

# BHARAT AGRI FERT & REALTY LTD.

(Formerly Known as Bharat Fertiliser Industries Ltd.)

Manufacturers : Single Superphosphate (Powder & Granulated)  
Registered Off. : 301, Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai - 400 069.  
Tel. : 61980100 / 26820490 Fax : 26820498 E-mail : bfilshivsai@gmail.com  
Factory & Resort : Kharivali Village, Tal.: Wada, Dist.: Palghar. Maharashtra Pin. 421303.  
www.bharatrealty.co.in / www.anchaviyo.com E-mail : bfil1318@yahoo.in / bfil1318@gmail.com  
CIN - L24100MH1985PLC036547



Date: 8th September, 2022

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

Security Code No. 531862

Script Name - BHARATAGRI

Dear Sir/Madam,

Sub: Submission of Annual Report pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With regards to the captioned subject, please find the Annual Report for the Financial Year ended 31st March, 2022.

Kindly take the same on record and acknowledge.

Thanking You,

Yours faithfully,  
For Bharat Agri Fert & Realty Limited

YOGENDRA  
DAHYABHAI  
PATEL

Digitally signed by Yogendra D. Patel, DN: cn=Yogendra D. Patel, o=Bharat Agri Fert & Realty Ltd., email=yogendra.patel@bharatrealty.co.in, c=IN, serial=1, version=1, reason=I am the signer of this document. Date: 2022.09.08 11:41:07



Yogendra D. Patel  
Chairman & Managing Director  
DIN No. 00106864

Encl: As Above.

# **BHARAT AGRI FERT & REALTY LTD**



## **37<sup>TH</sup> ANNUAL REPORT (2021-2022)**

<b>Corporate Information</b>	
<b><u>BOARD OF DIRECTORS</u></b>	<b><u>REGISTERED OFFICE</u></b>
<b>Shri Yogendra D. Patel</b>	301, 3 <sup>rd</sup> Floor, Hubtown Solaris,
Chairman & Managing Director	N. S. Phadke Marg, Near Gokhale Bridge,
<b>Smt. Anjni Y. Patel</b>	Andheri (East), Mumbai - 400 069.
Whole-Time Director	Tel. No. (022) 67980100/26820498/90/91
<b>Ms. Chandni Y. Patel</b>	Website : www.bharatrealty.co.in
Whole-Time Director	CIN No: L24100MH1985PLC036547
<b>Shri Vijal Y. Patel</b>	
Whole-Time Director	
<b>Shri Kantilal N. Jethwa</b>	<b><u>REGISTRARS &amp; SHARE TRANSFER AGENT</u></b>
Director & CFO	<b>M/s. Link Intime (India) Pvt. Ltd.</b>
<b>Shri Suresh M. Bhadrecha</b>	C 101, 247 Park, L.B.S. Marg,
Independent Director	Vikhroli (West), Mumbai - 400 083.
<b>Shri Chunilal B. Gherwada</b>	
Independent Director	
<b>Shri Vijay M. Mistry</b> <b>(Resigned w.e.f. 31<sup>st</sup> March, 2022)</b>	<b><u>SITE OFFICE</u></b>
Independent Director	Shiv Sai Paradise, 'C' Mayfair Gr. Floor,
<b>Shri Yogesh S. Rathod</b>	Opp. URCT, Majiwada, Thane (West) - 400 601
Independent Director	
<b>Shri Kalpesh C Shah</b>	<b><u>PLANT &amp; ANCHAVIYO RESORT</u></b>
Additional Independent Director	Kharivali Village
<b>Shri Hemant N Bataviya</b>	Taluka : Wada
Additional Independent Director	Dist.: Palghar.
<b>C.F.O</b>	
<b>Shri Kantilal N. Jethwa</b>	
<b><u>COMPANY SECRETARY</u></b>	
<b>Shri Arvind J. Chakote</b>	
<b><u>STATUTORY AUDITORS</u></b>	
<b>M/s. Verma Mehta &amp; Associates</b>	
Chartered Accountants	
<b><u>BANKERS</u></b>	
<b>Bank of Baroda</b>	

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#### **ANNUAL GENERAL MEETING**

Date : Friday, 30<sup>th</sup> September, 2022  
 Time : 02:30 P.M.  
 Venue : Shri Vile Parle Patidar Mandal,  
 Sardar Patel Baug, Parleshwar Road,  
 Vile Parle (East)  
 Mumbai - 400057

#### **BOOK CLOSURE**

24<sup>th</sup> September, 2022  
 to  
 30<sup>th</sup> September, 2022  
**(Both Days Inclusive)**

## NOTICE TO THE MEMBERS

NOTICE is hereby given that the **Thirty Seventh (37<sup>th</sup>) Annual General Meeting** of the Members of **BHARAT AGRI FERT & REALTY LIMITED** will be held on Friday, 30<sup>th</sup> September, 2022, at 2:30 P.M. at Sardar Patel Baug, Shri Vile Parle Patidar Mandal, Parleshwar Road, Vile Parle (East), Mumbai - 400 057 to transact, with or without modification(s) the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss for the year ended on that date and Cash Flow Statement together with the Reports of the Board of Directors and Statutory Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss for the year ended on that date and Cash Flow Statement together with the Report of the Statutory Auditors thereon.
2. To appoint a Director in place of **Ms. Chandni Y. Patel (DIN: 02032483)**, who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS:

3. Payment of Remuneration to **M/s. S.R. Singh & Co., Cost Accountants (FRN: 101398)**, the Cost Auditors of the Company for the financial year 2022-23:

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **M/s. S.R. Singh & Co., Cost Accountants (Firm Registration No.: 101398)** appointed by the Board of Directors on the recommendation of the Audit Committee to conduct the audit of the cost records maintained by the Company, be paid a remuneration for the financial year ending 31<sup>st</sup> March, 2023 of Rs. 50,000/- plus taxes as may be applicable and out of pocket expenses as may be incurred by them in connection with the aforesaid audit."

4. **Re-appointment of Mr. Chunilal Bhanji Gherwada (DIN: 08125212) as an Independent Director of the Company for the second term of 5(Five) years:**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the re-appointment of Mr. Chunilal Bhanji Gherwada (DIN: 08125212), who has submitted a declaration confirming that he meets the criteria of independence as provided Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of five years with effect from 30<sup>th</sup> May, 2023 till 29<sup>th</sup> May, 2028 be and is hereby approved.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149, 197, and other applicable provisions of the Act and the Rules made thereunder, Mr. Chunilal Bhanji Gherwada shall be entitled to receive the remuneration/ fees/ commission as permitted to be received in a capacity of Non-Executive, Independent Director under the Act and Listing Regulations, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors, from time to time.

**RESOLVED FURTHER THAT** the Board of Directors (including any Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

**By order of the Board**

**For Bharat Agri Fert & Realty Limited**

### Registered Office:

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East), Mumbai - 400 069.

Sd/-

**Arvind. J. Chakote**

**Company Secretary**

**Dated: 30<sup>th</sup> May, 2022**

**Place: Mumbai**

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

THE INSTRUMENT APPOINTING A PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. If a proxy is appointed for more than fifty members, he shall choose any fifty Members and confirm the same to the Company before the commencement of the specified period for inspection. In case the proxy fails to do so, the Company shall consider only the first fifty proxies received as valid. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable.

2. The business set out in the notice may 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 Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members separately.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is first in order of names will be entitled to vote.
6. **A statement giving the details of the Director seeking appointment and re-appointment, nature of his expertise in specific functional areas, names of the companies in which he hold directorships, memberships / chairmanships for Board / Committees, shareholding and relationship between Directors inter-se as stipulated in Secretarial Standard and Regulations 26(4) and 36(3) of the SEBI LODR with Stock Exchange, are provided in the Annexure.**
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 24<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (both days inclusive).
9. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
10. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
11. The shares of the Company are listed on BSE Limited, Mumbai.
12. The Securities and Exchange Board of India ('SEBI') and the Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after 1<sup>st</sup> April, 2019, can do so only in dematerialized form. It may also be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated 24<sup>th</sup> January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. Therefore, members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Members can write to the Company at [www.bharatrealty.co.in](http://www.bharatrealty.co.in) or contact the Registrars and Transfer Agent – Link Intime India Private Limited for assistance in this regard:

Vikhroli (West), Mumbai – 400 083.

Tel: 022 - 49186270, Fax: 022 - 49186060.

Email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) URL: [www.linkintime.co.in](http://www.linkintime.co.in)

13. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given above AND in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
14. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours except public holidays between 11.00 A.M. and 1.00 P.M. up to the date of the AGM.
15. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
16. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
17. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form; they must quote their Client ID and DPID numbers.
18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with the Depository Participant to enable us to send you the quarterly reports and other communications via email.
19. 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.
20. The details of dividend paid by the Company and the corresponding due dates for transfer of uncashed dividend to IEPF are furnished hereunder:

Sr. No.	Year ended	Date of Declaration	Due date of transfer to IEPF
1.	31.03.2015	25.09.2015	24.10.2022

Members who have not encashed the dividend warrant(s) 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.

**21. Voting through electronic means:**

- i. Pursuant to Section 108 of the Companies Act, 2013 read with (Companies Management & Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) the Company is pleased to provide its members the facility of remote e-voting (i.e., e-voting from a place other than venue of the AGM) to exercise their right to vote at the 37<sup>th</sup> Annual General Meeting (AGM). The business may be transacted through e-voting services rendered by Link Intime India Private Limited.
- ii. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of 37<sup>th</sup> AGM. The members attending the meeting, who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at AGM.
- iii. The Board of Directors has appointed Shri. Prabhat Maheshwari, Partner, GMJ & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and voting process at AGM in a fair and transparent manner.
- iv. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the members/ beneficial owner (in case of electronic the shareholding) as on cut-off date i.e., 23<sup>rd</sup> September, 2022.
- v. A person, whose name is recorded in the register of members or in register of beneficial owners maintained by the depositories as on the cut-off date i.e., 23<sup>rd</sup> September, 2022 only shall be entitled to avail the facility of e-voting / remote e-voting.
- vi. 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., the 23<sup>rd</sup> September, 2022, may obtain the User ID and Password from LINK INTIME (INDIA) PRIVATE LIMITED (Registrar & Transfer Agent of the Company.)

- vii. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., 30<sup>th</sup> September, 2022.

The instructions for members for voting electronically are as under: -

- (i) The voting period begins on Tuesday, 27<sup>th</sup> September, 2022 at 9.00 A.M. and ends on Thursday 29<sup>th</sup> September, 2022 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date i.e., 26<sup>th</sup> September, 2022, may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited (LI IPL) after 5.00 P.M. on 29<sup>th</sup> September, 2022.

A. Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)

1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
  - a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8Digit Client ID
  - b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
  - c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.
5. Your Password details are given below: If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below: Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

(ii) 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)  Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Address Sticker.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password: Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in

which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL. For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**B. Cast your vote electronically**

1. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View “Event No” of the company, you choose to vote.
2. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

3. If you wish to view the entire Resolution details, click on the 'View Resolutions'
4. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
5. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
6. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

**C. General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

2. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
3. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case the shareholders have any queries or issues regarding e-voting, please click on <https://instavote.linkintime.co.in>, under Feedback section or you may refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us: - Tel: 022 - 49186000.

- D. In the event, the draft resolution is assented to by the requisite majority of Members by means of electronic voting, the date of declaration of result shall be deemed to be the date of passing of the said resolution at the Annual General Meeting.
- E. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.bharatrealty.co.in> and on the website of Linkintime immediately after the result declared by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges i.e. BSE Limited.

22. **ISSUANCE OF SECURITIES IN DEMATERIALIZED FORM IN CASE OF INVESTOR SERVICE REQUESTS:**  
We would further like to draw your attention to SEBI Notification dated January 24, 2022 and SEBI Circular SEBI/HO/MIRSD/ MIRSD\_ RTAMB/P/ CIR/2022/8 dated January 25, 2022. Accordingly, while processing service requests in relation to:

1. Issue of duplicate securities certificate;



2. Claim from Unclaimed Suspense Account;
3. Renewal / Exchange of securities certificate;
4. Endorsement;
5. Sub-division / Splitting of securities certificate;
6. Consolidation of securities certificates/folios;
7. Transmission and,
8. Transposition.

the Company shall issue securities only in dematerialized form. For processing any of the aforesaid service requests, the securities holder/claimant shall submit duly filled up **Form ISR-4**.

23. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed **Form No. ISR-1**, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
24. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting **Form No. SH-13**. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in **Form SH-14**. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit **Form No. ISR-3**. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
25. We hereby request to holders of physical securities to furnish the documents/details, as per the table below for respective service request, to the Registrars & Transfer Agents i.e., Link Intime India Private Limited:

S. No.	Particulars	Form
1	PAN	ISR - 1
2	Address and PIN Code	
3	Email-Id	
4	Mobile Number	
5	Bank Account Details	
6	Demat Account Number	
7	Specimen Signature	ISR - 2
8	Nomination Details	SH-13
9	Declaration to opt-out Nomination	ISR - 3
10	Cancellation or Variation of Nomination	SH - 14

All the aforesaid forms can be downloaded from the website of the Company at: [www.bharatrealty.co.in](http://www.bharatrealty.co.in) and from the website of the RTA at <https://web.linkintime.co.in/KYC-downloads.html>.

26. **PROCESS FOR THOSE SHAREHOLDERS WHOSE E-mail ID'S ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E-MAIL IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to [bfilshivsai@gmail.com](mailto:bfilshivsai@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) to [bfilshivsai@gmail.com](mailto:bfilshivsai@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method as given in this notice.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**27. PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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

**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item No. 3:**

**Payment of Remuneration to M/s. S.R. Singh & Co., Cost Accountants (FRN: 101398), the Cost Auditors of the Company for the financial year 2022-23:**

The Board, on the recommendation of the Audit Committee, has approved the appointment of the Cost Auditor, **M/s. S. R. Singh & Co.**, Cost Accountants, to conduct the audit of the cost records maintained by the Company at Rs. 50,000/- plus taxes as may be applicable to be paid as remuneration for the financial year ending 31<sup>st</sup> March, 2023.

In terms of the provisions of Section 148 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any amendments thereto or any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors / Key Managerial Personnel of the Company / their relatives is / are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

**Item No. 4:**

**Re-appointment of Shri. Chunilal B. Gherwada (DIN: 08125212) as an Independent Director of the Company for a second term of 5 years.**

Shri. Chunilal B. Gherwada (DIN: 08125212) was appointed as an Independent Director of the Company with the approval of shareholders at the 33<sup>rd</sup> Annual General Meeting ('AGM') of the Company, held on 28<sup>th</sup> September, 2018 for a term of 5(Five) consecutive years w.e.f. 30<sup>th</sup> May, 2018 till 29<sup>th</sup> May, 2023, and he is eligible for re-appointment for second term of 5(Five) years i.e. from 30<sup>th</sup> May, 2023, till 29<sup>th</sup> May, 2028.

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its meeting held on 30<sup>th</sup> May, 2022 recommended the reappointment of Shri. Chunilal B. Gherwada (DIN: 08125212), for the term of second term of 5(Five) years i.e. from 30<sup>th</sup> May, 2023, till 29<sup>th</sup> May, 2028, subject to the approval of the Members. The profile and specific areas of expertise of Shri. Chunilal B. Gherwada (DIN: 08125212) are provided as Annexure to this Notice.

Shri. Chunilal B. Gherwada (DIN: 08125212) has given his declaration to the Board that he continues to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent for such reappointment. In the opinion of the Board, Shri. Chunilal B. Gherwada is a person of integrity, possesses the relevant expertise/ experience, and fulfils the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director and he is independent of the management. In terms of

Regulation 25(8) of Listing Regulations, Shri. Chunilal B. Gherwada (**DIN: 08125212**) has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

Given his experience, the Board considers it desirable and in the interest of the Company to continue Shri. Chunilal B. Gherwada (**DIN: 08125212**) on the Board of the Company and accordingly the Board recommends the re-appointment of Shri. Chunilal B. Gherwada (**DIN: 08125212**) as an Independent Director for a second term of 5(Five) years, as proposed in the Resolution no. 4 for approval by the Members as a Special Resolution.

Except for Shri. Chunilal B. Gherwada and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

**Registered Office:**

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East), Mumbai - 400 069.

**Dated: 30<sup>th</sup> May, 2022**

**Place: Mumbai**

**By order of the Board**

**For Bharat Agri Fert & Realty Limited**

Sd/-

**Arvind. J. Chakote**

**Company Secretary**

**Annexure I**

**Additional Information on Directors Recommended for Appointment/ Re-Appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

<b>Name of the Director</b>	<b>Shri. Chunilal B. Gherwada</b>	Ms. Chandni Y. Patel
<b>Date of Birth</b>	08/05/1949	23/11/1985
<b>Qualification</b>	B.Sc.	UK - MBA
<b>Date of Appointment</b>	30/05/2018	23/11/2007
<b>Brief Resume &amp; Expertise</b>	Shri. Chunilal B. Gherwada is a Science Graduate, worked as Techno/Commercial Manager and later on started his own company for providing engineering services to core sectors, including Refineries, Power plants, Cross country pipeline and Petro Chemical Complexes. He has rich knowledge in finance & accounting. Further, he has good exposure in planning business strategy.	Ms. Chandni Patel, has completed her MBA in Human Resources from Aberdeen University, Scotland. She looks after the HR Policies and welfare of the staff along with the operations and management of Anchaviyo Resort
<b>Relationship between the Directors</b>	Not related to any Director	Daughter of Yogendra D. Patel & Anjni Y. Patel, Sister of Vijal Y. Patel
<b>Directorship held in other Companies as on 31<sup>st</sup> March, 2022</b>	NIL	NIL
<b>Chairman/Member of the Committee of</b>	NIL	NIL

the Board of Directors in other Companies as on 31 <sup>st</sup> March, 2022		
Number of Shares held in the Company as on 31 <sup>st</sup> March, 2022	NIL	21,655

### DIRECTORS REPORT TO MEMBERS

Your Directors have great pleasure in presenting the 37<sup>th</sup> Annual Report along with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2022.

#### FINANCIAL HIGHLIGHTS:

(Amount in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue from Operations	2,301.47	2,567.34
Other Income	336.99	45.38
<b>Total Income</b>	<b>2,638.46</b>	<b>2,612.72</b>
Less : Total Expenses	2,581.46	3,201.04
<b>Profit before exceptional items and tax</b>	<b>57.00</b>	<b>(588.32)</b>
Exceptional Items	-	-
<b>Profit Before Tax</b>	<b>57.00</b>	<b>(588.32)</b>
<b>Less : Tax Expense</b>		
Current Tax/ Tax relating to prior years	0.92	13.27
Deferred tax	5.30	(1.70)
<b>Profit/ (Loss) for the year</b>	<b>50.78</b>	<b>(599.89)</b>

#### OPERATIONAL REVIEW & STATE OF COMPANY'S AFFAIRS:

**a) Fertilizer Division:-**

The Company has produced 10,313.667 M.T. SSP and sold 10930.850 M.T. SSP during the year ended 31st March, 2022. During the year 2022, Prime Raw Material (i.e. Imported Rock Phosphate) prices have increased from USD 90 to USD 195 resulting in lower import in available working limits. However, we have requested present bankers to consider the enhancement of Working Capital or allow us to avail FLC limits from other bankers which are under process and we may be able to get higher Working Capital to increase our production and sales more than last year with better results. We have marketing tie up arrangement with M/s. Greenstar Fertilizers Limited, (GFL) for 25,000 M.T. and with our own marketing set up for 15,000 MT, we anticipate total sale of 40,000 M.T. with revenue of Rs.70 Crore.

**b) Anchaviyo Resort:-**

During current year after removal of COVID -19 restrictions and Working Capital limits sanctioned by SBI, resort is well settled with BRAND image in Mumbai and with 40 rooms of theme-based units spread over 10 acre of landscape area with excellent services and facilities. Guests are very happy in staying repeatedly at our resort. Since we have converted resort into destination wedding, other corporate events and functions, revenue of resort will touch Rs. 15 Crore.

