Audited Annual Accounts (Standalone & Consolidated), Directors' Report including Annexure thereto, Auditors Report, Management Discussion and Analysis, Report on Corporate Governance, Secretarial Audit Report and other important information is circulated to Members and others entitled thereto.

Reminder to Investors: Reminders for unclaimed/unpaid dividend and shares thereof, are sent to shareholders' addresses as per records.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre') (Scrip Code: 531719): BSE's Listing Centre is a web-based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System: The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.





7. General shareholder information

Day, Date, time and venue of the Annual General Meeting	August 10, 2021 through video conference/ other audio visual means at the registered office of the Company
Financial year	April 01 to March 31
Listing of shares on stock exchanges	BSE Limited (BSE) Listing Fees as applicable has been paid
Book Closure	August 3, 2021 to August 10, 2021 (Both days inclusive)
Scrip Code	531719
Corporate Identification Number(CIN)	L24219TG1993PLC015963
International Securities Identification Number (ISIN) for equity shares of ₹ 10/- each under Depository System	INE414D01019
Market Price Data High, Low during each month in last Financial year	Please refer Annexure A
Performance of the Company's share price vis-à vis-Sensex	Please refer Annexure A
Registrar and Share Transfer Agents (RTA)	For shares related matters, the shareholders are requested to correspond with the RTA of the Company quoting their Folio Number or Client ID and DP ID at the following address: XL Softech Systems Limited 8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034 Phone: 91-40-23545913/5 Fax : 91-40-23553214 E-mail : xlfield@rediffmail.com
Share Transfer System	All the valid transfers received are processed and approved by the Share Transfer Agent
Distribution of Shareholding and Shareholding Pattern as on March 31, 2021	Please refer Annexure B
Dematerialization of Shares	99.91% of the equity shares of the Company were dematerialized as on 31 st March, 2021
Outstanding GDRs/ADRs/Warrants or any convertible instruments.	Nil
Plant Location	Cheruvukommu Palem (Village) Ongole (Mandal) Prakasam (District) Andhra Pradesh-523272
Address for Correspondence	Bhagiradha Chemicals & Industries Limited 8-2-269/S/3/A, Plot No. 3, Sagar Society, Road No. 2 Banjara Hills, Hyderabad - 500 034, Tel. (040) 42221212, Fax (040) 23540444, Email : info@bhagirad.com





Other Disclosures

• Disclosure of related party transactions:

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

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

• Compliance(s) of matters relating to Capital Market:

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

• Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to capital markets. During the year under review, no penalties or strictures have been imposed on the Company by these authorities. The Company's listed securities were never suspended from trading.

• Whistle Blower Policy/Vigil Mechanism:

The Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and other external stakeholders to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. No personnel of the Company have been denied access to the Audit Committee. The Whistleblower Policy and Vigil Mechanism ensures that strict confidentiality is maintained in such cases and no unfair treatment is meted out to a Whistleblower.

The Company, as a Policy, condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistleblowers. The policy also lays down the process to be followed for dealing with complaints. The said policy has been posted on the Company's website at the following link <https://www.bhagirad.com/reports/policy/WhistleBlowerPolicy.pdf>

Details of utilization of funds raised through preferential allotment or qualified institutional placement

The Company has not made any preferential allotment or qualified institutions placement during the year under review.

• Code of conduct for prevention of insider trading

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

• Details of compliance with mandatory requirements and adoption of Discretionary Requirements

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





a	Shareholder rights	Quarterly financial results are published in leading English newspaper, viz. Financial Express and vernacular—Nava Telangana. The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.
b	Modified opinion(s) in Annual Report	The financial statements for the financial year ended 31 st March, 2021 were with <u>unmodified audit opinion</u>
c	Separate post of Chairman	The Company has a separate post of Chairman
d	Other Non-Mandatory Requirements:	The Company would be progressively adopting the other non-mandatory requirements

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

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

- **Non-Mandatory Requirements**

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations is as under:

- During the year under review, there was no audit qualification in the Company's Financial Statements. The Company continues to adopt best practices.
- The Company follows a robust process of communicating with the Shareholders which has been elaborated in the Report under the heading 'Means of Communication'.

- **Disclosure of Accounting Treatment**

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

- **Risk Management**

During the year, there were no major elements of risk which have the potential to harm the interests of the Company.

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

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, the Company addresses complaints pertaining to sexual harassment





in accordance with the POSH Act. The Company has in place a Policy on Prevention of Sexual Harassment at Workplace ('POSH') and the same is uploaded on the website of the Company at www.bhagirad.com.

During the year under review, the Company has not received any complaint and no complaint was pending as at the end of the financial year. The Company periodically conducts awareness programmes for its employees.

The following are the summary of sexual harassment complaints received and disposed off during the year:

Sl. No.	Particulars	Status of the No. of complaints received and disposed off
1	Number of complaints on sexual harassment received	Nil
2	Number of complaints disposed off during the year	Nil
3	Number of cases pending for more than ninety days	Not Applicable
4	Number of workshops or awareness programmes against sexual harassment carried out	The Company conducts necessary awareness programmes for its employees
5	Nature of action taken by the employer or district officer	Not Applicable

- **Credit Rating**

CARE Rating has revised the credit rating to BBB–; Outlook: Negative; for long term and CARE A3 for short term borrowings of the Company from banks.

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

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

- **PCS Certificate**

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

- **Statutory Auditor Remuneration**

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

Particulars	Amount In ₹
Statutory Audit fee	8,00,000
Tax Audit	-
GST Audit	-
Total	8,00,000

- **Notice for shareholders/investors for unpaid dividends**

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

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

Financial Year	Date of Declaration of Dividend	Amount as on 31.03.2021 (in ₹)	Due Date for transfer to IEPF
2013-14	11-08-2014	81,386	15-09-2021
2014-15	08-08-2015	98,820	12-09-2022
2018-19	09-08-2019	62,246	13-09-2026





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

- **MD and CFO Certification**

The Managing Director and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer forms part of the Annual Report.

- **Compliance Certificate from the Auditors**

Certificate from Statutory Auditors of the Company M/s. S. Singhvi & Co., Chartered Accountants (Firm Registration No. 003872S), Hyderabad, confirming Compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

- **Green Initiative**

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the Depository Participants ('DPs') and RTA.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

- **Accounting Treatment in preparation of Financial Statements**

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

Market price data

Annexure-A

The monthly high and low price quotations of the company's shares at the Bombay Stock Exchange Limited during the period from 01st April, 2020 to 31st March, 2021

Month	High	Low	Close
April 2020	348.90	240.20	291.85
May 2020	315.00	250.00	257.95
June 2020	345.00	240.00	300.10
July 2020	368.75	260.00	355.00
August 2020	385.40	316.05	326.55
September 2020	355.00	290.00	311.75
October 2020	408.00	310.00	371.45
November 2020	487.70	359.80	481.30
December 2020	490.00	346.00	350.95
January 2021	405.00	293.20	319.90
February 2021	419.95	317.00	369.95
March 2021	538.00	361.00	504.95

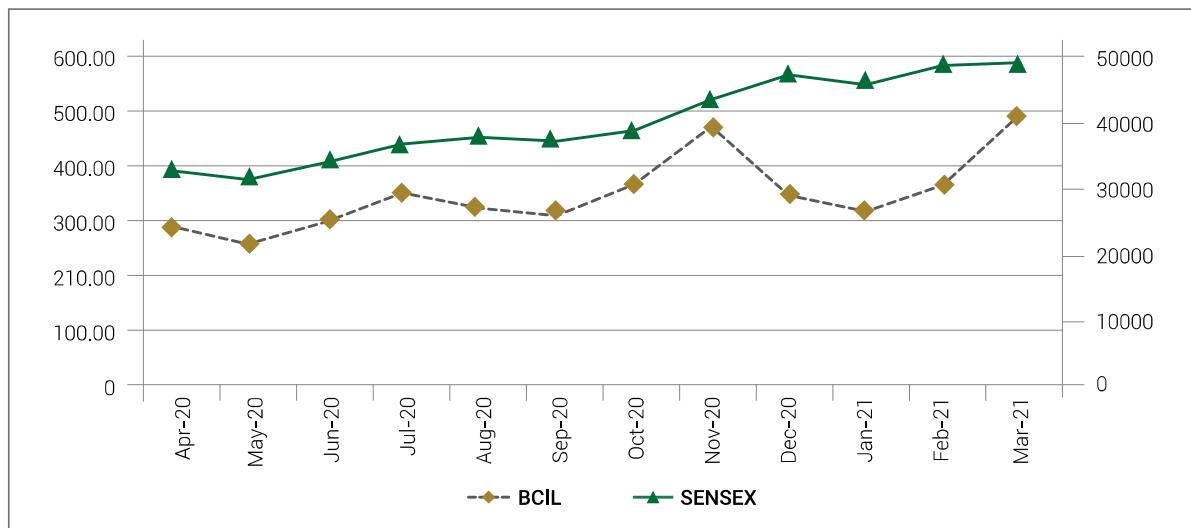




Performance of the share price of the company in comparison to BSE Sensex for the period 1st April, 2020 to 31st March, 2021 is given below:

Month	BCIL Close	BSE SENSEX Close	Relative index for Comparison purpose	
			BCIL Share Price at BSE	BSE Sensex
April 2020	291.85	33,717.62	116.23	131.51
May 2020	257.95	32,424.10	102.73	126.46
June 2020	300.10	34,915.80	119.51	136.18
July 2020	355.00	37,606.89	141.38	146.68
August 2020	326.55	38,628.29	130.05	150.66
September 2020	311.75	38,067.93	124.15	148.48
October 2020	371.45	39,614.07	147.93	154.51
November 2020	481.30	44,149.72	191.68	172.20
December 2020	350.95	47,751.33	139.77	186.25
January 2021	319.90	46,285.77	127.40	180.53
February 2021	369.95	49,099.99	147.33	191.51
March 2021	504.95	49,509.15	201.10	193.10

Source: www.bseindia.com



Annexure-B

Distribution of shareholding as on 31st March, 2021

Sl. No.	Shareholding of nominal value (₹)	Number of shareholders	Percentage of shareholders	Amount of shareholding (₹)	Percentage of shares held
1	up to 5000	1,640	76.96	18,12,090	2.18
2	5001-10000	183	8.59	14,39,770	1.73
3	10001-20000	91	4.27	13,74,250	1.65
4	20001-30000	48	2.25	12,51,320	1.51
5	30001-40000	36	1.69	13,08,950	1.58
6	40001-50000	20	0.94	9,41,040	1.13
7	50001-100000	42	1.97	31,74,700	3.82
8	Above 100000	71	3.33	7,17,94,880	86.40
Total		2131	100.00	83,097,000	100.00





Shareholding Pattern as on March 31, 2021

Sl. No.	Description	No. of Cases	Total Shares	% Equity
1	Promoters	9	16,86,183	20.26
2	Promoters Bodies Corporate	1	3,86,000	4.65
	Total Shareholding of Promoter and Promoter Group	10	20,69,183	24.90
3	Trusts	1	10	0.00
4	Resident Individuals	1939	35,31,805	42.51
5	Non Resident Indians	21	57,067	0.69
6	Clearing Members	20	9,756	0.12
7	Foreign Portfolio Investors	2	2,40,000	2.89
8	Banks / Financial Institutions	0	0	0.00
9	Non Resident Indian Non-Repatriable	14	1,04,272	1.25
10	Bodies Corporate	43	21,06,599	25.35
11	H U F	81	1,91,008	2.30
	Total Shareholding of Public	2121	62,40,517	75.10
	Total	2131	83,09,700	100.00

Shareholding pattern of the Promoter and Promoter Group

Name of the Shareholder	No. of Shares held	Shares as a % of total number of Shares
Sri Singavarapu Chandrasekhar	12,87,300	15.492
Greenpath Energy Private Limited	3,86,000	4.645
Smt Eadara Jayalaxmi	2,00,213	2.409
Sri Dodda Sadasivudu	63,600	0.765
Smt Singavarapu Lalitha Sree	60,000	0.722
Sri Kudaravalli Rama Krishna	25,000	0.301
Smt Kudaravalli Sri Lakshmi	24,500	0.295
Sri T Kalyan Chakravarthi	10,000	0.120
Smt K Baby	10,000	0.120
Smt Potini Vijaya Lakshmi	2,570	0.031
Total	20,69,183	24.90

Dematerialization of shares and liquidity:

Details of Shareholding in physical mode and electronic mode as on 31st March, 2021

Sl. No.	Description	No of shareholders	Total Shares	% To Equity
1	Physical	23	7,531	0.09%
2	NSDL	1071	56,32,714	67.39%
3	CDSL	1091	26,69,455	31.93%
	Total	2131	83,09,700	99.41%

Note: 49,100 equity shares of ₹ 10/- each were forfeited at the Board Meeting held on 28th January, 2006

Dematerialization of Shares

99.91% of the Company's paid-up Equity share capital has been dematerialised as on March 31, 2021. The total holdings of shares of promoters/PAC are in Demat form. The trading of the Equity shares of the company is permitted only in dematerialised form as per the notification issued by SEBI.