**c) Realty Division:-**

After successfully completion of Phase-1 A&B/C/D/E/F residential high-rise tower at Majiwada, Thane, our company will get additional FSI area to start phase -2 work for tower G - 46 floor residential tower with apx.2,75,000 Sq. Ft. RERA carpet area with 5 floor podium car parking. Company has availed construction project finance from bankers to start project in full swing and expect completion of Plinth work before March -2023 to start sales plan at Rs. 25,000/- Per Sq. Ft as per present Market in an around Majiwada area.

Company is expecting revenue of Rs.700 Crore in a period of 4/5 years after 2023-2024 when Plinth work is completed with 5th floor of podium car parking area and thereafter entire Majiwada thane project will be fully completed.

**DIVIDEND:**

Your Directors do not recommend any dividend for the year ended 31st March, 2022 due to conservation of profits for growth and development of the company.

**RESERVES:**

Your Directors do not propose to transfer any amount to the Reserves.

**SHARE CAPITAL OF THE COMPANY:**

The Paid up Equity Share Capital, as at 31st March, 2022 was Rs. 5,28,55,110/- divided into 52,85,511 Equity shares, having face value of Rs. 10/- each fully paid up. During the year under review, the Company has neither issued any shares nor granted any stock options or sweat equity.

**SUBSIDIARIES, ASSOCIATE COMPANIES & JOINT VENTURES:**

MOL CHEM LIMITED is an associate. The company's gross revenue for FY 2021-2022 stood at Rs. 20,30,150/-. The company made a loss of Rs. 34,31,634/-. However, the Company does not have any Subsidiary or Joint Venture. The details of Associate Company containing salient features of financial statement in 'AOC-1' are shown in **Annexure "A"** which forms part of the report.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The company ceased to be covered under sub-section (1) of section 135 of the Companies Act, 2013 for three consecutive financial years. Therefore, the Company is not required to comply with the provisions contained in sub-section (2) to (5) of the said section, till such time it meets the criteria specified in sub-section (1) of section 135 of Companies Act, 2013. however, the Company is having in place a "Corporate Social Responsibility" (CSR) Committee and in observance of good corporate governance the Committee met at regular intervals to discuss about CSR related issues. The Company has spent the entire amount prescribed for CSR activities during the previous years and no CSR amount is outstanding as on date.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Directors have laid down internal financial controls to be followed by your Company and such policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. The company has adopted accounting policies, which are in line with the accounting standards and the Companies Act, 2013. The Audit Committee evaluates the internal financial control system periodically.

**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 forms an integral part of this Report, are set out as separate Annexures, together with the Certificate from the Practising Company Secretaries regarding compliance with the requirements of Corporate Governance as stipulated in the SEBI Listing Regulations.

**RELATED PARTY TRANSACTIONS:**

All related party transactions entered during the Financial Year were in the ordinary course of the business and on an arm's length basis. No material related party transactions were entered during the Financial Year by the 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.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:****Number of meetings of the Board of Directors:**

The Board met 6 (Six) times during the financial year. The meeting details are provided in the Corporate Governance Report that forms a part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013.

**Directors:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, **Ms. Chandni Y. Patel** (DIN: 02032483), Whole time Director retires by rotation and being eligible offers herself for re-appointment.

**Re-appointment, Appointment & Resignation:**

The Board of Directors on recommendation of the Nomination and Remuneration Committee has approved the re-appointment of:

Mr. Chunilal Bhanji Gherwada (DIN: 08125212) as Independent Director, for a period of 5 (Five) years with effect from 30<sup>th</sup> May, 2023, till 29<sup>th</sup> May, 2028 subject to approval of the members at the ensuing Annual General Meeting.

The Directors hereby regret to inform you that Shri. Vijay Kumar Ishwarbhai Patel (DIN: 02031833), Director, passed away on 14<sup>th</sup> January, 2022 and as a result his office was vacated.

Shri. Vijay Manilal Mistry (DIN: 08608372), Director, has resigned from the post of directorship with effect from 31<sup>st</sup> March, 2022 due to personal reasons.

The Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Shri. Hemant Nandkishor Bataviya as an Additional Director (Independent) with effect from 31<sup>st</sup> March, 2022 and Shri. Kalpesh Chandrakant Shah as an Additional Director (Independent) with effect from 31<sup>st</sup> March, 2022.

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

**Declaration by Independent Directors:**

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence provided under Section 149(6) of the Act and the SEBI Listing Regulations.

**Board evaluation:**

Pursuant to the provisions of Section 134 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, the Board has carried out an evaluation after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance.

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

**Key Managerial Personnel:**

The following persons are the Key Managerial Personnel of the Company:

Sr. No.	Name of the Person	Designation
1.	Shri. Yogendra D. Patel	Chairman & Managing Director
2.	Shri. Arvind J. Chakote	Company Secretary & Compliance Officer
3.	Shri. Kantilal. N. Jethwa	Chief Financial Officer

**Familiarisation Programme of Independent Directors:**

In compliance with the requirements of SEBI Listing Regulations, the company has put in place a familiarisation program for Independent Directors' to familiarize them with their role, rights & responsibilities as Directors, the operations of the Company, business overview, etc.

The details of Familiarisation program are explained in the Corporate Governance Report and the same is also available on the website of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 of the Act, with respect to Director 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;
- the Directors had selected such accounting policies and applied them consistently and made judgements 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 of the company for that period;
- 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.

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

Pursuant to Regulation 34(2)(e) of the Listing Regulations, Management Discussion and Analysis Report is given in **Annexure B** to this Report.

#### **AUDIT COMMITTEE:**

In accordance with the provisions of the Regulation 18 of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, the Company is having an Audit Committee. The Committee acts in accordance with the terms of reference specified from time to time by the Board. The details of the terms of Audit Committee and other details are explained in the Corporate Governance Report.

#### **REMUNERATION & NOMINATION POLICY:**

The Board of Directors on the basis of the recommendation of the Nomination & Remuneration Committee has framed a policy which lays down a framework in relation to the remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy lays down the criteria for selection and appointment of Board Members. The details of the policy are explained in the Corporate Governance Report.

#### **AUDITORS AND AUDIT REPORTS:**

##### **Statutory Auditor:**

Pursuant to Section 139 of the Act and Rules made thereunder, the Company at its 33<sup>rd</sup> AGM appointed M/s. Verma Mehta & Associates, Chartered Accountants, (Firm Registration No. **112118W**) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 33<sup>rd</sup> AGM until the conclusion of 38<sup>th</sup> AGM of the Company. The Company has received confirmation from the Auditors that they are eligible to continue as the statutory auditors of the Company.

Pursuant to amendments in Section 139 of the Act, the requirements to place the matter relating to such appointment for ratification by Members at every AGM has been done away with.

The Reports given by M/s. Verma Mehta & Associates, Chartered Accountants, (Firm Registration No. **112118W**) on the standalone and consolidated financial statements of the Company for FY 2021-22 are part of the Annual Report.

##### **Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the company has appointed M/s. GMJ & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure 'C'** and forms an integral part to this Report.

##### **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 carrying out audit of the cost records.

The Board of Directors, on the recommendation of the Audit Committee, has appointed **M/s. S.R. Singh & Co.**, Cost Accountants (FRN: **101398**), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023 at a remuneration of Rs. 50,000/- plus taxes as may be applicable and out of pocket expenses. As required under the provisions of the Companies Act, 2013, a resolution seeking member's approval for remuneration payable to the Cost Auditor forms a part of the Notice convening the 37<sup>th</sup> Annual General Meeting.

##### **Internal Audit:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 the Board on the recommendation of the Audit Committee has appointed M/s. Udeshi & Co., Chartered Accountants having a Registration No. **130840W** as Internal Auditors of the Company.

##### **Auditor's observations:**

The observations of the auditors contained in their Report have been adequately dealt with in the Auditors reports which are self-explanatory.

#### **DISCLOSURE:**

##### **Risk Management:**

The provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to formation of Risk Management Committee is not applicable to the company.

##### **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.

#### **Particulars of Loans, Guarantees or Investments:**

The particulars of Loans, Guarantees and Investments made during the year as required under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### **Extract of Annual Return:**

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

#### **Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings 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 'D'** to this Report.

#### **Secretarial Standard:**

The Board of Directors affirm that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **Particulars of Employees:**

Disclosure with respect to remuneration of Directors, KMPs and employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure 'E'** and forms an integral of this Report.

#### **GENERAL DISCLOSURES:**

##### **Public Deposits:**

The 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.

#### **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.

#### **Changes in Nature of Business:**

No significant changes had been made in the nature of the business of the Company during the financial year ended 31<sup>st</sup> March, 2022.

#### **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 concern status of the Company and its future operations during the financial year ended 31<sup>st</sup> March, 2022.

#### **Depository Services:**

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services (India) Limited (CDSL). As a result, the investors have an option to hold the shares of the Company in a dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE842D01011. Shareholders therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

#### **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. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code has been posted on the Company's website [www.bharatrealty.co.in](http://www.bharatrealty.co.in). All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

#### **Sexual Harassment:**

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported.

#### **Safety, Environment Control and Protection:**

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.

#### **Listing:**

The Company's Shares are listed on BSE Limited, Mumbai.

#### **Internal Financial Control and their adequacy:**

The company has in place adequate, internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The company has adopted accounting policies, which are in line with the accounting standards and the Companies Act, 2013.

**Details of application made or proceeding pending under Insolvency and Bankruptcy Code, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency and Bankruptcy Code, 2016.

**Details of difference between valuation amount on one time settlement and valuation while availing loan from banks and financial institutions:**

The company has not entered into one time settlement of loans from banks and financial institutions. Hence the said clause is not applicable to the company for the financial year ended 31<sup>st</sup> March, 2022.

**Reporting of Frauds:**

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act & Rules framed thereunder either to the Company or to the Central Government.

**APPRECIATION:**

Your Directors wish to place on record their sincere appreciation to the Central Government, State Government, Thane Municipal Corporation, Agricultural Department, Company's Banker, Shareholders, Customers and business consultants for their valued co-operation and support at all times.

Your Directors also wish to place on record their appreciation for hard work, solidarity, co-operation and support of employees at all levels.

**For and on behalf of the Board  
For Bharat Agri Fert & Realty Limited**

**Registered Office:**

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East),  
Mumbai – 400 069

**SD/-  
YOGENDRA D. PATEL  
CHAIRMAN & MG. DIRECTOR  
(DIN: 00106864)**

**Date: 30<sup>th</sup> May, 2022**

**Place: Mumbai**

**ANNEXURE "A"****FORM AOC-1****(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)****Statement containing salient features of the financial statement of associate companies****Part "B": Associates****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies**

(Information in respect of each Associate to be presented with amounts in Rs.)

<b>Name of the Associates</b>	<b>Mol Chem Limited</b>
1. Latest audited Balance Sheet date	31 <sup>st</sup> March, 2022
<del>2.</del> Date on which the Associate was associated or acquired	7 <sup>th</sup> November, 2015
3. Shares of Associate held by the company on the year end	
No.	13,22,880
Amount of Investment in Associates	35,05,632
Extent of Holding (in percentage)	26%
4. Description of how there is significant influence	Control of more than 20% of total share capital.
5. Reason why the associate is not consolidated	N.A
6. Net worth attributable to shareholding as per latest audited Balance Sheet	1,34,95,484.08
7. Profit or Loss for the year	(34,31,634)/-
i. Considered in Consolidation	(7,60,000)/-
ii. Not Considered in Consolidation	--

**For and on behalf of the Board  
For Bharat Agri Fert & Realty Limited**

**Registered Office:**

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East), Mumbai - 400 069.

**Date: 30<sup>th</sup> May, 2022****Place: Mumbai**

**Sd/-  
YOGENDRA D. PATEL  
CHAIRMAN & MG. DIRECTOR  
(DIN: 00106864)**

## **ANNEXURE B**

### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

#### **FERTILISER DIVISION**

SSP is an important source of primary nutrient containing phosphate. In addition to phosphate, it contains sulphur, Calcium and a few micronutrients in traces. Single Super Phosphate is one of the important fertilisers manufactured in India. It continues to be a popular fertiliser.

SSP is the cheapest Fertiliser amongst all Farmers community and very good source for  $P_2O_5$  as compared to any Fertiliser commodities.

Our brand "BHARAT" is very much popular in Farmers community since in operation from 1963. So company can encash such Goodwill in Maharashtra state in future after resolving present crisis of Raw Material shortages in international market and additional Working Capitals from existing Bankers.

All India capacity utilisation of SSP increased from 45.9% during 2020-21 to 48.1% during 2021-2022. A large capacity of SSP has been built in the country over the years. The total number of SSP plants are 100 out of which 91 plants were in operation during 2021-22. The total operating capacity as on 31.03.22 was 11.098 million MT.

Government of India through DOF fixed Subsidy on SSP under DBT and NBS Policy from time to time so that all Fertiliser including SSP Fertiliser is available to Farmers at reasonable price to enable them for higher agricultural food grain production in India.

For the current year i.e. 2021-22 the subsidy rate under NBS from 1<sup>st</sup> April to 19<sup>th</sup> May 2021 remain the same of the previous year. However, w.e.f. 20<sup>th</sup> May, 2021, NBS rates for P containing fertiliser have been revised w.e.f. 20<sup>th</sup> May 2021 upto 31<sup>st</sup> October 2021. With this steep increase, the subsidy rate for SSP increased by 184% from Rs.2643/- PMT in 2020-21 (also upto 19<sup>th</sup> May 2021) to Rs.7513/- PMT. The Subsidy Rate for SSP Rs. Rs.7513/- PMT. w.e.f. 20<sup>th</sup> May 2021 upto 31<sup>st</sup> March 2022.

We have entered into a Marketing Arrangements with M/s. Greenstar Fertilizers, Chennai for 25,000 M.T. to increase our sale revenue through their dealers Network.

#### **REALTY DIVISION**

Flourishing economy and Good connectivity have been the growth drivers for the Thane real estate market. Thane is all set to see more developments for providing a world-class living experience for its citizens. Thane fulfils the expectations of homebuyers of all categories with its wide-range of options for residential properties. Investors look up to this booming marketplace for safeguarding healthy returns.

Thane enjoys superb connectivity to Navi Mumbai as well as to the Eastern and Western Suburbs of Mumbai via Ghodbunder Road, JVLR, SCLR, Eastern Freeway, NH 8, Mumbai-Nashik Highway and the Thane-Belapur Road. Besides, the Central Harbour Rail Line, Thane-Panvel Rail Line and Central Railways connect Thane to Mumbai's railway network. Future connectivity plans include the proposed metro rail that would run along the Ghodbunder Road with more than 10 halts within Thane itself. With the metro, the travel time between Thane and Wadala is expected to reduce by half. Other infrastructural developments on the cards include construction of the Thane-Diva Road, the flyover at Bhiwandi bypass, metro-3 project to Kalyan and Mira - Bhayander areas and parallel roads from Thane to Kalyan along the metro line. Company has availed project finance for construction of High Rise Tower (G Tower) with 5 floor podium parking + 46 Floor (2/3 BHK) with an expected project revenue of Rs.700 Crore.

#### **RESORT DIVISIONS:**

Currently we are having 40 theme based rooms, 1 banquet that can accommodate 150 pax event and we have 2 restaurants that caters to world cuisine dishes at Anchaviyo. We are anticipating a good season this coming winter from November to March where we could achieve big numbers higher than before. We planned a greet and meet event for all the leading travel agent companies, all corporate event planners and wedding planners to source in and bring more business for this coming winter season and after that as well. The meeting was very positive and fruitful and can see lot of enquiries coming in for the future. We are also looking at expanding and increasing our room inventory from 40 to 65 rooms in coming year 2023-2024 as per market studies and need of current market. So in brief, we are very positive and will be going and expanding in the coming near future with different rooms and concepts.

**For and on behalf of the Board**  
**For Bharat Agri Fert & Realty Limited**

**Registered Office:**

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East), Mumbai – 400 069.

Sd/-  
**YOGENDRA D. PATEL**  
**CHAIRMAN & MG. DIRECTOR**  
**(DIN: 00106864)**

**Date: 30<sup>th</sup> May, 2022**

**Place: Mumbai**

**ANNEXURE C**

**FORM NO.MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

[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,**  
**Bharat Agri Fert & Realty Limited**  
301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg,  
Near Gokhale Bridge,  
Andheri (East),  
Mumbai- 400 069.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bharat Agri Fert & Realty Limited** (hereinafter called “**the Company**”) bearing CIN: L24100MH1985PLC036547. 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 31<sup>st</sup> March, 2022 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the following:

Sr. No	Deviations	Observations

1.	<p>Regulation 33 - Non-submission of the financial results within the period prescribed</p> <p>The company had inadvertently failed to attach the Statement of Impact of Audit Qualification of Consolidated Annual Financial Statements in the Financials results uploaded on the BSE website. Bombay Stock Exchange Limited has levied a fine of Rs. 23,600/- against the company (inclusive of GST) against non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the quarter ended 31<sup>st</sup> March, 2021 (4 days i.e. upto 4<sup>th</sup> July, 2021).</p>	<p>The Company has submitted its response dated 30<sup>th</sup> July, 2021 and requested to waive off the fine due to human inadvertence, The company has failed to attach the Statement of Impact of Audit Qualification of Consolidated Annual Financial Statements in the Financials results uploaded on the BSE website for the quarter ended 31<sup>st</sup> March, 2021 uploaded on 30<sup>th</sup> June, 2021 and subsequently filed the correct Financial results on 4<sup>th</sup> July, 2021. (BSE) Ltd vide email dated 17<sup>th</sup> January, 2022 had taken up the representation of the Company before the "Internal Committee for Fine Waiver" and waived off the fine to be paid. Since the Company had already made the payment, the same was adjusted with the Annual Listing fees paid for the financial year 2022-23.</p>
2.	<p>Regulation 24A - Non submission of Secretarial Compliance report</p> <p>BSE Ltd has levied a fine of Rs. 11,800/- against the company (inclusive of GST) against non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the quarter ended 31<sup>st</sup> March, 2021 (4 days i.e. upto 4<sup>th</sup> July, 2021).</p>	<p>The Company has paid fine as levied by BSE Ltd and has placed the same before the Board of Directors at their next meeting.</p>

- d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit].**
  - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit].**
  - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit].**
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the period of audit].**
  - i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **[Not applicable during the period of audit].**
- vi. We have relied on the representation(s) made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are mentioned as under:
- a) The Fertilizer Control Order;
  - b) The Development Control Regulations for Greater Mumbai, 1991;
  - c) The Maharashtra Ownership Flats Act, 1963;
  - d) Maharashtra Real Estate Regulatory Authority;
  - e) The Environment (Protection) Act, 1986;
  - f) The Air (Prevention and Control of Pollution) Act, 1981;
  - g) The Factories Act, 1948 and Rules made thereunder;

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

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

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

We further report that -

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

Adequate notice is given to all Directors to schedule the Board Meetings, Committee 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary, taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

**For GMJ & ASSOCIATES**  
*Company Secretaries*

**[CS PRABHAT MAHESHWARI]**  
**PARTNER**  
**M. No. : FCS 2405**  
**COP No.: 1432**  
**UDIN : F002405D000436817**

**PLACE: MUMBAI**  
**DATE: 30<sup>TH</sup> MAY, 2022**

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



## ANNEXURE I

To,  
**The Members,**  
**Bharat Agri Fert & Realty Limited**  
 301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
 N. S. Phadke Marg,  
 Near Gokhale Bridge,  
 Andheri (East),  
 Mumbai- 400 069.

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

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

**For GMJ & ASSOCIATES**  
**Company Secretaries**

**[CS PRABHAT MAHESHWARI]**  
**PARTNER**  
**M. No. : FCS 2405**  
**COP No.: 1432**  
**UDIN : F002405D000436817**

**PLACE : MUMBAI**  
**DATE : 30<sup>TH</sup> MAY, 2022**

ANNEXURE "D"

**OUTGO:**

Information as per Section 134(3) (m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March, 2022 is given 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.

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

The Company has made Installation of specially designed burner nozzles and furnaces to stop furnace oil consumption in granulating process by adopting use of Agricultural waste (Bio-Coal).

**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

<b>A. POWER &amp; FUEL CONSUMPTION</b>	<b>April-2021 to March-2022</b>	<b>April-2020 to March-2021</b>
(a) Purchased Units rate unit	10.53	10.53
(b) Own generation		
Company has installed two nos. of		
Kirloskar make 180 KVA		
Diesel Generating Sets.		
Units per Liter of Diesel Oil	-	-
Average cost per liter	-	-
<b>B. CONSUMPTION PER UNIT OF PRODUCTION</b>	<b>Units</b>	<b>Units</b>
Powder Super Phosphate per ton	23	23
Granulated super phosphate per ton	20	20

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

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

**C. TECHNOLOGY ABSORPTION:**

(i) the efforts made towards technology absorption during the year under review are:-**NOT APPLICABLE**

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution:-**NOT APPLICABLE**

**v) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

<b>PARTICULARS</b>	<b>AMOUNT (In Lakhs)</b>
Foreign Currency Outgo	Rs. 646.09 lacs (P.Yr. Rs. 116.21 lacs)
Foreign Currency Earning	NIL

**For and on behalf of the Board  
For Bharat Agri Fert & Realty Limited**

**Registered Office:**

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East), Mumbai – 400 069.

**Date: 30<sup>th</sup> May, 2022**

**Place: Mumbai**

**Sd/-  
YOGENDRA D. PATEL  
CHAIRMAN & MG. DIRECTOR  
(DIN: 00106864)**

**ANNEXURE E  
(Forming part of the Directors' Report)**

Statement of Disclosure of Remuneration under Section 197 (12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Managing Director, Whole-time Directors, Non-Executive Directors, Executive Director & CFO and Company Secretary for the financial year 2021-2022 are given below:-

Sr.No.	Name of the Director/ Key Managerial Personnel ("KMP")	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1	Shri. Yogendra D Patel	Chairman & Managing Director	6.63	(66.67)
2	Smt. Anjni Y Patel	Whole-time Director	6.63	(66.67)
3	Ms. Chandni Y Patel	Whole-time Director	6.63	(66.67)
5	Shri. Vijal Y Patel	Whole-Time Director	6.63	(66.67)
6	Shri. Kantilal N Jethwa*	Chief Financial Officer & Director	1.99	100*
7	Shri. Arvind Chakote	Company Secretary	--	(100)*

\*Remuneration paid for financial year 2021-22 is not comparable with the previous year due to voluntary reduction of Remuneration by the Directors and KMP during FY 2020-21 and FY 2021-22.

2. There was no percentage increase in the median remuneration of employees in the financial year 2021-2022.
3. The Company has 40 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022.
4. Other Details

Sr. No.	Particulars	Remarks
1	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year	During the financial year 2021-22, there was no increase in salary of the Employees on account of Pandemic.
2	Percentile increase in managerial remuneration	There was decrease in the managerial remuneration as compared to previous year due to voluntary reduction of Remuneration by the Directors and KMP during FY 2020-21 and FY 2021-22.

5. It is affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board  
For Bharat Agri Fert & Realty Limited

**Registered Office:**

301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Near Gokhale Bridge,  
Andheri (East), Mumbai – 400 069.

**Date:** 30<sup>th</sup> May, 2022

**Place:** Mumbai

Sd/-  
YOGENDRA D. PATEL  
CHAIRMAN & MG. DIRECTOR  
(DIN: 00106864)

**ANNEXURE TO DIRECTORS' REPORT  
REPORT ON CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") a report on compliance with the Corporate Governance for the year ended 31<sup>st</sup> March, 2022 is detailed below:-

**1. 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, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and social expectations. Good Corporate Governance practices stem from the culture and mindset of the organization and at Bharat Agri Fert & Realty Limited (BAFRL) we are committed to do business in an efficient, responsible, honest and ethical manner and to meet the aspirations of all our stakeholders.

The Company's corporate governance structure plays a pivotal role in realizing this long term goal. It provides the fundamental systems, processes and principles that promote objective decision making, performance based management and a corporate culture that is characterized by integrity and fairness in all dealings. Critical to this, is the high degree of transparency in disclosures across all levels of stakeholder engagement, which are periodically done while maintaining the importance of reserving competitive information from being disseminated.

The Company is committed to enhance shareholders value in the fair and transparent manner and has been in the forefront for bench marking itself with the best business practices globally.

## 2. BOARD OF DIRECTORS:

### 2.1 Composition of the Board:

The Company has an optimum composition of Executive Directors and Non-Executive Directors and is in conformity with the provisions of the Companies Act, 2013 and SEBI Listing Regulations which inter alia stipulates that the Board should have an optimum combination of Executive Directors and Non-Executive Directors with at least one Woman Director and not less than fifty per cent of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

The Board comprises of 10(Ten) Directors, of which 5 (Five) are Independent Directors and 5 (Five) are Executive Directors. The Company has 2 (Two) Woman Directors on the Board.

All the Directors possess the requisite qualifications and experience in general corporate management, finance, business and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

The Board on the recommendation of Nomination and Remuneration Committee appointed Shri. Kalpesh Chandrakant Shah (DIN: 09501247), as an Additional Director in Independent capacity on the Board of the Company with effect from 31<sup>st</sup> March, 2022 and Shri. Hemant Nandkishor Bataviya (DIN: 09535784), as an Additional Director in Independent capacity on the Board of the Company with effect from 31<sup>st</sup> March, 2022. Further, the notice of postal ballot has been dispatched to regularise the appointment of Shri. Kalpesh Chandrakant Shah and Shri. Hemant Nandkishor Bataviya as Non-Executive Independent Directors of the Company for a period of Five (5) years commencing from 31<sup>st</sup> March, 2022 to 30<sup>th</sup> March, 2027 respectively.

Shri. Vijay M Mistry tendered his resignation to the Board of Directors on 31<sup>st</sup> March, 2022 due to personal reasons and professional commitments and the Board accepted the same.

Shri. Vijaykumar I Patel (DIN: 02031833) Independent Director on the Board of the Company, has passed away on 14<sup>th</sup> January, 2022.

The Independent Directors of the Company do not draw any remuneration and they do not have any material pecuniary relationship or transaction with the Company, its promoters, its directors, its senior management and its associates which may affect the independence of the Directors.

**The Composition of the Board as on 31<sup>st</sup> March, 2022, category of Directors and details of shares held by them are as under:-**

-

Director	Designation	No. of Equity Shares held as on 31 <sup>st</sup> March, 2022
Shri. Yogendra D. Patel	Chairman & Managing Director	820650
Smt. Anjni Y. Patel	Whole-Time Director	788872
Ms. Chandni Y. Patel	Whole-Time Director	21555
Shri. Vijal Y. Patel	Whole-Time Director	33961
Shri. Kantilal N. Jethwa	Chief Financial Officer & Director	3770
Shri. Suresh M. Bhadrecha	Independent Director	Nil
Shri. Yogesh S. Rathod	Independent Director	Nil
Shri. Chunilal B. Gherwada	Independent Director	Nil
Shri. Kalpesh Chandrakant Shah*	Independent Director	Nil

Shri. Hemant Nandkishor Bataviya **	Independent Director	Nil
Shri Vijaykumar Ishwarbhai Patel#	Independent Director	Nil
Shri Vijay Manilal Mistry	Independent Director	Nil

**Note:**

\*Shri. Kalpesh Chandrakant Shah was appointed as an Additional Independent Director on 31<sup>st</sup> March, 2022.

\*\*Shri. Hemant N Bataviya was appointed as an Additional Independent Director on 31<sup>st</sup> March, 2022.

#Vijaykumar Ishwarbhai Patel has passed away on 14<sup>th</sup> January, 2022.

&Vijay Manilal Mistry has resigned from the post of Directorship with effect from 31<sup>st</sup> March, 2022.

**2.2 Meeting of the Board of Directors and Board Procedures:**

During the financial year ended on 31<sup>st</sup> March, 2022, 6 (Six) Board Meetings were conducted and held on 18<sup>th</sup> May, 2021, 30<sup>th</sup> June, 2021, 14<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021, 14<sup>th</sup> February, 2022 and 31<sup>st</sup> March, 2022.

The gap between two board meetings did not exceed 120 days. The Notice and agenda for the Board Meetings together with the appropriate supporting documents and papers were circulated well in advance of the meetings to enable the Board to take informed decisions.

**2.3 Directors' attendance record and details of Directorships/Committee positions held:**

As mandated by SEBI Listing Regulations, none of the Directors on the Board is a member of more than ten Board – level committees and chairman of more than five such committees, across all such companies in which he/she is a Director.

Further, none of the Directors of the Company serves as an Independent Director in more than seven listed companies.

The name and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting and also the number of Directorship and board – level committee positions held by them is given below:

Sr. No.	Name of Director	Category	No. of Board Meetings (2021-2022)		Attendance at last AGM held on 29 <sup>th</sup> September, 2021	No of other Directorships of Companies held as on 31 <sup>st</sup> March, 2022#		No of Chairmanship of Outside Committees held as on 31 <sup>st</sup> March, 2022		No of Membership of Outside Committees held as on 31 <sup>st</sup> March, 2022	
			Held	Attended		Public	Private	Public	Private	Public	Private
1	Shri. Yogendra D. Patel	Chairman & Managing Director	6	6	Yes	1	7	-	-	-	-
2	Smt. Anjni Y. Patel	Whole-Time Director	6	5	Yes	-	7	-	-	-	-
3	Ms. Chandni Y. Patel	Whole-Time Director	6	6	Yes	-	-	-	-	-	-
4	Shri. Vijal Y. Patel	Whole-Time Director	6	6	Yes	1	-	-	-	-	-
5	Shri. Kantilal N. Jethwa	Director	6	6	Yes	-	1	-	-	-	-
6	Shri. Suresh M. Bhadrecha	Independent Director	6	6	Yes	-	-	-	-	-	-
7	Shri. Yogesh S. Rathod	Independent Director	6	6	No	-	-	-	-	-	-
8	Shri. Chunilal B. Gherwada	Independent Director	6	6	Yes	-	-	-	-	-	-
9	Shri. Vijay M. Mistry*	Independent Director	6	3	No	-	-	-	-	-	-

10	Shri. Vijaykumar I. Patel**	Independent Director	6	2	Yes	-	-	-	-	-	-
11	Shri. Kalpesh Chandrakant Shah***	Independent Director	-	-	No	-	-	-	-	-	-
12	Shri. Hemant Nandkishor Bataviya****	Independent Director	-	-	-	-	-	-	-	-	-

#Excludes Foreign companies and companies registered under Section 8 of the Companies Act, 2013.

**Note:** (As given in the table of The Composition of the Board as on 31<sup>st</sup> March, 2022, category of Directors and details of shares held by them, above)

\* Vijay Manilal Mistry has resigned from the post of Directorship with effect from 31<sup>st</sup> March, 2022.

\*\* Vijaykumar Ishwarbhai Patel has passed away on 14<sup>th</sup> January, 2022.

\*\*\* Shri. Kalpesh Chandrakant Shah was appointed as an Additional Independent Director on 31<sup>st</sup> March, 2022.

\*\*\*\* Shri. Hemant N Bataviya was appointed as an Additional Independent Director on 31<sup>st</sup> March, 2022.

The number of Directorships, Committee Memberships/Chairmanships of all Directors is within the respective limits prescribed under the Companies Act, 2013 (the "Act") and the Listing Regulations.

#### 2.4 Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14<sup>th</sup> February, 2022 to review (i) the performance of the Non-Independent Directors and the Board as a whole; (ii) the performance of the Chairman of the Company by taking into consideration the view of Executive and Non- Executive Directors. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties.

#### 2.5 Evaluation of the Board's Performance:

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17 and 25 of the Listing Regulations, the Board had carried out an evaluation of the Directors as well as the evaluation of the Board and its Committees. The exercise was carried out through structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and its Committees, experience and competencies, performance of specific duties, obligations and governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman, who was evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest, etc.

The Board's functioning was evaluated on various aspects, including inter-alia structure of the Board, including qualifications, experience, competency of Directors, diversity of the Board, meetings of the Board including regularity and frequency, logistics, agenda, discussion and dissent, recording of Minutes, dissemination of information, functions of the Board, including role and responsibilities, strategy and performance evaluation, governance and compliance, evaluation of risks, grievance redressal of investors, conflict of interest, stakeholder value and responsibility, corporate culture and values, review of Board evaluation, facilitation of independent directors, evaluation of management's performance and feedback, independence of the management from the Board, access of the management to the Board and Board's access to the management, secretarial support, fund availability, succession plan and professional development.

Whole-time Directors including Managing Director were evaluated on aspect such as professional qualification, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of Conduct and Business Ethics of the Company, contribution to the growth of the Company, leadership initiatives like new ideas and planning towards the growth of the Company, team work attributes and supervising and training of staff members, initiating steps for development of new brands for its products, compliance with policies, reporting of frauds, violation etc. and disclosing disclosure of interest, safeguarding the interest of whistle blowers under vigil mechanism and safeguarding of confidential information and maintaining integrity.

Chairman of the Board was evaluated on key aspects of his effectiveness of leadership and ability to steer the meetings, co-ordination, commitment, independent judgement, advice provided to the executive management, ability to keep shareholders' interest in mind and impartiality.

Areas on which the Committees of the Board were evaluated included mandate and composition effectiveness of the Committee, structure of the Committee and Meetings, independence of the Committee from the Board and contribution to decisions of the Board.

Independent Directors were evaluated on various aspects, including inter-alia qualifications, experience, knowledge and competency, fulfilment of functions, initiative, commitment, independence, independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of conduct of the Company as well as the Code for Independent Directors as applicable, understanding the environment in which the company operates and contribution to strategic decision, contribution for resolving the issues at the meeting and raising valid concerns at the Board, interpersonal relations with other directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity.

The Nomination and Remuneration Committee (NRC) also reviewed the performance of the Board, other Committees and of the Directors. The Chairman of the NRC provided feedback to the Board as a whole as well as to the Directors on an individual basis, as appropriate.

The performance evaluation of the Independent Directors was carried out by other Board members. The performance evaluation of the Non-Independent Directors including the Executive Directors was carried out by the Independent Directors. The performance evaluation of the Chairman was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

## **2.6 Remuneration to Directors:**

The details of remuneration paid for the financial year 2021-2022 are summarized below:-



(Rs. In Lakhs)

Director	Salary, perquisites & Allowances	Sitting Fees	Commission	Total
Shri. Yogendra D. Patel	20.00	-	-	20.00
Smt. Anjni Y. Patel	20.00	-	-	20.00
Ms. Chandni Y. Patel	20.00	-	-	20.00
Shri. Vijal Y. Patel	20.00	-	-	20.00
Shri. Kantilal N. Jethwa	6.00	-	-	6.00
Shri. Suresh M. Bhadrecha	-	-	-	-
Shri. Chunilal Gherwada	-	-	-	-
Shri. Vijaykumar I. Patel	-	-	-	-
Shri. Yogesh S. Rathod	-	-	-	-
Shri. Vijay M. Mistry	-	-	-	-
Shri. Kalpesh C. Shah	-	-	-	-
Shri. Hemant Nandkishor Bataviya	-	-	-	-

## 2.7 Code of Conduct:

The Board of Directors has laid down two separate Codes of Conduct ('Code(s)'), one for the Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities and the other for Executive Directors and Designated Persons in the Senior Management. These codes have been posted on the Company's website [www.bharatrealty.co.in](http://www.bharatrealty.co.in) the codes lay down the standard of conduct which is expected to be followed by the Directors and by the designated persons in their business dealings and in particular on matters relating to integrity at the work place, in business practices and in dealing with the stakeholders. All the Board members and Senior Management Personnel of the company have affirmed compliance with the Code of Conduct as applicable to them, for the year ended 31<sup>st</sup> March, 2022.

## 2.8 Familiarization programme:

In accordance with the requirements of the Listing Regulations and Schedule IV of the Companies Act, 2013, as amended, the Company has a programme (the "Programme") to regularly familiarise the Independent Directors (the "Independent Directors") of the Company including in relation to the business model of the Company, nature of industry in which the Company operates and the roles, rights and responsibilities of the Independent Directors.

The programme aims at enabling the Independent Directors to understand the business model of the Company and keep them updated on an on-going basis about the significant changes which occur in the industry in which the Company operates.

The Company has framed a policy for familiarization programme for Independent Directors in terms of Listing Regulations and the same is disclosed on the Company's website at [www.bharatrealty.co.in/](http://www.bharatrealty.co.in/).

## 2.9 Matrix setting out the core skills/ expertise/ competence of the Board of Directors:

A chart/ matrix setting out the core skills/ expertise/ competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the Board are given below:

Sr. No.	Skills/Expertise/ Competence	Particulars
1	Business and Expansion	Established leadership skills in strategic planning,

	(Shri. Yogendra D. Patel, Smt. Anjni Y. Patel, Ms. Chandni Y. Patel, Shri. Vijal Y. Patel, Shri. Kantilal N. Jethwa, Shri. Chunilal B. Gherwada, Shri. Yogesh Rathod and Mr. Suresh M. Bhadrecha)	expansion strategy, innovation in hospitality industry and product delivery, specialised and experienced in human resources, management skills, succession planning, driving change and long term growth and guiding the Company towards its vision, mission and values.
2	<b>Finance</b> (Shri. Yogendra D. Patel, Shri. Hemant N. Bataviya, Smt. Anjni Y. Patel, Shri. Kantilal N. Jethwa, Shri. Suresh Bhadrecha, Shri. Kalpesh Chandrakant Shah and Shri. Chunilal B. Gherwada)	An understanding of Finance and Financial Reporting Processes, Understanding and overseeing various risks faced by the Company and ensuring that appropriate policies and procedures are in place to effectively manage risks.
3	<b>Governance and Regulatory oversight</b> (Shri. Yogendra D. Patel, Shri. Kantilal N. Jethwa, Shri. Vijal Y. Patel, Ms. Chandni Y. Patel)	Devise systems for compliance with a variety of regulatory requirements, reviewing compliance and governance practices for a long term sustainable growth of the Company and protecting stakeholders' interest.
4	<b>Sales and Marketing</b> (Shri. Yogendra D. Patel, Smt. Anjni Y. Patel, Ms. Chandni Y. Patel, Shri. Vijal Y. Patel and Shri. Kantilal N. Jethwa.	Ability to develop strategies to increase market share through innovation, build better brand experience for customers, improve prospective customer engagement levels and help establish active customers become loyal brand followers.

## 2.10 Board confirmation regarding Independence of the Independent Directors:

All the Independent Directors of the Company have given their respective declaration/ disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under Section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In the opinion of the Board based on the disclosures received from all the Independent Directors, the Independent Directors meet the criteria of 'Independence' specified in the Regulation 16(1) of the Listing Regulations and Section 149(6) of the Act and the Rules made thereunder and are independent of the Management as required under Regulation 25 of the Listing Regulations.

## 2.11 Resignation of an Independent Director:

During the year under review, Shri. Vijay M Mistry has tendered resignation from the post of Independent Director on 31<sup>st</sup> March, 2022 due to personal reasons and professional commitments and Board accepted the same.

## 3. AUDIT COMMITTEE:

### 3.1 Composition, Meeting and Attendance:

The Company has a qualified and Independent Audit Committee comprising of Two Non-Executive Independent Directors and One Executive Director. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations.

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 it is adopted by the Board, review of internal audit report, internal control system, audit methodology and process, major accounting policies and practices, compliance with accounting standards. Committee also reviews the legal compliance reporting system. The Company Secretary acts as the Secretary to the Committee.