The Company has complied with the Regulation 31(2) of SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015, as follows:





Category of shareholder	Total		Shares In Demat Form		
	No of Shareholders	Number of shares Held	No of Shareholders	Number of shares Held	% of Respective Shareholding
Promoters & Promoters Group	10	20,69,183	10	20,69,183	100%
Public	2121	62,40,517	2098	62,32,986	98.92%
Total:	2131	83,09,700	2108	83,02,169	-

To enable us to serve our investors better, we request shareholders whose shares are in the physical mode to dematerialize their shares and update their bank accounts with the respective depository participants.

Categories of Shareholding as on 31st March 2021

Category	No. of shares held	No. of shareholders	% to Equity
Promoters & PAC	20,69,183	10	24.90
Public	62,40,517	2121	75.10
Total	83,09,700	2131	100.00

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

Top ten equity shareholders of the Company as on 31st March 2021

Sr. No.	Name of the Shareholder	Number of equity shares held	Percentage of holding
1	Sri Singavarapu Chandrasekhar	12,87,300	15.49
2	Ratnabali Investment Private Limited	11,59,140	13.95
3	Sri R Venkata Narayana	6,27,230	7.55
4	Rajasthan Gum Private Limited	5,09,543	6.13
5	Sri Mukul Mahavir Agarwal	4,00,000	4.81
6	Greenpath Energy Private Limited	3,86,000	4.65
7	Sri Chetan Shantilal Shah	3,81,971	4.60
8	Sri Dipesh K Shroff	2,37,760	2.86
9	Smt Eadara Jayalaxmi	2,00,213	2.41
10	Polus Global Fund	2,00,000	2.41

The Company has not issued any GDRs or ADRs or Warrants or Convertible Instruments in the Current Financial year

Compliance Certificate of the Auditors:

A Certificate from Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance is annexed with the report.

Registrar & Transfer Agents (RTA) :

XL Softech Systems Limited

Address: Plot No. 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034
Tel. (040) 23545913 Fax (040) 23553214

Email: xlfield@rediffmail.com

Investor Correspondence:

Registered Office Address:

Plot No. 3, Sagar Society, Road No.2
Banjara Hills, Hyderabad - 500 034,
Telangana, India.
Tel : 0091-40-42221212, 42212323, 23540616
Fax : 0091-40-23540444
E-mail : info@bhagirad.com,
Site : www.bhagirad.com

Factory Address:

Yerajala Road,
Cheruvukommupalem Village - 523272,
Ongole Mandal, Prakasam District,
Andhra Pradesh, India

Company Secretary & Compliance Officer:

Smt. Saheli Banerjee

Plot No. 3, Sagar Society, Road No.2
Banjara Hills, Hyderabad - 500 034,
Telangana, India.
Tel : 0091-40-42221212, 42212323, 23540616
Fax : 0091-40-23540444
E-mail : cs@bhagirad.com
Website : www.bhagirad.com





DECLARATION ON CODE OF CONDUCT.

Pursuant to Regulation 26 read with schedule V (Part D) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, I, Chairman of the Company, hereby confirm that all the Members of the Board and Senior Management Personnel of the Company have affirmed the compliance of the Company's Code of Conduct for the Board of Directors and Senior Management for the financial year 31st March, 2021.

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

Registered Office

Plot No. 3, Sagar Society, Road No. 2
Banjara Hills, Hyderabad - 500034
CIN: L24219TG1993PLC015963
Ph: +91-040 42221212/ 2323
E-mail: info@bhagirad.com

K S Raju
Chairman
(DIN: 00008177)

S Chandra Sekhar
Managing Director
(DIN: 00159543)

Date: 4th May, 2021

Place: Hyderabad

THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors,
Bhagiradha Chemicals & Industries Limited

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

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

Date : 4th May, 2021
Place: Hyderabad

S. Chandra Sekhar
Managing Director

B. Krishna Mohan Rao
Chief Financial Officer





AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Members of
Bhagiradha Chemicals & Industries Limited

We have examined the compliance of conditions of corporate governance by **Bhagiradha Chemicals & Industries Limited** (CIN: L24219TG1993PLC015963) ('the Company') for the year ended 31 March, 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's 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 the above mentioned Listing regulations.

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

Shailendra Singhvi
Proprietor
Membership No.023125/ICAI
UDIN No. : 21023125AAAABB3072

Place: Hyderabad
Date : 4th May, 2021