The particulars of the Members of Audit Committee and their attendance at the Meetings are as under:

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year	
			Held	Attended
Shri. Suresh M. Bhadrecha	Chairman	Non – Executive, Independent Director	5	5
Shri. Kantilal N. Jethwa	Member	Executive Director	5	5
Shri. Chunilal B. Gherwada	Member	Non – Executive, Independent Director	5	5

The Audit Committee meetings were held on 17<sup>th</sup> May, 2021, 30<sup>th</sup> June, 2021, 14<sup>th</sup> August 2021, 13<sup>th</sup> November 2021, and 14<sup>th</sup> February, 2022 and their attendance is mentioned in the above table.

### 3.2 Terms of reference:

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations specified under Regulation 18 read with Part C of Schedule II as well as in Section 177(4) of the Companies Act, 2013 and are as follows:

- Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, re-appointment and, if required, the replacement of statutory auditor and the fixation of audit fee;
- Approval of payment to statutory auditors for any other services rendered by statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for their 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; and
  - g. Qualifications, if any, in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for their 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 utilised 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;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- Reviewing with the management, performance of statutory and internal auditors and adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with internal auditors on any significant findings and following 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;
- Discussing 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;
- Investigating the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;

- Approval of appointment of Chief Financial Officer 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.
- 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 whenever it is necessary; and
- Evaluation of Internal Financial Controls and risk management systems.

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

- Laying down risk assessment and minimization procedures and the procedures to inform the Board of the same;
- Framing, implementing, reviewing and monitoring the risk management plan for the Company; and
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Audit Committee.

#### **3.4 Powers:**

As enumerated in Regulation 18 of the SEBI Listing Regulations, the Audit Committee, inter-alia, has the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **3.5 Mandatory review of information**

In accordance with Para B of Part C of Schedule II to the Listing Regulations, the Audit Committee shall mandatorily review the following information:-

- Management Discussion and Analysis of financial conditions and results of operations;
- Statement of significant related party transactions, submitted by the management;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
- Statement of Deviations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange in terms of Regulation 32(7) of the Listing regulations.
  - b. Annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations.

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

The Board constituted the Nomination and Remuneration Committee ("NRC") for reviewing and recommending the remuneration payable to the Directors and Senior Executives of the Company and assisting the Board with respect to the process of appointment or re-election of Chairman of the Board of Directors and other Executive and Non-Executive Directors.

#### **4.1 Composition, Meetings and Attendance:**

Nomination & Remuneration Committee comprises of three Non-Executive Directors, all of whom are Independent Directors. The broad terms of reference of the Nomination & Remuneration Committee are in consonance with the provisions of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

**The particulars of Members of Nomination & Remuneration Committee and their attendance at the Meetings are as under:**

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year
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			Held	Attended
Shri. Chunilal B. Gherwada	Chairman	Non - Executive, Independent Director	4	4
Shri. Suresh M. Bhadrecha	Member	Non - Executive, Independent Director	4	4
Shri. Vijay M. Mistry	Member	Non - Executive, Independent Director	4	1

The Nomination and Remuneration Committee Meeting was held on 30<sup>th</sup> June, 2021, 14<sup>th</sup> August, 2021, 14<sup>th</sup> February, 2022 and 31<sup>st</sup> March, 2022.

#### 4.2 Terms of reference:-

The terms of reference of the Committee are in line with the requirements of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II to the Listing Regulations which are as under:-

- To assist the Board of Directors with the process of appointment or re-election of Chairman of the Board of Directors and other Non-Executive and Executive Directors. In this regard, the NRC shall adhere to the following:
  - a. For the appointment/re-election of the Chairman of the Board and with a view of reaching unequivocal consensus of the Members of the Board on the candidate, the Chairman of the NRC shall conduct a consultation with the Members of the Board and report the conclusion to the Board, after having discussed the same with the Members of the NRC;
  - b. To submit to the Board the names of candidates for new Members of the Board and to make relevant proposals to the Board in the event of renewal, resignation or possible retirement of any existing Member of the Board. With regard to proposals for appointment of Members of the Board, the NRC shall discuss with the Board, the Board's equilibrium criteria and profile of the candidate.
- To draft procedures and propose modifications thereof for the appointment of Members of the Board and Managing Director;
- To assist the Board of Directors in formulating and implementing the Remuneration policy of the Company vis-à-vis the Executive Directors of the Company;
- To recommend to the Board of Directors, the terms of compensation of the Executive Directors;
- To recommend compensation to the Non-Executive Directors in accordance with the provisions of the Companies Act, 2013;
- To approve any changes in the system of remuneration of the Company's senior executives;
- To prepare remuneration report to be included in the report on corporate governance forming part of the annual report of the Company;
- To consider and administer the ESOP Scheme and to formulate the detailed terms and conditions of the ESOP scheme including the following matters:
  - a. The quantum of options to be granted under an employee stock option scheme per employee and in aggregate;
  - b. The conditions under which options vested in employees may lapse in case of termination of the employment for misconduct;
  - c. The exercise period within which the employee should exercise that option and that option would lapse on failure to exercise the option within the exercise period;
  - d. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of the employee;
  - e. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
  - f. The procedure for making fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issue, bonus issues, merger, sale of division and others. In this regard the following shall be taken into consideration by the NRC:-
    - (i) the number and the price of stock options shall be adjusted in a manner such that the total value of the stock options remains the same after the corporate action;
    - (ii) for this purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;
    - (iii) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders.

- g. The grant, vest and exercise of option in case of employees who are on long leave and
- h. The procedure for cashless exercise of option.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, to recommend to the Board their appointment and removal and shall carry out the performance evaluation of each of the Directors of the Company including Independent Directors.
- To 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 and other employees.
- The NRC while formulating the above policy shall ensure that:
  - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, key managerial personnel, and senior management involves balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- To devise a policy on diversity of Board of Directors.
- 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.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

#### 4.3 Performance evaluation criteria for Independent Directors:-

Independent Directors are evaluated on parameters such as qualifications, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment, independence, independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of conduct of the Company as well as the Code for Independent Directors, as applicable, understanding the environment in which the company operates and contribution to strategic decision, contribution for resolving the issues at the meeting and raising valid concerns at the Board, interpersonal relations with other Directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity.

### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee ("SRC") has been constituted for the redressal of the grievances of security holders of the Company.

#### 5.1 Composition, Meetings and Attendance:

Stakeholders Relationship Committee comprises of Two Non-Executive Independent Directors and One Executive Director. The broad terms of reference of the Stakeholders Relationship Committee are in consonance with the provisions of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations.

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year	
			Held	Attended
Shri. Suresh M. Bhadrecha	Chairman	Non - Executive, Independent Director	4	4
Shri. Kantilal N. Jethwa	Member	Executive Director	4	4
Shri. Chunilal B. Gherwada	Member	Non - Executive, Independent Director	4	4

The Stakeholders Relationship Committee meetings were held on 30<sup>th</sup> June, 2021, 14<sup>th</sup> August, 2021, 13<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022.

#### 5.2 Terms of reference:

The terms of reference of the Stakeholders Relationship Committee include the following:

- Redressal of Shareholders'/Investors' complaints;
- Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate and new share certificates on split/consolidation/renewal;
- Non-receipt of declared dividends, annual report of the Company;

- Carrying out any other function contained in the Listing Regulations; and
- To consider and resolve the grievance of the stakeholders of the Company.

The Company has appointed Link Intime India Private Limited as Registrars and Share Transfer Agents of the Company for carrying out all the work relating to shares of the Company.

#### **DETAILS OF SHAREHOLDERS COMPLAINTS RECEIVED, NOT SOLVED AND PENDING TRANSFERS:**

The total number of complaints received during the year from 01.04.2021 to 31.03.2022: Nil

The total number of complaints not resolved during the year from 01.04.2021 to 31.03.2022: Nil

#### **6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

The Company is having in place a “Corporate Social Responsibility” (CSR) Committee as required under Section 135 of the Companies Act, 2013.

##### **6.1 Composition, Meetings and Attendance:**

Corporate Social Responsibility (CSR) Committee comprises of One Non-Executive Independent Director and Two Executive Directors. The broad terms of reference of the Corporate Social Responsibility (CSR) are in consonance with the provisions of Section 135 of the Companies Act, 2013.

Name of Director	Designation	Category of Directorship	No. of Meetings during the Year	
			Held	Attended
Shri. Suresh M. Bhadrecha	Chairman	Non – Executive, Independent Director	1	1
Shri. Kantilal N. Jethwa	Member	Executive Director	1	1
Shri. Vijal Y. Patel	Member	Executive Director	1	1

The Meeting of the CSR Committee was held on 30<sup>th</sup> June, 2021.

##### **6.2 Terms of reference:**

The terms of reference of the CSR Committee include the following:

- To formulate and recommend to the Board a Corporate Social Responsibility 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 in connection with Corporate Social Responsibility to be undertaken by the Company in accordance with Section 135 of the Companies Act, 2013; and
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.

#### **7. RISK MANAGEMENT COMMITTEE:**

The Board in its meeting dated 30<sup>th</sup> May, 2016 has dissolved the Risk Management committee in view of its applicability only to top 1000 listed entities as per Regulation 21 of the SEBI (Listing Regulations and Disclosure Requirements) Regulation, 2015.

#### **8. GENERAL BODY MEETINGS:**

##### **8.1 Location, date, time of the Annual General Meeting (AGM) held and the special resolutions passed thereat for the last 3 years are as under:**

Sr. No.	Financial	Annual General Meeting	Date	Time	Location	Particulars of Special Resolution	Passed
	Year						
1	2018-2019	34 <sup>th</sup>	26.09.2019	3.30 PM	Shri Vile Parle Patidar Mandal, Sardar Patel Baug, Parleshwar Road, Vile Parle (East),	There were no Special Resolutions.	--



					<b>Mumbai - 400 057.</b>		
2	2019-2020	35 <sup>th</sup>	29.09.2020	2.30 PM	<b>Through Video Conferencing ("VC")</b>	There were no Special Resolutions.	--
3	2020-2021	36 <sup>th</sup>	29.09.2021	3.30 PM	<b>Through Video Conferencing ("VC")</b>	<p><b>ITEM NO. 4:</b> Re-appointment of Shri. Yogendra Dahyabhai Patel (DIN: 00106864) as a Managing Director.</p> <p><b>ITEM NO. 5:</b> Re-appointment of Smt. Anjni Y. Patel (DIN: 00106976) as a Whole-time Director.</p> <p><b>ITEM NO. 6:</b> Re-appointment of Ms. Chandni Y. Patel (DIN: 02032483) as a Whole-time Director.</p> <p><b>ITEM NO.7:</b> Re-appointment of Shri. Vijal Y. Patel (DIN: 06882828) as a Whole-time Director.</p>	All the resolutions were passed

## 8.2 Postal Ballot:

No postal ballot was conducted during the year under review. At present, there is no proposal for passing any Special Resolution through Postal Ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through postal ballot.

## 9. OTHER DISCLOSURES:

### 9.1 Disclosure of Related Party Transactions:

Transactions with the related parties as per the requirements of Indian Accounting Standard are disclosed in Note No. 32 to the Financial Statements. There are no materially significant transactions with related parties viz., Promoters, Directors or the Key Managerial Personnel or their relatives or Associate Company that had potential conflict with the interests of the Company. Suitable disclosure as required under the Indian Accounting Standard has been made in the Annual Report.

The Audit Committee had granted its approval for all transactions with related parties which were in the ordinary course of business and on an arm's length pricing basis. The Audit Committee also granted omnibus approval for certain repetitive transactions with the related parties. The same were reviewed on a quarterly basis by the Audit Committee. Transactions with the related parties as per the requirements of Indian Accounting Standard (Ind AS) 24 are disclosed in Note No. 32 to the Financial Statements.

### 9.2 Strictures and Penalties:

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years except the following:

1. Bombay Stock Exchange Limited ("BSE Limited") had levied a fine of Rs. 23,600/- against the company (inclusive of GST) against non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the quarter ended 31<sup>st</sup> March, 2021 (4 days i.e. upto 4<sup>th</sup> July, 2021) against which the company had submitted its response dated 30<sup>th</sup> July, 2021 and requested to waive off the fine due to human inadvertence. The company had failed to attach the Statement of Impact of Audit Qualification of Consolidated Annual Financial Statements in the Financials results uploaded on the BSE website for the quarter ended 31<sup>st</sup> March, 2021 uploaded on 30<sup>th</sup> June, 2021 and subsequently filed the revised financials results on 4<sup>th</sup> July, 2021. BSE Limited vide email dated 17<sup>th</sup> January, 2022 had taken up the representation of the Company before the "Internal Committee for Fine Waiver" and waived off the fine. Since the Company had already made the payment, the same was adjusted against the Annual Listing fees paid for the financial year 2022-23.
2. BSE Limited had levied a fine of Rs. 11,800/- on the company (inclusive of GST) against non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 for the quarter ended 31<sup>st</sup> March, 2021. The Company had paid the fine as levied by BSE Limited and has placed the same before the Board of Directors at their next meeting.

### 9.3 Subsidiary Company:

During the year ended 31<sup>st</sup> March, 2022, the Company did not have any material listed/unlisted Subsidiary Company as defined in Regulation 16 of the Listing Regulations. The Company's policy for determining material subsidiaries is placed on the Company's website i.e. [www.bharatrealty.co.in](http://www.bharatrealty.co.in).

#### **9.4 Disclosure of Accounting Treatment:**

The Company has followed all relevant Indian Accounting Standards notified by The Companies (Indian Accounting Standards) Rules, 2015 while preparing financial statements.

#### **9.5 Commodity price risks and hedging activities:**

The Company is not exposed to any commodity price risk.

#### **9.6 Details of Non-compliance:**

There were no instances of non-compliance by the Company or any penalties, have been imposed by the Stock Exchange or Securities and Exchange Board of India ("SEBI") or any other statutory authority during the last three years on any matter related to the capital markets. The other details given in point 9.2 above

#### **9.7 Code of Prevention of Insider Trading Practices:**

In compliance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 14<sup>th</sup> May, 2015 the Company had formulated and adopted the (i) "Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" and (ii) "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information"

Pursuant to Regulation 8(2) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended by Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted with effect from 1<sup>st</sup> April, 2019, the revised Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "Revised Code"). The revised Code has been placed on the Company's website at [www.bharatrealty.co.in](http://www.bharatrealty.co.in). The Company Secretary is responsible for implementation of the Code.

#### **9.8 Vigil Mechanism/ Whistle Blower Policy:**

In terms of the provisions of Section 177(9) of the Act read with Regulation 22 of the Listing Regulations, the Company has established a vigil mechanism policy for its Directors and Employees and any other person to report genuine concerns. The Policy has been disclosed on the website of the company at [www.bharatrealty.co.in](http://www.bharatrealty.co.in). During the year under review, no employee was denied access to the Audit Committee.

With rapid expansion in compliances under various acts, laws, rules and regulations and liability of high penalty in default, the audit committee is committed to ensure fraud free work environment, the committee has laid down a whistle blower policy for its directors, employees and customers to report the fraud, abuse of authority, breach of company's code of conduct, employee misconduct, illegality and other reportable matters through any of the following manners:

**E-mail** : bfilshivsai@gmail.com

**Phone No.** : (022)61980100

**Written Communication:** Chairman of Audit Committee, 301, 3<sup>rd</sup> Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai -400 069.

#### **9.9 CEO/CFO Certification:**

The Managing Director & the CFO of the Company has given the certification on financial reporting and internal controls to the Board in terms of the Regulation 17 (8) of the SEBI Listing Regulations.

#### **9.10 Details of utilization of funds raised through preferential allotment or qualified institutions placement:**

During the year under review, the Company has not raised any funds through preferential allotment or qualified institutions placement, therefore, there are no disclosures to be made under regulation 32(7A) of Listing Regulations.

#### **9.11 Certificate from Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors:**

A certificate from Company Secretary in Practice certifying that none of the Directors on the Board of the Company as on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority, is annexed at the end of this Report.

#### **9.12 Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:**

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

### 9.13 Total fees for all services paid to the Statutory Auditors by the Company:

Total fees paid by the Company excluding GST thereon, to the Statutory Auditors viz. M/s. Verma Mehta & Associates, Chartered Accountants, (Firm Registration No. 112118W) and all entities in the network firm/network entity of which the Statutory Auditors is a part, are as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	Amount
1	Audit Fees	7.70
2	Limited Review	-
3	Other Services	-
4	Re-imbursement of Expenses	-
	<b>Total</b>	<b>7.70</b>

### 9.14 Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year 2021-22:

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint was received by the Internal Complaints Committee during the year under review and pending as at 31<sup>st</sup> March, 2022, pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part 'C' of Schedule V of the Listing Regulations, disclosed the extent to which the discretionary requirements as specified in Part E of Schedule II of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of the Listing Regulations in the respective places in this Report.

### 9.15 Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with the mandatory requirements of corporate governance report specified under Regulation 34(3) read with Para C of Schedule V to the Listing Regulations as disclosed above.

In addition, the Company has also adopted the following non-mandatory/discretionary requirement as per Regulation 27 read with Part E of Schedule II to the Listing Regulations to the extent mentioned below:-

#### i. The Board

The Company has not maintained a Separate Chairman's office as Chairman of the Board is also the Managing Director of the Company.

#### ii. Shareholder Rights

The quarterly financial results of the Company are published in leading newspapers as mentioned under the heading 'Means of Communication' and also uploaded on the website of the Company <http://bharatrealty.co.in/>. Since the financial results are published in the newspapers having wide circulation, only the annual accounts are sent to each member.

#### iii. Modified opinion(s) in audit report

The Auditors have issued modified opinion(s) in audit report on the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022.

#### iv. Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee.

### 9.16 Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

During the year under review, there were no such recommendations made by any Committee of the Board that were

mandatorily required and not accepted by the Board.

#### 10. 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 prominent: Free Press Journal & Navshakti
- Any website where displayed: [www.bharatrealty.co.in](http://www.bharatrealty.co.in)
- Whether it also displays official news releases: No official release was made
- The presentations made to institutional investors or to the analysts: No presentations were made during the year.

#### 11. GENERAL SHAREHOLDER INFORMATION:

- 11.1 37<sup>th</sup> Annual General Meeting :**
- Day & Date :** Friday, 30<sup>th</sup> September, 2022
- Time :** 02:30 P.M.
- Venue :** The Company is conducting meeting through Physical Mode at the venue specified in the Notice of AGM.  
For further details, please refer to the Notice of AGM.

#### 11.2: Tentative Financial Calendar for 2022-2023

Financial Reporting for the quarter ending June, 2022	2 <sup>nd</sup> week of August, 2022
Financial Reporting for the quarter/half year ending September, 2022	2 <sup>nd</sup> Week of November, 2022
Financial Reporting for the quarter ending December, 2022	2 <sup>nd</sup> Week of February, 2023
Financial Reporting for the year ending March, 2023	Last week of May, 2023

- Book Closure :** Saturday, 24<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (both Days inclusive)
- Listing on Stock Exchange :** BSE Limited, **Security Code No. 531862**

#### 11.3: Stock Price Market Data:-

High/Low prices of Shares of the Company during each month in the last financial year on Bombay Stock Exchange Ltd.

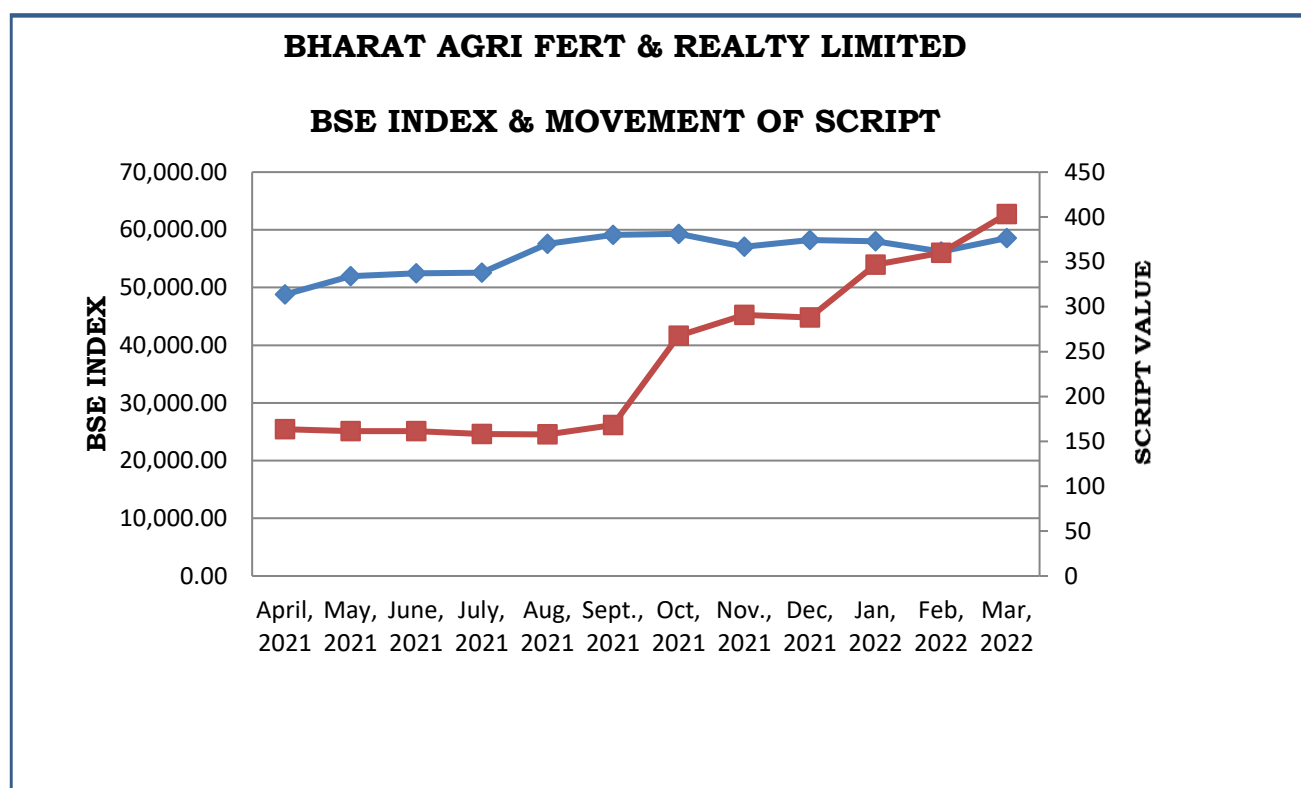
Month	Company's Shares			Closing	
	High (Rs.)	Low (Rs.)	No. of Shares Traded	Closing(Rs.)	BSE Sensex
April - 2021	178.00	156.15	54,970	163.65	48,782.36
May - 2021	169.50	155.00	72,214	161.25	51,937.44
June - 2021	175.45	158.75	32,413	161.25	52,482.71
July - 2021	177.00	156.00	38,398	158.15	52,586.84
August - 2021	175.00	152.15	28,823	157.75	57,552.39
September - 2021	189.00	158.00	69,535	168.00	59,126.36
October - 2021	295.00	163.00	2,92,625	267.75	59,306.93
November - 2021	305.00	249.00	73,528	291.00	57,064.87
December - 2021	306.00	281.00	78,537	288.00	58,253.82
January - 2022	349.00	281.55	1,46,736	346.90	58,014.17
February - 2022	375.00	325.00	89,212	360.00	56,247.28
March - 2022	411.10	346.00	53,829	403.25	58,568.51

**Sources: BSE- Sensex**

**Stock Performance in comparison to broad based indices such as BSE Sensex, etc.:**

The performance of Bharat Agri Fert & Realty Limited ("BAFRL") Equity Shares relative to the BSE Sensex is given in the chart below:-

Stock Performance of BAFRL vs. BSE Index



**11.4 Registrar and Share Transfer Agents:**

M/s. Link Intime India Private Limited

C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400 083.

Tel No. (91 22) 4918 6000/49186200

Fax No. (91 22) 4918 6060

E-mail: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

**11.5 Distribution of Share Holding as on 31<sup>st</sup> March 2022:**

No. of Equity Shares			No. of	No. of	% of
held			Shareholder	Share held	Share
1	-	500	3979	411927	93.6456
501	-	1000	125	98337	2.9419
1,001	-	2,000	61	88597	1.4356
2,001	-	3,000	14	33927	0.3295
3,001	-	4,000	8	29532	0.1883
4,001	-	5,000	10	46060	0.2353
5,001	-	10,000	25	186916	0.5884
10,001	-	ABOVE	27	4390215	0.6354
<b>TOTAL</b>			<b>4249</b>	<b>5285511</b>	<b>100</b>

**Note:** Out of total Capital of 55,85,511 equity shares, 48,02,641 (90.87%) equity shares are held in dematerialised form.

#### 11.6 Categories of Shareholders as on 31<sup>st</sup> March 2022:

Category	No. of shares held	% of shareholding
Promoters	3589139	67.91
Investor Education And Protection Fund	22387	0.42
Financial Institutions, Mutual Funds and Banks.	100	0.00
Other Corporate Bodies	50	0.00
Non Residents, OCBs	213817	4.05
Indian Public	1459667	27.62
Clearing Member/Market Maker	351	0.00
<b>TOTAL</b>	<b>5285511</b>	<b>100.00</b>
Demat: 1 . N.S.D.L.	3980998	75.32
2 . C.D.S.L.	821643	15.55

#### 11.7 Top ten shareholders as on 31<sup>st</sup> March, 2022:

Name of Shareholder	No. of Shares held	% of Shareholding
Yogendra D. Patel	820650	15.53
Anjni. Y. Patel	788872	14.93
Yogi Investments Private Limited	780586	14.77
Wada Alums and Acids Private Limited	767845	14.53
Vijal Shipping Private Limited	332800	6.30
Kedar Dilip Kothari	139674	2.64
Kashmira Kedar Kothari	100000	1.89
Kantilal M Patel	99880	1.89
Kamal Vithalbhai Patel	72550	1.37
Meena Vithalbhai Patel	71950	1.36
<b>Total</b>	<b>3974807</b>	<b>75.21</b>

#### 11.8. Shares Transfer System (Physical Form):

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI had fixed 31<sup>st</sup> March, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. The requests for effecting transfer/transmission/transposition of securities shall not be processed unless the securities are held in the dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Transfer Agent, Link Intime India Private Limited, the Share Transfer Agent (STA) of the Company at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) for assistance in this regard.

The Company obtains from the Practising Company Secretaries yearly certificate of compliance with regard to the share transfer formalities as required under 40(9) of the Listing Regulations and the same has been filed with the Stock Exchanges for the applicable period.

#### 11.9. Reconciliation of Share Capital Audit:

Reconciliation of Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital was carried out on a quarterly basis in accordance with the Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018. M/s. GMJ & Associates, Company Secretaries have been appointed by the Company to conduct such audit. The Reconciliation of Share Capital Audit Report(s) issued by M/s. GMJ & Associates, which have been submitted to the Stock Exchanges within the stipulated period, inter-alia confirms that the equity shares of the Company held in dematerialised form and in physical form tally with the issued and paid-up equity share capital of the Company.

### 11.10 Dematerialisation of Shares:

As on 31<sup>st</sup> March, 2022, 48,02,641 Equity Shares representing 90.86% of the paid-up Equity Share Capital have been dematerialised. The Company's equity shares are regularly traded on BSE, in dematerialised form.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's equity shares is INE842D01011.

### 11.11 Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity:

No GDRS/ ADRS/ Warrants or any convertible instruments have been issued by the Company during the financial year ended 31<sup>st</sup> March, 2022.

### 11.12 Dealing with securities which have remained unclaimed:

In terms of Regulation 39(4) read with schedule VI of the Listing Regulations, the Company has delegated procedural requirements to Link Intime India Private Limited, the Share Transfer Agent (STA) of the Company. The STA has confirmed that they do not have any unclaimed shares lying with them as on 31<sup>st</sup> March, 2022.

### 11.13 Unpaid and Unclaimed Dividends:

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend amounts lying with the Company on the Company's website [www.bharatrealty.co.in](http://www.bharatrealty.co.in)

Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, including the statutory modification(s) or re-enactment(s) thereof, for the time being in force ("IEPF Rules, 2016"), the Company is required to transfer not only all unclaimed / unpaid dividend but also the equity shares in respect of which dividends are not claimed for the continuous period of seven years from the date they first became due for payment, by any shareholder, to the Depository Account of the IEPF.

Given below are the last dates by which the Members can claim the unpaid / unclaimed dividend before transfer to the IEPF by the Company.

Financial Year Ended	Date of Declaration of Dividend	Last date to claim unclaimed dividend *
31-03-2015	25-09-2015	24-10-2022

\*Indicative dates, actual dates may vary.

The Company had sent notices to all such members to claim the unclaimed amount(s) on or before 10<sup>th</sup> October, 2021.

Notice to claim the unclaimed amount(s) was sent through e-mail on the addresses which are registered with the Company/Depository Participants for communication purposes.

Further, notice to claim the unclaimed amount(s) was sent through speed post and was published via newspaper advertisement on 9<sup>th</sup> July, 2021.

The shares and unclaimed dividend transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/ Claimant is required to make an online application to the IEPF Authority in Form No. IEPF -5 (available on [iepf.gov.in](http://iepf.gov.in)) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

Following are the details of unpaid dividend which will be due for transfer to IEPF:

Financial Year Ended	Date of Declaration of Dividend	Last date to claim unclaimed dividend *
31-03-2015	25-09-2015	24-10-2022

While the Registrar of the Company has already written to the shareholders informing them about the due dates of transfer to IEPF for these payments, attention of the shareholders is again drawn to this matter through the Annual Report.

### 11.14 Address of correspondence:

Shareholder correspondence should be addressed to the Company's Registrars, M/s. Link Intime India Private Limited at C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Tel. No. (91 22) 4918 6000/49186200 Fax No. (91 22) 49186060. Email: [investor@linkintime.co.in](mailto:investor@linkintime.co.in).

Shareholders may also write to or contact the Company Secretary at the Registered Office at the following address for any assistance.

**301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N.S. Phadke Marg, Andheri (East),  
Mumbai – 400 069.**

**Email ID: bfilshivsai@gmail.com**

#### **11.15 Name and Designation of Compliance Officer:**

**Shri. Arvind. J. Chakote**

Company Secretary & Compliance Officer,

Bharat Agri Fert & Realty Limited,

301, 3<sup>rd</sup> Floor, Hubtown Solaris,

N.S. Phadke Marg, Andheri (East),

Mumbai – 400 069.

Tel No: 022-61980100

Email ID: bfilshivsai@gmail.com

#### **11.16 PLANT LOCATION:**

Kharivali Village, Taluka : Wada, Dist : Palghar

#### **11.17 Certificate on Corporate Governance:**

The Company has obtained a certificate from Practicing Company Secretaries on compliance with the provisions relating to the Corporate Governance laid down in SEBI Listing Regulations. This Certificate is annexed to the report.

#### **11.18 Update Address/E-Mail Address/Bank Details:**

To receive all communications/corporate actions promptly, members holding shares in dematerialised form are requested to please update their address/e-mail address /bank details with respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

#### **12. List of Credit Ratings obtained by the Company:**

During the financial year under review ICRA Limited has downgraded its ratings on the long term rating to "ICRA BB-" and short-term rating to "ICRA A4" ratings assigned for Rs. 20.00 Crore Line of Credit of the Company and the outlook on the long-term rating has been rated as "Stable".

#### **13. DECLARATION**

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management of the Company. All the Board Members and the Senior Management Personnel affirmed their Compliance with the respective Codes.

**Place: Mumbai**

**Date: 30<sup>th</sup> May, 2022**

**For and on Behalf of Board  
For Bharat Agri Fert & Realty Limited**

Sd/-

**Yogendra D. Patel  
Chairman & Managing Director  
(DIN: 00106864)**

**CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR/EXECUTIVE DIRECTOR – FINANCE & CFO  
(Issued in accordance with the provisions of Regulation 17(8) read with Part B of Schedule II to the Securities and  
Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Board of Directors,  
**Bharat Agri Fert & Realty Limited**



We have reviewed the financial statements and the cash flow statement of Bharat Agri Fert & Realty Limited for the year ended 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief, we state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.  
(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2022 which are fraudulent, illegal or in violation of 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 internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
  - (i) Significant changes, if any, in the internal control over financial reporting during the year.
  - (ii) Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) 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.

Yours sincerely,

Sd/-  
Yogendra D. Patel  
Chairman & Managing Director  
(DIN: 00106864)

Sd/-  
K. N. Jethwa  
Executive Director & CFO  
(DIN: 00107034)

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**DECLARATION AS REQUIRED UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct and Code of Conduct for Independent Directors, as applicable for Board Members/ Senior Management Personnel as adopted by the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

Sd/-  
Yogendra D. Patel  
Chairman & Managing Director  
(DIN: 00106864)

**CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**TO THE MEMBERS OF BHARAT AGRI FERT & REALTY LIMITED**

We have examined the compliance of the conditions of Corporate Governance procedures implemented by **Bharat Agri Fert & Realty Limited** (the "Company") having CIN: L24100MH1985PLC036547 for the financial year ended on 31<sup>st</sup> March, 2022 as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") pursuant to the Listing Agreement of the Company with the Stock Exchange and we have examined the relevant records of

the Company in accordance with the Guidance Note on Corporate Governance Certificate issued by The Institute of Company Secretaries of India (the "ICSI").

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 **GMJ & ASSOCIATES**  
*Company Secretaries*

**[CS PRABHAT MAHESHWARI]**  
**PARTNER**  
**M. No. : FCS 2405**  
**COP No.: 1432**  
**UDIN : F002405D000436916**

**PLACE: MUMBAI**  
**DATE : 30<sup>TH</sup> MAY, 2022**

#### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members,  
**Bharat Agri Fert & Realty Limited**  
301, 3<sup>rd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg,  
Near Gokhale Bridge,  
Andheri (East),  
Mumbai- 400 069.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Bharat Agri Fert & Realty Limited** having CIN: L24100MH1985PLC036547 and having registered office at 301, 3<sup>rd</sup> Floor, Hubtown Solaris,

N. S. Phadke Marg, Near Gokhale Bridge, Andheri (East), Mumbai - 400 069 (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 Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and 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 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1.	Yogendra Dahyabhai Patel	00106864	11/06/2019
2.	Anjni Yogendra Patel	00106976	11/06/2019
3.	Chandni Yogendra Patel	02032483	11/06/2019
4.	Vijal Yogendra Patel	06882828	28/05/2019
5.	Kantilal Naryandas Jethwa	00107034	30/05/2019
6.	Suresh Maganlal Bhadrecha	00107186	31/03/2019
7.	Yogesh Shamjibhai Rathod	06882709	28/05/2019
8.	Chunilal Bhanji Gherwada	08125212	30/05/2018
9.	Vijaykumar Ishwarbhai Patel*	02031833	29/09/2020
10.	Vijay Manilal Mistry*	08608372	27/12/2019
11.	Hemant Nandkishor Bataviya	09535784	31/03/2022
12.	Kalpesh Chandrakant Shah	09501247	31/03/2022

\* Vijaykumar Ishwarbhai Patel has passed away on 14<sup>th</sup> January, 2022.

\* Vijay Manilal Mistry has resigned from the post of Directorship with effect from 31<sup>st</sup> March, 2022.

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

**[CS PRABHAT MAHESHWARI]**  
PARTNER  
M. No. : FCS 2405  
COP No. : 1432  
UDIN : F002405D000436894

PLACE: MUMBAI  
DATE : 30<sup>TH</sup> MAY, 2022

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF Bharat Agri Fert and Realty Limited**

Report on the Audit of the Standalone Financial Statements

#### **Qualified Opinion**

We have audited the accompanying standalone financial statements of **Bharat Agri Fert and Realty Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

#### **Basis for Qualified Opinion**

##### **a) Loan given to an Associate Company - Mol Chem Ltd**

As per the agreement dated 28th May 2015, the Company had given loan to M/s Mol Chem Ltd aggregating to Rs.8.25 Crore. The loan was repayable over a period of five years. Delays/defaults were observed in payment of interest and in view of this the Company had amended the agreement. However, the same was not complied by M/s Mol Chem Ltd. In view of this, the said loan was recalled on 31/08/2019. The Loan amount is Rs.8.99 Crores as at 31<sup>st</sup> March 2022. The management of Company has informed that, all necessary steps have been taken by the Company. However, there is no recovery of the said loan even though a significant amount of time has lapsed. Company has not made any provision in respect of the said outstanding loan.

b) **Investment in an Associate Company - Mol Chem Ltd:**

Carrying value of the equity shares investment in an associate Company -Mol Chem Ltd is Rs.35.06 lacs as at 31<sup>st</sup> March 2022. The fair valuation report as required by Ind AS 109 is not on record. Even though a significant amount of time has lapsed, Mol Chem was unable to service the loan availed from the Company. In spite of this, the Company has not made any provision regarding the said equity investment in Mol Chem Ltd.

c) Carrying value of old overdue trade receivables is Rs.10.84 Crores as at 31<sup>st</sup> March 2022. The Company has not made any provision regarding the said old overdue trade receivables.

d) **Old overdue advances:**

The Company has given advances to certain parties aggregating to Rs.1.40 Crores. Certain material amount out of these advances are old and overdue. Company's management is of the opinion that, the intended material/services are received from certain parties for which expenses will be booked after receipt of bills. In respect of certain parties material/services will be received in future and accordingly no provision is necessary in this regard. It is also informed that, in case of few advances, some parties may refund the advances to the Company.

e) **Society Maintenance Charges (SMC):**

Outstanding Society maintenance charges receivable aggregating to Rs.0.26 Crores (app.) as at 31<sup>st</sup> March 2022 are very old and the Company has not made provision in this regard.

f) The amount of subsidy receivable from the financial year ended 31<sup>st</sup> March 2015 to 31<sup>st</sup> March 2018 is Rs.0.21 Crores as at 31<sup>st</sup> March 2022 and the Company has not made provision in this regard.

g) The carrying value of deposits which are not confirmed is Rs.24.27 lakhs as at 31<sup>st</sup> March 2022. The Company has not made provision in this regard.

h) The Matters as per the sr. a) to d) as stated above have been qualified in the preceding quarters and for the year ended 31<sup>st</sup> March, 2021.

i) In absence of adequate audit evidence, we are unable to comment on quantum of provision to be made in respect of sr. nos. (a) to (g) above.

j) **Discrepancy to be reported under Clause L(ix) under Additional Regulatory Information applicable to a Company required to prepare Financial Statements under Division II Ind AS Schedule III of the Company's Act.**

Discrepancies occurred in the value of the Current Assets as per books and as appearing in the stock statements submitted to the Bank as on 30.06.2021, 30.09.2021, 31.12.2021 & 31.03.2022 due to inclusion of stocks of all the divisions of the Company. Refer Note No 41 of Notes to Accounts.

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

### **Emphasis of Matter**

#### **a) Transfer Developments Rights & Real Estate Expenses:**

The Company has made payment for the purpose of purchase of Transfer Developments Rights (TDR) from M/s Hubtown Limited (erstwhile Akruti City Limited) on 19/09/2014 for a sum aggregating to Rs.9.66 Crores. The Company has informed that, TDR is transferred in its name and it has received short TDR for area 332.180 sq. mtrs. aggregating to Rs.1.36 Crores. The Company has not filed any claim for the said short receipt of TDR. The Company has purchased corporate office from M/s Hubtown Limited (erstwhile Akruti City Limited) and has contended ultimately to adjust the short receipt of TDR by way of maintenance of its corporate office at Andheri payable to M/s Hubtown Limited (erstwhile Akruti City Limited). The Company is intending to use the said TDR and other TDRs purchased in the proposed development of the real estate business. Carrying value of the said TDR aggregating to Rs.9.66 Crores and real estate construction expenses aggregating to Rs.26.86 Crores (including TDR purchased) as at 31<sup>st</sup> March 2022 depends on the Company’s ability to further fund the proposed development of realty business & other business segments.

#### **b) Confirmations of certain trade receivables, trade payables & other receivables:**

Balances of certain trade receivables, trade payables & other receivables

are subject to confirmations and reconciliations. Management has stated that, all known liabilities are duly provided by the Company.

**c) Sub-judice matters:**

The Company has informed that, certain matters are sub-judice as at 31<sup>st</sup> March 2022. The summary in brief is as under:

Sn.	Particulars	Amt. Rs. (in Crores)
1	Amount deposited in protest with Maharashtra State Electricity Distribution Company Limited (MSEDCL)-Refer to point i. below	0.53
2	Society Common Area Maintenance Charges Receivables-Refer to point ii & iii. below-(sub judice Other than the societies pertaining to the building "C to F")	0.63
3	Maintenance Charges payable*	0.33

\* The case is yet to be admitted. The Company has not provided any documentary evidence in this regard.

**i. In respect of the Amount deposited in protest with MSEDCL:**

Pursuant to the matter referred in the paragraph c) s.no. 1 above:

MSEDCL officials visited Bharat Agri Fert & Realty Ltd ("The Company") factory at Wada on 21/05/2016 for inspection and made observation that, MSEDCL connection was in the name of Wada Alums & Acids Pvt Ltd and manufacturing activity is going on in the name of the Company and put allegation of transfer or extending unauthorized supply of electricity from one unit to another unit.

Accordingly, MSEDCL issued notice and order for payment of Rs.106 lacs against which the Company had filed appeal with The Chief Electrical Inspector and deposited Rs.53 lakhs (50% of the liability) with Chief Electric Inspector (CEI) office.

Upon various hearing, the Company received refund order of the amount paid dated 23<sup>rd</sup> January 2018. However, MSEDCL filed appeal in Mumbai High Court which is in Pre-admission stage.

In respect of the above, the Company has further clarified that, The Company Wada Alums & Acids Pvt Ltd had merged with erstwhile

Bharat Fertilizer Industries Ltd, currently known as Bharat Agri Fert & Realty Ltd vide Mumbai High Court Merger Order on 15.06.2007. In view of this and other matters in this regard the management of the Company is hopeful about refund of the said amount deposited

**ii. In respect of the Society Common Area Maintenance Charges Receivables- A & B Buildings (SCAMCR) :**

Pursuant to the matter referred in the paragraph c) s.no. 2 above:

The Company had recognised income on account of SCAMCR aggregating to Rs.0.73 Crores as at 31<sup>st</sup> March 2014. The Company had further recognised income on account of SCAMCR aggregating to Rs.0.83 Crores (50% amount of the proposed settlement) for the period from 01<sup>st</sup> April 2014 till 31<sup>st</sup> December 2021 in the quarter ended 31/12/2021. Further, the Company has reversed SCAMCR aggregating to Rs.19.46 lakhs in March 2022 quarter pursuant to the Memorandum of Understanding (MOU) entered with the societies pertaining to A & B Building on 21<sup>st</sup> April 2022. The Company has realised approximately 50% amount in this regard till the date of this audit report. The Company has explained that the expenses with regard to MOU with the Housing Co-operative Societies are accounted for by it. However, the Company has not provided any details and underlying documents for the same. The Company has informed that, the court case was filed in the year 2016. As the grounds of case filed are same, the Company has considered entire revenue recognised for the period from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2022 aggregating to Rs.2.02 Crores as sub-judice.

The management has stated that the above stated matters are sub-judice and no impact of these is envisaged on the financial statements.

**iii. Society Common Area Maintenance Charges Receivables (SCAMCR)- C to F Buildings:**

The Company had recognised income on account of SCAMCR aggregating to Rs.0.42 Crores as at 31<sup>st</sup> March 2014. The Company had recognised income on account of The SCAMCR aggregating to Rs.2.14 Crores (50% amount of the proposed settlement) till 31<sup>st</sup> December 2021 in the quarter ended 31/12/2021. The Company had reversed SCAMCR aggregating to Rs.12.76 lakhs in the March 2022 quarter pursuant to the Memorandum of Understanding (MOU) signed on 21<sup>st</sup> April 2022.



However, it is important to note that, the society pertaining to the “C” building is not a party to the said MOU. Further, the Company has yet not realised any amount out of total revenue recognised Rs.58.98 lakhs from the society pertaining to the “C” building in this regard. The Company has realised approximately 50% amount from societies related to the “D” to “F” buildings till the date of this audit report. The Company has explained that the expenses with regard to MOU with the Housing Co-operative Societies are accounted for by it. However, the Company has not provided any details and underlying documents for the same. The Company has further informed that, no legal case is filed by the Company in this regard.

- d) The above stated illustrative matters coupled by COVID situation for last two and half years (approximately) has significantly affected the company’s cash flows and ability to raise further funds. This has an impact on Company’s business, which further depends upon outcome of the above matters and ability of the Company to raise the funds.

Our opinion on the Standalone Financial Statements is not modified in respect of the above stated matters.

### **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 standalone 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.

<b>Sn.</b>	<b>The Key Audit Matters</b>	<b>How our audit addressed the key audit matter</b>
1	Trade Receivables	<p>Our audit procedures included, among others, the following:</p> <ol style="list-style-type: none"> <li>1. Evaluation of sales procedure.</li> <li>2. Evaluated the design of the internal controls relating to sale booking.</li> <li>3. Evaluated sales invoices on test check basis.</li> </ol>

		4. Evaluated ageing analysis and ledger accounts of the trade receivables.
2.	Inventories	<p>Our audit procedures included, among others, the following:</p> <ol style="list-style-type: none"> <li>1. Evaluation of accounting of inventory related procedure.</li> <li>2. Correlation of inventory as per books and as per physical stock verification reports.</li> <li>3. Evaluated requirements of IND AS-2.</li> </ol>
3.	Loans & Advances	<p>Our audit procedures included, among others, the following:</p> <ol style="list-style-type: none"> <li>1. Evaluation of underlying contracts.</li> <li>2. Evaluation of management perspective of overdue interest amount.</li> </ol>

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

The Company's Board of Directors is responsible for 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 and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

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

In preparing the standalone financial statements, management 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 is also responsible for overseeing the Company's financial reporting process.

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

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

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

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

transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

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 *except for the effects of the matter described in the 'Basis of Qualified Opinion' paragraph above* which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) *Except for the effects of the matter described in the 'Basis of Qualified Opinion' paragraph above*, 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 Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) *Except for the effects of the matter described in the 'Basis of Qualified Opinion' paragraph above*, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- 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 expresses modified 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 information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- Refer note 31 to the financial statements

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. **Dividend:**
  - (a) The Company did not proposed dividend in the immediately preceding previous year and the financial year covered by the audit. As dividend is not declared, question of compliance or otherwise do not arise.

2. As required by the Companies (Auditor's Report) Order, 2020 (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 Verma Mehta & Associates**

Chartered Accountants

FRN : 112118W

**Sandeep Verma**

Partner

Membership No.:045711

UDIN : 22045711ARGQGU9925

Place : Mumbai

Date : 30<sup>th</sup> May 2022



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

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Bharat Agri Fert and Realty Limited of even date)**

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

We have audited the internal financial controls over financial reporting of **Bharat Agri Fert and Realty Limited** (the “Company”) as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Management 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company's 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 ICAI 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.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls 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.

### **Basis of Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified in the operating effectiveness of the Company's internal financial controls over financial statements as at March 31, 2022:

1. Loan given to an Associate Company - Mol Chem Ltd
2. Investment in an Associate Company - Mol Chem Ltd
3. Non provisioning of old overdue trade receivables
4. Old overdue advances

5. Society Maintenance Charges (SMC)
6. Subsidy receivable
7. Carrying value of deposits
8. Discrepancy to be reported under Clause L(ix) under Additional Regulatory Information

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial statements, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected on a timely basis.

### **Qualified Opinion**

In our opinion, to the best of our information and according to the explanations given to us, *except for the effects / possible effects of the material weaknesses described above under Basis for Qualified Opinion paragraph* on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively asat March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

### **For Verma Mehta & Associates**

Chartered Accountants  
FRN : 112118W

### **Sandeep Verma**

Partner  
Membership No.:045711  
UDIN : 22045711ARGQGU9925  
Place : Mumbai  
Date : 30<sup>th</sup> May 2022

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

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharat Agri Fert and Realty Limited of even date)**

In our opinion and according to the information and explanations given to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification
  - (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date other than as per the below details:

Sn.	Descreption of property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee)	Gross carrying value Rs.in Lakhs	Held in the name of	Whether promoter, director, or their relative, or employee	Period held indicate-range where appropriate	Reason for not held in the name of the Company
1	Office premises at Fort, Mumbai	139.07	Bharat Fertiliser Industries Ltd	No	1972	Company name changed to Bharat Agri Fert & Realty Ltd
2	Agriculture and NA land at Wada	76.58	Bharat Fertiliser Industries Ltd	No	1963	Title deeds of these land is in the name of Bharat Fertiliser Inds Ltd, subsequently company name changed to Bharat Agri Fert & Realty Ltd. However, 8A and 7/12 records are in the name of Bharat Agri Fert & Realty Ltd

- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect Company's inventories:

- (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) In respect of the working capital limits sanctioned in excess of Rs. 5 Crore on the basis of security of current assets. The Quarterly returns or statements of Current Assets filed by the Company with Banks or Financial Institutions are not in agreement with the books of accounts. The summary of reconciliation and reasons for material discrepancies as provided by the Company (Refre Note 41 to the Notes to Accounts) have been disclosed hereunder:

Rs in lacs				
Sn.	Particulars	Amount as per the books of accounts	Amount as per stock statement submitted to the bank	
		Total Amount	Total Amount	Difference
		A	B	A-B
1		Jun-21		
	Inventories	626	2675	-2049
	Trade Receivables	1340	1379	-40
	Subsidy Receivables	419	235	183
2		Sep-21		
	Inventories	526	2390	-1864
	Trade receivables	1334	1390	-56
	Subsidy Receivables	439	460	-21
3		Dec-21		
	Inventories	496	2430	-1934
	Trade receivables	1375	1448	-72
	Subsidy Receivables	505	526	-21
4		Mar-22		
	Inventories	516	2382	-1866
	Trade receivables	1306	1402	-96
	Subsidy Receivables	353	374	-21

### Reasons for discrepancies provided by the Company

Discrepancies in the value of Current Assets occurred due to the inclusion of stocks of all divisions of the Company in the Stock Statement submitted to Bank instead of only Fertiliser Division. As the Company had hypothecated all the stocks & receivables of the Company as a whole to the lender Bank and also since stock statements are to be submitted within ten day of the next month, current asset values are based on provisional accounts.

- iii. The Company has not made investments in companies, firms, Limited Liability Partnerships, during the year and has not granted unsecured loans to other parties, during the year, Hence, reporting under clause 3 (iii) (a) (A) (B) (c) to (f) of the Order is not applicable to the Company.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made as applicable. The Company has not given guarantee and security to the parties covered section 185 & 186 of the Act.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules prescribed by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that, prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues deducted / accrued in the books of account, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Period to which it pertains</b>	<b>Forum Where Dispute is Pending</b>	<b>Amount (Excluding Interest and Penalty) (Rs. In Lakhs)</b>
The Maharashtra Value added tax Act, 2002	Local Body Tax	2013-2014	Asst. Commissioner Thane Mun. Corp.	1.40
		2014-15	-----DO-----	15.61
		TOTAL		17.01
Income Tax Act, 1961	Income Tax	FY 2016-17	CIT (A)	10.47
Income Tax Act, 1961	Income Tax	FY 2017-18	CIT (A)	9.33

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a. The Company has not defaulted in the repayment of loans or borrowings to any lender. The Company has not raised any monies from government or financial institutions and does not have any outstanding debentures.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. The term loans taken during the year and the outstanding term loans at the beginning of the year were applied for the purpose for which loans were obtained.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate company. The Company do not have any subsidiary company.
- f. The Company has not raised any loans during the year on the pledge of securities held in its subsidiary Company.
- x. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.



- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi.
  - a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
  - c. No whistle-blower complaints have been received during the year by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Ind Accounting Standards.
- xiv.
  - (a) The Company has not provided the internal audit reports for the period of April 2021 to December 2021. In the absence of the same we are unable to comment whether internal audit system is adequate and commensurate with the size and the nature of its business. The internal audit report for the fourth quarter is not commensurate with the size and nature of the Company.
  - (b) In view of the aforesaid, the question of considering the internal audit report in determining the nature, timing and extent of our audit procedures do not arise.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
  - (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit. The Company has incurred cash losses during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities,

financial support of the promoters, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The provisions regarding the Corporate Social Responsibility (CSR) activities under sub-section (5) of Section 135 of the Act are not applicable to the Company, hence reporting under clause (xx) (a) & (b) of paragraph 3 of the Order is not applicable to the Company

**For Verma Mehta & Associates**

Chartered Accountants

FRN : 112118W

**Sandeep Verma**

Partner

Membership No.:045711

UDIN : 22045711ARGQGU9925

Place : Mumbai

Date : 30<sup>th</sup> May 2022

**BHARAT AGRI FERT & REALTY LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2022**

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(Amount in INR Lakhs)

Particulars	Notes	March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	2,642.70	1,933.77
(b) Capital Work-in-Progress	4	-	726.12
(b) Intangible Assets	5	1.12	0.59
(c) Financial Assets			
(i) Investments	6	39.77	36.77
(ii) Loans	6	899.28	899.28
(iii) Other Financial Assets	6	236.58	139.11
(d) Other Non-Current Assets	11	1,239.16	1,195.10
		<b>5,058.61</b>	<b>4,930.73</b>
<b>Current assets</b>			
(a) Inventories	7	3,217.57	2,966.91
(b) Financial Assets			
(i) Trade Receivables	8	991.19	1,031.08
(ii) Cash and Cash Equivalents	9	1.34	8.43
(iii) Bank Balances Other than (ii) above	10	102.39	187.14
(iv) Loans	6	8.23	16.90
(v) Other Financial Assets	6	168.62	7.78
(c) Other Current Assets	11	421.56	342.41
		<b>4,910.91</b>	<b>4,560.65</b>
<b>TOTAL</b>		<b>9,969.52</b>	<b>9,491.38</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	13	528.55	528.55
(b) Other Equity	14	5,571.74	5,504.49
		<b>6,100.29</b>	<b>6,033.04</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	261.11	217.50
(ii) Other Non Current Financial Liabilities		-	-
(b) Deferred Tax liabilities (Net)	12	67.42	62.12
(d) Other Non-Current Liabilities	16	43.85	44.39
		<b>372.38</b>	<b>324.01</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	2,033.63	1,606.21
(ii) Trade Payables	18		
A) Total outstanding dues of micro enterprises and small enterprises		-	-
B) Total outstanding dues of creditors other than micro enterprises and small		793.93	921.66
(iii) Other Financial Liabilities	17	101.13	75.39
(b) Other Current Liabilities	19	561.79	522.39
(c) Provisions	20	6.38	8.68
		<b>3,496.86</b>	<b>3,134.33</b>
<b>TOTAL</b>		<b>9,969.52</b>	<b>9,491.38</b>

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 42

As per our report of even date attached

For VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No : 112118W

Sandeep Verma

Partner

Membership No. 045711

For BHARAT AGRI FERT & REALTY LIMITED

Y. D. Patel

Chairman and Managing Director

(DIN : 00106864)

A. Y. Patel

Whole Time Director

(DIN : 00106976)

K. N. Jethwa

Director & CFO

(DIN : 00107034)

A. J. Chakote

Company Secretary

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

**BHARAT AGRI FERT & REALTY LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

(Amount in INR Lakhs)

Particulars	Notes	2021-22	2020-21
<b>INCOME</b>			
Revenue from operations (net)	21	2,301.47	2,567.34
Other income	22	336.99	45.38
<b>Total Revenue (I)</b>		<b>2,638.46</b>	<b>2,612.72</b>
<b>EXPENSES</b>			
Cost of Construction and Raw Materials Consumed	23	588.57	1,064.28
Changes in inventories of finished goods, stock-in-trade and work in progress	24	(56.49)	113.23
Employee benefits expense	25	469.54	485.17
Finance costs	26	207.55	176.41
Depreciation and amortization expense	27	272.51	231.95
Other expenses	28	1,099.78	1,130.00
<b>Total Expenses (II)</b>		<b>2,581.46</b>	<b>3,201.04</b>
<b>Profit/(loss) before tax</b>		<b>57.00</b>	<b>(588.32)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax		5.30	(1.70)
Adjustment of tax relating to earlier periods		0.92	13.27
<b>Profit/(loss) for the year</b>		<b>50.78</b>	<b>(599.89)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of gains (losses) on defined benefit plans		16.46	28.18
Income tax effect		-	-
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>		-	-
<b>Other Comprehensive income for the year, net of tax</b>		<b>16.46</b>	<b>28.18</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>67.25</b>	<b>(571.70)</b>

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022**

Earnings per share for profit attributable to equity shareholders (in Rs.)	29		
Face Value per equity share Rs.10			
Basic and Diluted EPS		0.96	(11.35)

Significant Accounting Policies and Notes on Accounts 1 to 42  
form an integral part of the financial statements.

As per our report of even date attached

For VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No : 112118W

**Sandeep Verma**

Partner

Membership No. 045711

For BHARAT AGRI FERT & REALTY LIMITED

**Y. D. Patel**

**Chairman and Managing Director**

(DIN : 00106864)

**A. Y. Patel**

**Whole Time Director**

(DIN : 00106976)

**K. N. Jethwa**

**Director & CFO**

(DIN : 00107034)

**A. J. Chakote**

**Company Secretary**

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit/(Loss) before tax	57.00	(588.32)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	272.51	231.95
Finance costs	207.55	176.41
Dividend and interest income classified as investing cash flows	6.04	(3.47)
Net foreign exchange differences	(6.72)	-
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	39.89	128.07
(Increase)/Decrease in inventories	250.66	259.27
Increase/(decrease) in trade payables	127.73	94.55
(Increase) in other financial assets	(162.81)	35.04
(Increase) in other financial liabilities	(25.74)	195.14
(Increase)/decrease in other current assets	(79.14)	421.15
Increase/(decrease) in provisions	2.29	(3.89)
Increase/(decrease) in other balances with bank	84.74	(157.88)
Increase in other liabilities	(39.39)	145.27
<b>Cash generated from operations</b>	<b>734.61</b>	<b>933.29</b>
<b>Add: Gain on Gratuity</b>	<b>16.46</b>	<b>28.18</b>
<b>Add: Prior Period Expenses`</b>	<b>-</b>	<b>(8.37)</b>
<b>Add: Short Provision of Income Tax</b>	<b>0.92</b>	<b>(4.90)</b>
Less: Income taxes paid	-	-
<b>Net cash inflow from operating activities</b>	<b>751.99</b>	<b>948.20</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for purchase of property, plant and equipment	(981.98)	(41.61)
Payments for capital work in progress	-	(726.12)
Proceeds from sale of property, plant and equipment	-	-
Payments for loans to related parties and employess	-	-
Proceeds for Investments	(3.00)	-
Dividends received	2.74	1.71
Interest received	3.30	1.76
<b>Net cash outflow from investing activities</b>	<b>(978.94)</b>	<b>(764.26)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	427.42	-
Repayment of borrowings	-	-
Interest paid	(207.55)	(176.41)
<b>Net cash inflow (outflow) from financing activities</b>	<b>219.87</b>	<b>(176.41)</b>
Net increase (decrease) in cash and cash equivalents	(7.09)	7.53
Cash and Cash Equivalents at the beginning of the financial year	8.43	0.90
Effects of exchange rate changes on Cash and Cash Equivalents		
<b>Cash and Cash Equivalents at end of the year</b>	<b>1.34</b>	<b>8.43</b>

<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	0.13	8.12
Cash on hand	1.21	0.31
<b>Balances per statement of cash flows</b>	<b>1.34</b>	<b>8.43</b>

**Notes:**

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.
2. Previous years figures have been regrouped/rearranged/recast wherever necessary to conform to this year's classification.

**Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.** 1 to 42

**As per our report of even date attached**

**For VERMA MEHTA & ASSOCIATES**

Chartered Accountants

Firm Registration No : 112118W

**Sandeep Verma**

**Partner**

Membership No. 045711

**For BHARAT AGRI FERT & REALTY LIMITED**

**Y. D. Patel**

**Chairman and Managing Director**

(DIN : 00106864)

**A. Y. Patel**

**Whole Time Director**

(DIN : 00106976)

**K. N. Jethwa**

**Director & CFO**

(DIN : 00107034)

**A. J. Chakote**

**Company Secretary**

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022****A Equity Share Capital**

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
<b>March 31, 2021</b>			
Numbers	5,285,511	-	<b>5,285,511</b>
Amount	528.55	-	<b>528.55</b>
<b>March 31, 2022</b>			
Numbers	5,285,511	-	<b>5,285,511</b>
Amount	528.55	-	<b>528.55</b>

**B Other Equity**

Particulars	Reserves and Surplus							Total
	Capital Reserve	Securities Premium Reserve	Property, Plant and Equipment Revaluation Reserve	General Reserve	Other Comprehensive Income	Retained Earnings	Capital Subsidy	
<b>As at April 1, 2020</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>11.58</b>	<b>4,893.81</b>	<b>7.50</b>	<b>6,076.20</b>
Profit for the period	-	-	-	-	28.18	(599.89)	-	<b>(571.70)</b>
<b>Total comprehensive income for the year</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>39.76</b>	<b>4,293.93</b>	<b>7.50</b>	<b>5,504.49</b>
<b>As at March 31, 2021</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>39.76</b>	<b>4,293.93</b>	<b>7.50</b>	<b>5,504.49</b>
Profit for the period	-	-	-	-	16.46	50.78	-	<b>67.25</b>
<b>Total comprehensive income for the year</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>56.22</b>	<b>4,344.71</b>	<b>7.50</b>	<b>5,571.74</b>
<b>As at March 31, 2022</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>56.22</b>	<b>4,344.71</b>	<b>7.50</b>	<b>5,571.74</b>

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 42

As per our report of even date attached

For VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No : 112118W

For BHARAT AGRI FERT & REALTY LIMITED

Y. D. Patel

Chairman and Managing Director

(DIN : 00106864)

A. Y. Patel

Whole Time Director

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Sandeep Verma

Partner

Membership No. 045711

K. N. Jethwa

Director & CFO

(DIN : 00107034)

A. J. Chakote

Company Secretary

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022



## **NOTES to the Standalone Financial Statements for the year ended March 31, 2022**

### **1. Corporate Information about the Company**

These statements comprise financial statements of Bharat Agri Fert Realty Limited (referred to as “the Company”) (CIN: L24100MH1985PLC036547) for the year ended March 31, 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity shares are listed on Bombay Stock Exchange in India. The registered office of the company is located at 301, 3rd Floor, Hubtown Solaris, N S Phadke Marg, near Gokhale Bridge, Andheri (East), Mumbai - 400 069.

The Company is principally engaged in the business of construction and development of Residential and Commercial Complex, Manufacture of Fertilisers and Operating Resort.

The financial statements were approved by the Board of Directors and authorised for issue on May 30, 2022.

### **2. Significant Accounting Policies**

#### **a. Statement of Compliance**

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as amended and notified by Ministry of Corporate Affairs (“MCA”) pursuant to Section 133 of the Companies Act, 2013 read with Rule 3.

#### **b. Basis of preparation & presentation**

The Financial Statements have been prepared on the historical cost basis except for certain revalued PPE and financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these Financial Statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 ‘Inventories’ (“Ind AS 2”), Employee defined benefit assets/(obligations) are recognised at the present value of the defined benefit obligations.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value

measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services rendered and the time between the rendering of the products/services and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non- Current classification of assets and liabilities.

All the Indian Accounting Standards ("Ind AS") issued and notified by the MCA are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company.

The Financial Statements are presented in Indian Rupee ("INR"), which is the Company's functional currency and all values are rounded to the nearest lakhs upto two decimals, except when otherwise indicated.

#### **c. Key Accounting Estimates and Judgements**

The preparation of Financial Statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these Financial Statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

##### **i) Useful Lives of Property , Plant and Equipment and Intangible Assets**

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed using the best information available to the Management.

##### **ii) Provisions, Liabilities and Contingencies**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of

judgments to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised, but disclosed in the Financial Statements when an inflow of economic benefit is probable. Provisions, contingent liability and assets are reviewed at each reporting date and are adjusted to reflect the current best estimates.

**iii) Recognition and Measurement of defined benefit obligation**

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**iv) Income Taxes**

The Company's tax jurisdiction is India. Significant judgements 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. Significant management judgements is also required in determining deferred tax assets and liabilities and recoverability of deferred tax assets which is based on estimates of taxable income.

**d. Property, Plant and Equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. 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. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in

profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated on written down value basis over the useful lives estimated by the management based on internal assessment as follows:

<b>Particulars</b>	<b>Useful Life</b>
Factory/Office Buildings	58 years
Plant and Machinery and ETP	18 years
Pollution Control Equipments	18 years
Laboratory Equipments	15 years
Electrical Installation	18 years
Office Equipments	15 years
Computers	6 years
Furniture and Fixtures	15 years
Vehicles	10 years

The Company, based on internal assessments, believes that the useful live as given above represents period over which the Management expects to use these assets. Hence, the useful lives for these assets is difference from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The residual values are not more than 5% of the original cost of the asset.

#### **e. Intangible assets**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

#### **Amortisation methods and periods**

Intangible assets are amortized on a written down value basis over the useful life of five years which is estimated by the management

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

#### **f. Impairment of Tangible Assets and Intangible Assets other than Goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments

of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

#### g. Investments in Associates

Investments in associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

#### h. Inventories

##### (a) Fertiliser Division:

**Raw Materials and Stores and Spares** are valued at lower of moving average cost or net realisable value.

**Finished stocks** are valued at cost or net realisable value whichever is lower.

##### (b) Construction Division:

Inventory comprises completed property for sale and property under construction (Construction Work-in-Progress).

- Completed unsold inventory is valued at lower of cost and net realisable value. Cost is determined by including cost of land (at book value), TDR, materials, services and other related proportionate overheads.
- Work-in-progress is valued at lower of cost and net realisable value. Cost comprises cost of land (at book value), materials, services and other proportionate overheads related to projects under construction.

The valuation of inventories includes taxes, duties of non refundable nature and direct expenses and other direct cost attributable to the cost of inventory, net of GST/ countervailing duty / education cess and value added tax.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

**i. Cash and Cash Equivalents**

Cash and cash equivalents includes cash in hand, demand deposits with banks and other short term highly liquid investments, which are readily convertible into cash and which are subject to an insignificant risk of change in value and have original maturities of three months or less.

**j. Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash.

**k. Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

**Financial Assets:**

On initial recognition, a financial asset is recognised at fair value. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI") depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Equity Instruments:**

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument- by-instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

**Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of Financial Asset**

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

Expected credit losses is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.



### **Financial Liabilities and Equity Instruments Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **Financial Liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as FVTPL. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Financial Guarantee Contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as cost of investment.

### **Derecognition of Financial Liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

### **Derivative Financial Instruments**

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately. The Company has not designated any derivative instruments as a hedging instrument.

## **I. Provisions, Liabilities and Contingencies**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **m. Revenue Recognition**

The Company derives revenues primarily from Sale of Fertiliser and business of Real Estate Development; its other operating revenues include Lease Rentals and Subvention Income.

Revenue from contracts with customers for sale of goods or services is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives and returns, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The trade discounts incentives and right of return are estimated and provided for, based on historical, current and forecast information available. A refund liability is recognised for expected returns in relation to sales made, corresponding assets are recognised for the products expected to be returned.

The Company does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

#### **Sale of Goods**

Revenue from sale of goods is recognised at a point in time when the control of the goods is transferred to the customer involving single performance obligation. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer, delivery basis or dispatch, as the case may be (i.e. at the point in time when goods are delivered at the dealer site or when the customer purchases the goods at the retail outlet).

#### **Sale of Services**

Revenue from services, which mainly consists of lease rentals from letting of space, is recognised over time on satisfying performance obligations as per the terms of agreement, that is, by reference to the period in which services are being rendered. Revenue from services, if any, involving single performance obligation is recognised at a point in time.

Revenue is recognized upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain. Revenue from rendering of services is net of Indirect taxes, returns and discounts.

#### **Government Subsidy**

Subsidy is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued.

#### **Construction and real estate development**

The company derives revenues from sale of properties comprising of and residential units. The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised

products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations.

For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units the Company recognises revenue when its performance obligations are satisfied and customer obtains control of the asset.

Revenue from trading activity, in property as well as Transferable Development Rights (TDR), is recognized when significant risk and rewards of the property/TDR are transferred to the buyer, as demonstrated by transfer of physical possession and transfer of the title in the property/TDR.

#### **Trade Receivables, Contract Assets and Contract Liabilities Trade Receivables**

A receivable is recognised by the Company when the control over the goods and services is transferred to the customer such as when goods and services are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due (which is referred to as "Trade Receivable").

A receivable is recognised when the Company's right to an amount of consideration under the contract with the customer that is unconditional, as only the passage of time is required before payment is due.

#### **Contract Assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to the customer for which the consideration (or the amount is due) has been received from the customer. If the customer pays the consideration before the transfer of goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **Interest Income and Dividend**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the

head “Other Income” in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that 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 is recognised when the right to receive the payment is established. Incomes from investments are accounted on an accrual basis.

#### **n. Lease Liability**

##### **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-to-use assets and Lease Liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘Other Operating Income under Revenue from Operation’ in the Statement of Profit and Loss.

#### **o. Cost Recognition**

Costs and expenses are recognised when incurred and are classified according to their nature.

#### **p. Employee Benefits**

##### **Long Term Post-employment benefits**

Contributions to defined contribution schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

##### **Provident and Family Pension Fund**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees’ eligible salary (currently 12% of employees’ eligible salary). The contributions are made to the provident fund and pension fund to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution.

##### **The company has the following Defined Benefit Plans:**

##### **Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees.

Other long term employee benefits – The Company provides for encashment of leave or leave with pay subject to certain rules.

The Company makes provision for such compensated absences based on an actuarial

valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method (PUCM). Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

### **Short Term Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### **q. Borrowing Costs**

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.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **r. Government Grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

#### **s. Foreign Currency Transactions**

The management of the Company has determined Indian Rupee ("INR") as the

functional currency of the Company. In preparing the Financial Statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### **t. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **u. Taxation**

##### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

##### **Deferred Tax**

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against those deductible temporary differences which can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax

rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

#### **Current and deferred tax for the year**

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### **v. Segment Reporting**

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the company is required to present information in the manner which the Chief Operating Decision Maker ("CODM") evaluates the company's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the Financial Statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter- segment transfers are accounted at prevailing market prices.

### **3. Significant accounting judgments, estimates and assumptions**

#### **i. Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and



assumptions.

**ii. Estimation of net realizable value for inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

**iii. 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 a 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.

**iv. Recoverability of trade receivables**

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**v. Defined benefit plans**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**BHARAT AGRI FERT & REALTY LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****4. PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR Lakhs)										
Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Electric Installations	Capital Work in Progress	Total
<b>GROSS CARRYING VALUE</b>										
As at April 1, 2020	76.58	1,895.25	587.53	165.95	237.84	133.35	5.38	141.27	-	3,243.15
Additions	-	9.39	20.81	3.00	-	-	-	8.41	726.12	767.73
Disposals	-	-	-	-	-	-	-	-	-	-
PPE capitalised	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	76.58	1,904.64	608.34	168.95	237.84	133.35	5.38	149.68	726.12	4,010.88
Additions	-	686.18	2.88	35.50	9.40	11.25	10.30	225.49	-	981.00
Disposals	-	-	-	-	-	-	-	(4.41)	-	(4.41)
PPE capitalised	-	-	-	-	-	-	-	-	(726.12)	(726.12)
As at March 31, 2022	76.58	2,590.82	611.22	204.45	247.24	144.60	15.68	370.76	0.00	4,261.35
<b>ACCUMULATED DEPRECIATION/IMPAIRMENT</b>										
As at April 1, 2020	-	486.50	240.84	99.58	146.98	82.61	4.09	58.72	-	1,119.33
Depreciation for the year	-	107.11	59.13	15.64	24.17	11.82	0.52	13.27	-	231.66
Deductions\Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	593.61	299.97	115.22	171.15	94.43	4.61	71.99	-	1,350.99
Depreciation for the year	-	142.41	50.76	16.05	18.41	11.19	3.41	29.84	-	272.07
Deductions\Adjustments during the period	-	-	-	-	-	-	-	(4.41)	-	(4.41)
As at March 31, 2022	-	736.02	350.73	131.27	189.56	105.62	8.02	97.42	-	1,618.65
Net Carrying value as at March 31, 2022	76.58	1,854.80	260.48	73.17	57.68	38.98	7.66	273.34	0.00	2,642.70
Net Carrying value as at March 31, 2021	76.58	1,311.03	308.36	53.72	66.69	38.92	0.77	77.69	726.12	2,659.89

**Notes:****i. Property, Plant and Equipment given as collateral security against borrowings by the company**

Refer to Note 37 for information on property, plant and equipment given as collateral security by the company.

**ii. Contractual Obligations**

Refer to Note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**iii. Capital Work in progress**

There is capital expenditure for construction of new rooms at ANCHAVIYO resort along with banquet hall and other facilities

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

5. INTANGIBLE ASSETS				
				(Amount in INR Lakhs)
Particulars	Goodwill	Brands or Trade Marks	Computer Software	Total
<b>GROSS CARRYING VALUE</b>				
As at April 1, 2020			2.90	2.90
Additions			-	-
Deletions			-	-
Other Adjustments			-	-
As at March 31, 2021	-	-	2.90	2.90
Additions			0.98	0.98
Deletions			-	-
Other Adjustments			-	-
As at March 31, 2022	-	-	3.88	3.88
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>				
As at April 1, 2020			2.02	2.02
Amortisation for the year			0.30	0.30
Deductions\Adjustments during the period			-	-
As at March 31, 2021	-	-	2.32	2.32
Amortisation for the year			0.44	0.44
Deductions\Adjustments during the period			-	-
As at March 31, 2022	-	-	2.76	2.76
Net Carrying value as at March 31, 2022	-	-	1.12	1.12
Net Carrying value as at March 31, 2021	-	-	0.59	0.59

6. FINANCIAL ASSETS		
(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>(A) INVESTMENTS</b>		
<b>Non Current</b>		
<b>Investments carried at fair value through profit and loss</b>		
<b>Investments in Equity Instruments - Others (Unquoted)</b>		
68400* Equity Shares of Indian Potash Limited (face value Rs.5 each)	1.71	1.71
(March 31, 2021: 68,400 and March 31, 2022: 68,400)		
*Including bonus shares		
<b>Investments carried at Cost</b>		
<b>Investments in Equity Instruments of Associate (Unquoted)</b>		
13,22,880 Equity Shares Mol Chem Limited (face value Rs.10 each)	35.06	35.06
(March 31, 2021: 13,22,880 and March 31, 2022: 13,22,880)		
<b>Investments carried at Cost</b>		
<b>Investments in Mutual Funds (Quoted)</b>	<b>3.00</b>	-
Edelweiss Large & Mid Cap Reg-G (1457.653 units)	0.75	-
IDFC Multi Cap Fund Reg-G (7560.106 units)	0.75	-
Invesco India Focused 20 Equity Fund Reg-G (4956.791 units)	0.75	-
Mirae Asset Banking and Financial Services Fund Reg-G (6355.076)	0.75	-
<b>Total</b>	<b>39.77</b>	<b>36.77</b>
Aggregate amount of unquoted investments	36.77	36.77
Investments carried at fair value through profit and loss	1.71	1.71
Investments carried at cost	38.06	35.06
Market Value of Quoted Investments	3.05	-
<b>(B) LOANS</b>		
<b>Non Current</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Loans to Related Parties (refer note no.32)	899.28	899.28
<b>Total</b>	<b>899.28</b>	<b>899.28</b>
<b>Current</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Loans to Employees	8.23	16.90
<b>Total</b>	<b>8.23</b>	<b>16.90</b>
<b>(C) OTHER FINANCIAL ASSETS</b>		
<b>Non Current</b>		
<b>Financial assets carried at amortised cost</b>		
<b>Unsecured, considered good</b>		
Security and other deposits	24.27	24.27
Security deposit paid to related party	-	-
Common Maintenance charges receivable	212.31	114.84
<b>Total</b>	<b>236.58</b>	<b>139.11</b>
<b>Current</b>		
<b>Financial assets carried at amortised cost</b>		
<b>Unsecured, considered good</b>		
Common Maintenance charges receivable	167.44	-
Rent receivable	1.19	7.78
<b>Total</b>	<b>168.62</b>	<b>7.78</b>

7. INVENTORIES		
(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>(Valued at lower of Cost and Net Realisable value)</b>		
<b>(a) Construction Division</b>		
Real estate under Development	2,647.51	2,647.51
Property development project- completed property	38.86	38.86
	<b>2,686.38</b>	<b>2,686.38</b>
<b>(b) Fertiliser Division</b>		
Raw materials	32.34	27.24
Raw materials in transit	143.17	-
Finished goods	207.49	151.00
Stores, consumables and packing material	133.40	92.72
	<b>516.40</b>	<b>270.96</b>
<b>(c) Resort Division</b>	14.79	9.57
	<b>14.79</b>	<b>9.57</b>
<b>Total</b>	<b>3,217.57</b>	<b>2,966.91</b>

Refer to Note 37 for information on inventories given as collateral security by the company.

**8. TRADE RECEIVABLES**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Trade Receivables from customers	991.19	1,031.08
	<b>991.19</b>	<b>1,031.08</b>
<b>Breakup of Security details</b>		
Secured, considered good	-	-
Unsecured, considered good	991.19	1,031.08
Doubtful	331.01	331.01
	<b>1,322.20</b>	<b>1,362.10</b>
<b>Loss Allowance (allowance for bad and doubtful debts)</b>		
Unsecured, considered good	-	-
Doubtful	331.01	331.01
	<b>331.01</b>	<b>331.01</b>
	<b>991.19</b>	<b>1,031.08</b>

Refer to Note 37 for information on trade receivables given as collateral security by the company.

Trade Receivables ageing schedule for the year ended March 31, 2022 and March 31, 2021 is as follows:-

Particulars	Outstanding for following periods from due date						Total
	Advances	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	more than 3 years	
Undisputed - considered good as at 31-03-22	-105.28	57.08	1.22	74.51	68.34	1226.34	1322.20
Undisputed - considered good as at 31-03-21	-35.01	5.16	79.15	71.70	856.02	385.08	1362.09
Disputed - considered good as at 31-03-22							0.00
Disputed - considered good as at 31-03-21							0.00
Total for the year 2021-22							1322.20
Total for the year 2020-21							1362.09
Less: Allowances for bad and doubtful debts 21-22							331.01
Less: Allowances for bad and doubtful debts 20-21							331.01
<b>Net Trade Receivables 2021-22</b>							<b>991.19</b>
<b>Net Trade Receivables 2020-21</b>							<b>1031.08</b>

**9. CASH AND CASH EQUIVALENTS**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Balances with banks on current accounts	0.13	8.12
Cash on hand	1.21	0.31
	<b>1.34</b>	<b>8.43</b>

**10. OTHER BANK BALANCES**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Balances with banks to the extent held as margin money	102.29	183.83
Balances with banks to the extent held as unclaimed dividend	0.10	3.30
	<b>102.39</b>	<b>187.14</b>

**11. OTHER ASSETS**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Payment of Taxes (Net of Provisions)	30.29	24.74
Transfer Development Rights	965.92	965.92
MSEDCL dues paid under appeal	53.02	53.02
Advance towards Capital Cost	139.98	101.47
Subsidy receivable	21.22	21.22
Other Receivables*	28.73	28.73
<b>Total</b>	<b>1,239.16</b>	<b>1,195.10</b>
<b>Current</b>		
Subsidy receivable	352.62	247.99
Prepaid expenses	7.57	5.98
Balances with Statutory, Government Authorities**	61.36	88.45
<b>Total</b>	<b>421.56</b>	<b>342.41</b>

\* Includes mainly differential maintenance charges receivable

\*\*Includes GST Credit receivables and IT refund receivables

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 12. INCOME TAX

## Deferred Tax

(Amount in INR Lakhs)

Particulars	March 31, 2022	March 31, 2021
Deferred tax relates to the following:		
Temporary difference in the carrying amount of property, plant and equipment	(67.42)	(62.12)
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(67.42)</b>	<b>(62.12)</b>

## Movement in deferred tax liabilities/assets

Particulars	March 31, 2022	March 31, 2021
Opening balance as of April 1	(62.12)	(63.82)
Tax income/(expense) during the period recognised in profit or loss	(5.30)	1.70
Tax income/(expense) during the period recognised in OCI	-	-
Other adjustment	-	-
<b>Closing balance as at March 31</b>	<b>(67.42)</b>	<b>(62.12)</b>

Particulars	March 31, 2022	March 31, 2021
<b>Unrecognised deferred tax assets</b>		
Unrecognised tax losses	6.20	6.20
Unrecognised tax credits	1,678.20	1,678.20

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax credits carried forward by the Company.

Major Components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are as follows:

## i. Income tax recognised in profit or loss

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	0.92	13.27
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	5.30	(1.70)
<b>Income tax expense recognised in profit or loss</b>	<b>6.22</b>	<b>11.57</b>

## ii. Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2021 and March 31, 2020

Particulars	March 31, 2022	March 31, 2021
Accounting profit before income tax	57.00	(588.32)
Enacted tax rate in India	26.00%	26.00%
<b>Income tax on accounting profits</b>	<b>14.82</b>	<b>(152.96)</b>
<b>Tax Effect of</b>		
Depreciation	(4.74)	(1.70)
Expenses not allowable or considered separately under Income Tax	4.54	0.75
Income considered separately under Income Tax		
Income not taxable under income tax	(0.71)	(0.27)
Losses carried forward to future years	-	176.61
Adjustment in respect of current income tax of previous year	-	-
Other adjustments	(7.69)	(10.86)
<b>Tax at effective income tax rate</b>	<b>6.22</b>	<b>11.57</b>

**13. SHARE CAPITAL**

**i. Authorised Share Capital**

(Amount in INR Lakhs)

	Equity Share	
	Number	Amount
<b>At April 1, 2020</b>	10,000,000	1,000.00
Increase/(decrease) during the year	-	-
<b>At March 31, 2021</b>	10,000,000	1,000.00
Increase/(decrease) during the year	-	-
<b>At March 31, 2022</b>	<b>10,000,000</b>	<b>1,000.00</b>

**Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2022, the amount of per share final dividend recognised as distributions to equity shareholders was Nil (P.Y final dividend Nil)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

**ii. Issued Capital**

(Amount in INR Lakhs)

Particulars	Number	Amount
<b>Equity shares of INR 10 each issued, subscribed and fully paid</b>		
<b>At April 1, 2020</b>	5,285,511	<b>528.55</b>
Changes during the year	-	-
<b>At March 31, 2021</b>	5,285,511	<b>528.55</b>
Changes during the year	-	-
<b>At March 31, 2022</b>	<b>5,285,511</b>	<b>528.55</b>

**iii. Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
<b>Equity shares of INR 10 each fully paid</b>				
Yogendra D Patel	820,650	15.53%	820,650	15.53%
Anjni Y Patel	788,872	14.93%	788,872	14.93%
Yogi Investment Private Limited	780,586	14.77%	780,586	14.77%
Wada Alums and Acids Private Limited	767,845	14.53%	767,845	14.53%
Vijal Shipping Private Limited	332,800	6.30%	332,800	6.30%

**iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL (previous period of five years ended March 31, 2021: NIL)**

**v. None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.**

**vi. The Company does not have any holding company.**

**vii. Shareholding of Promoters & Promoters Group**

Promoters Name	No of Shares	% of Total Shares	% change during the year
Yogendra Dahyabhai Patel	820650	15.53%	-
Anjni Yogendra Patel	788872	14.93%	-
Vijal Yogendra Patel	33961	0.64%	-
Chandni Yogendra Patel	21555	0.41%	-
Kantilal Naryandas Jethwa	3770	0.07%	-
Yogi Investments Pvt Ltd	780586	14.77%	-
Wada Alums And Acids Pvt Ltd	767845	14.53%	-
Vijal Shipping Pvt Ltd	332800	6.30%	-
Chavi Impex Pvt Ltd	26200	0.50%	-
Wada Bottling Industries Pvt Ltd	12900	0.24%	-

**14. OTHER EQUITY**

**Reserves and Surplus**

(Amount in INR Lakhs)

Particulars	March 31, 2022	March 31, 2021
Capital Reserve	70.01	70.01



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

Securities Premium Reserve	318.90	318.90
Property, Plant and Equipment Revaluation Reserve	144.73	144.73
General Reserve	629.66	629.66
Capital Subsidy	7.50	7.50
Other Comprehensive Income	56.22	39.76
Retained Earnings	4,344.71	4,293.92
	<b>5,571.74</b>	<b>5,504.49</b>

(a) Capital Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	70.01	70.01	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>70.01</b>	<b>70.01</b>	

(b) Securities Premium Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	318.90	318.90	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>318.90</b>	<b>318.90</b>	

The amount received in excess of face value of the equity shares is recognised in Share premium reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) Property, Plant and Equipment Revaluation Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	144.73	144.73	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>144.73</b>	<b>144.73</b>	

Property, plant and equipment reserve represents reserve created on revaluation of assets and it is non distributable reserve.

(d) General Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	629.66	629.66	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>629.66</b>	<b>629.66</b>	

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

(e) Capital Subsidy		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	7.50	7.50	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>7.50</b>	<b>7.50</b>	

(f) Other Comprehensive Income		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	39.76	11.57	
Remeasurement of post employment benefit obligation, net of tax	16.46	28.18	
<b>Closing balance</b>	<b>56.22</b>	<b>39.76</b>	

(g) Retained Earnings		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	4,293.92	4,893.81	
Net Profit/(Loss) for the period	50.78	(599.89)	
Adjustment for fair valuation of financial instruments	-	-	
<b>Closing balance</b>	<b>4,344.71</b>	<b>4,293.92</b>	

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 15 . BORROWINGS

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Non Current Borrowings</b>		
<b>Secured</b>		
(a) Term Loan from bank (BGECL)	261.11	217.50
<b>Unsecured</b>		
Loans from Related Parties	-	-
	<b>261.11</b>	<b>217.50</b>
<b>Current Borrowings</b>		
<b>Secured</b>		
(a) Cash credit/Over Draft from bank	1,763.46	1,482.77
(b) Term Loan from bank (BGECL)	146.67	72.50
<b>Unsecured</b>		
(a) Loans from related parties (refer to note no.32)	123.50	50.94
<b>Total</b>	<b>2,033.63</b>	<b>1,606.21</b>

## Current and Non Current Borrowings

## Terms and Conditions of Repayment and Details of Securities are as under :

1. The loan is Repayable on demand. Term loan is having repayment period of 48 months with 12 months of moratorium period.
2. Cash Credit loan is secured by hypothecation of stock of raw material, semi-finished goods and stores and spares, packing material, finished goods , receivables (both present and future).
3. Cash Credit loan is secured by equitable mortgage on factory Land(measuring 18.36 acre) and buildings situated at village Kharivali, Taluka-Wada, District-Palghar. Overdraft is secured by equitable mortgage on land measuring 2 acre and building (studio) situated at survey no.180/1, Village Kharivali, Taluka Wada, District Palghar.
4. Cash Credit loan is secured by hypothecation of Plant and machinery and all other movable fixed Property, Plant and Equipment of the Company already in possession or to be in possession of the Company.
5. Personal Guarantee of Shri.Yogendra D Patel, Promoter Director of the company is given against Overdraft facility for Resort Division
6. Rate of Interest is 10.35% p.a. - SBI and 9.25% - BOB (March 31, 2021: 9.25%)

## Net debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Current Borrowings	2,033.63	1,606.21
Non-current Borrowings	261.11	217.50

(Amount in INR Lakhs)			
Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
<b>Net Debt as at April 1, 2020</b>	-	<b>1,447.12</b>	<b>1,447.12</b>
Cash Inflows	217.50	119.14	336.64
Cash Outflows	-	39.94	39.94
	<b>217.50</b>	<b>1,606.21</b>	<b>1,823.70</b>
Interest Expense	-	149.64	149.64
Interest Paid	-	(149.64)	(149.64)
Other non cash adjustments	-	-	-
<b>Net Debt as at March 31, 2021</b>	<b>217.50</b>	<b>1,606.21</b>	<b>1,823.70</b>
Cash Inflows	43.61	427.43	471.04
Cash Outflows	-	-	-
	<b>261.11</b>	<b>2,033.63</b>	<b>2,294.74</b>
Interest Expense	-	178.26	178.26
Interest Paid	-	(178.26)	(178.26)
Other non cash adjustments	-	-	-
<b>Net Debt as at March 31, 2022</b>	<b>261.11</b>	<b>2,033.63</b>	<b>2,294.74</b>

There are no defaults in repayment of borrowings and interest thereon for the reporting periods presented.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 16. OTHER NON CURRENT LIABILITIES

(Amount in )		
Particulars	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Gratuity payables	43.85	44.39
	<b>43.85</b>	<b>44.39</b>

## 17. OTHER FINANCIAL LIABILITIES

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Other payables (mainly includes provision for expenses and deposit received against premises offered on leave and licenses)	101.13	75.39
<b>Total</b>	<b>101.13</b>	<b>75.39</b>

## 18. TRADE PAYABLES

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No.38)	-	-
Total outstanding dues to Related Parties (Refer Note 32)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	793.93	921.66
<b>Total</b>	<b>793.93</b>	<b>921.66</b>

		21-22				in lacs
		Outstanding for following periods from due date of payment				
SR NO	Particular	Leass than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
1	MSME					
2	Others	345.10	267.86	20.68	20.30	653.95
3	Disputed dues – MSME					
4	Disputed dues - Others					
Less	Advance to the creditors	43.28	96.70			139.98
						793.93

		20-21				
		Outstanding for following periods from due date of payment				
SR NO	Particular	Leass than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
1	MSME					
2	Others	635.15	36.83	148.22		820.19
3	Disputed dues – MSME					
4	Disputed dues - Others					
	Advance to the creditors	43.28	31.50	26.68		101.47
						921.66

## 19. OTHER LIABILITIES

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Advance against flat sales	456.40	456.40
Statutory Liabilities	59.22	64.72
Other Liabilities (mainly includes advances received from clients)	46.17	1.28
<b>Total</b>	<b>561.79</b>	<b>522.39</b>

## 20. PROVISIONS

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Dividend payable	6.38	8.68

	Total	6.38	8.68
--	-------	------	------

**21. REVENUE FROM OPERATIONS**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
<b>Sale of products</b>		
Fertilisers Sales	650.22	1,561.39
<b>Sale of services</b>		
Resort Income	725.31	251.23
<b>Other operating revenues</b>		
Government Subsidy	925.94	754.72
	<b>2,301.47</b>	<b>2,567.34</b>

**22. OTHER INCOME**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
Interest income on		
Bank fixed deposits	3.30	1.76
Loans to others	-	-
Dividend income	2.74	1.71
<b>Other Non Operating Income</b>		
Agriculture income	0.49	-
Rent income	30.75	39.36
Insurance claim	9.62	-
Net gain / loss on disposal of Property, plant and equipment	8.82	-
Common Area Maintenance Charges	264.91	-
Sundry balances written back	14.75	-
Miscellaneous Income	1.62	2.55
	<b>336.99</b>	<b>45.38</b>

**23. COST OF CONSTRUCTION AND RAW MATERIAL CONSUMED**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
As at beginning of the year	27.24	167.58
Add: Purchases	736.84	923.94
Less : As at end of the year	(175.51)	(27.24)
	<b>588.57</b>	<b>1,064.28</b>

**24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
<b>Inventories as at the beginning of the year</b>		
Finished goods - Fertiliser division	151.00	264.23
Finished goods - Construction division	38.86	38.86
Work in progress - Real estate under Development	2,647.51	2,647.51
<b>Total</b>	<b>2,837.37</b>	<b>2,950.61</b>
<b>Less : Inventories as at the end of the year</b>		
Finished goods - Fertiliser division	207.49	151.00
Finished goods - Construction division	38.86	38.86
Work in progress - Real estate under Development	2,647.51	2,647.51
<b>Total</b>	<b>2,893.87</b>	<b>2,837.37</b>
<b>Net decrease / (increase) in inventories</b>	<b>(56.49)</b>	<b>113.23</b>

**25. EMPLOYEE BENEFITS EXPENSE**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Salaries, wages and bonus incl Directors Remuneration	346.03	359.09
Staff welfare expenses	89.65	79.24
Gratuity expense	18.34	17.02
Leave salary expenses	0.28	3.81
Contribution to provident and other funds	15.24	26.02
	<b>469.54</b>	<b>485.17</b>

**26. FINANCE COST**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Interest expense on borrowings	178.26	149.64
Other finance charges	29.30	26.76
	<b>207.55</b>	<b>176.41</b>

**27. DEPRECIATION AND AMORTISATION EXPENSE**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Depreciation on tangible assets	272.07	231.51
Amortisation on intangible assets	0.44	0.44
	<b>272.51</b>	<b>231.95</b>

**28. OTHER EXPENSES**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
<b>Operating and Other Expenses</b>		
Power and Fuel	109.62	104.57
Stores, Spares and Packing Material Consumed	71.89	138.70
Repairs and maintenance		
Plant and Machinery	7.54	4.23
Factory Building	9.80	5.04
Rates and Taxes	13.31	24.24
Insurance charges	11.76	13.89
Other Operating Expenses	73.07	109.57
	<b>296.98</b>	<b>400.25</b>
<b>Administrative expenses</b>		
Payments to auditors (Refer note (a) below)	2.97	2.97
Postage and Telegrams and Fax	1.26	2.06
Legal and other professional fees	33.58	28.54
Travelling and conveyance expenses	18.15	10.44
Vehicle Expenses	29.21	38.69
Donation	-	0.29
Freight Expenses	171.60	331.63
Marketing and sales promotion expenses	37.81	11.91
Repairs and maintenance - Others	108.50	105.73
Discount	0.05	2.85
Corporate social responsibility expenditure	-	-
Common maintenance expense	34.62	16.77
Sundry debtors written off	-	-
Loss allowance on Receivables	-	-
Loss on sale of scrap	-	-
Resort expenses	285.12	89.42
General expenses	41.96	39.19
Miscellaneous expenses	37.97	49.26
	<b>802.80</b>	<b>729.75</b>
<b>Total</b>	<b>1,099.78</b>	<b>1,130.00</b>

(a) Details of Payments to statutory auditors		(Amount in INR Lakhs)	
	2021-22	2020-21	
<b>As auditor</b>			
Audit Fee	2.97	2.97	
<b>In other capacity</b>			
Taxation matters	-	-	
Other Professional Services	-	-	
Re-imbursement of expenses	-	-	
	<b>2.97</b>	<b>2.97</b>	
(b) Corporate social responsibility expenditure		(Amount in INR Lakhs)	
	2021-22	2020-21	
Amount required to be spent as per Section 135 of the Act	-	-	
Amount spent during the year on			
(i) Social and Education activities	-	-	
(ii) on purposes other than (i) above	-	-	

29. EARNINGS PER SHARE			(Amount in INR Lakhs)	
Particulars	March 31, 2022	March 31, 2021		
(a) Basic earnings per share (INR)	0.96	(11.35)		
(b) Diluted earnings per share (INR)	0.96	(11.35)		
(c) Reconciliations of earnings used in calculating earnings per share				
<i>Basic earnings per share</i>				
Profit attributable to the equity holders of the company used in calculating basic earnings per share	50.78	(599.89)		
<i>Diluted earnings per share</i>				
Profit attributable to the equity holders of the company used in calculating basic earnings per share	50.78	(599.89)		
Adjustments for calculation of Diluted earnings per share:	-	-		
<b>Profit attributable to the equity holders of the company used in calculating diluted earnings per share</b>	<b>50.78</b>	<b>(599.89)</b>		
(d) Weighted average number of shares used as the denominator				
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5,285,511	5,285,511		
Adjustments for calculation of diluted earnings per share:	-	-		
<b>Weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b>	<b>5,285,511</b>	<b>5,285,511</b>		



**30. EMPLOYEE BENEFIT OBLIGATIONS**

	March 31, 2022			March 31, 2021		
	Current	Non Current	Total	Current	Non Current	Total
Gratuity	55.84	43.84	99.68	55.60	44.39	99.99
<b>Total Employee Benefit Obligation</b>	<b>55.84</b>	<b>43.84</b>	<b>99.68</b>	<b>55.60</b>	<b>44.39</b>	<b>99.99</b>

**Post Employment obligations****Gratuity**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a **unfunded plan**.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows :

Particulars	(Amount in INR Lakhs)	
	Present value of obligation	
<b>As at April 1, 2020</b>	<b>125.59</b>	
Current service cost	8.97	
Interest expense/(income)	8.05	
Past Service Cost -(vested benefits)	-	
<b>Total amount recognised in profit or loss</b>	<b>17.02</b>	
<i>Remeasurements</i>		
(Gain)/Loss from change in financial assumptions	3.14	
Experience (gains)/losses	(31.33)	
<b>Total amount recognised in other comprehensive income</b>	<b>(28.19)</b>	
Employer contributions	-	
Benefit payments	(14.43)	
<b>As at March 31, 2021</b>	<b>99.99</b>	
Current service cost	9.83	
Past Service Cost -(vested benefits)	-	
Interest expense/(income)	6.25	
<b>Total amount recognised in profit or loss</b>	<b>16.08</b>	
<i>Remeasurements</i>		
(Gain)/Loss from change in financial assumptions	(3.55)	
Experience (gains)/losses	(10.65)	
<b>Total amount recognised in other comprehensive income</b>	<b>(14.20)</b>	
Employer contributions	-	
Benefit payments	(2.18)	
<b>As at March 31, 2022</b>	<b>99.68</b>	

The significant actuarial assumptions were as follows:

	March 31, 2022	March 31, 2021
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Discount rate	6.85%	6.32%
Rate of Increase in compensation	10.00%	10.00%
Expected average remaining service	11.52	13.35
Retirement age	56 years	56 years
Employee Attrition Rate	0.8 % For All Ages	0.8 % For All Ages

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is shown below:

(Amount in INR Lakhs)				
Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
<b>March 31, 2022</b>				
Impact on defined benefit obligation	(5.80)	7.04	4.39	(4.00)
% Impact	-5.82%	7.07%	4.40%	-4.01%
<b>March 31, 2021</b>				
Impact on defined benefit obligation	(6.22)	7.62	4.81	(4.24)
% Impact	-6.22%	7.62%	4.81%	-4.24%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected cash flows to the defined benefit plan in future years:

(Amount in INR Lakhs)		
	March 31, 2022	March 31, 2021
Expected outflow in the first year	55.84	55.60
Expected outflow in the second year	0.62	0.60
Expected outflow in the third year	0.65	0.63
Expected outflow in the fourth year	0.69	0.66
Expected outflow in the fifth year	2.97	0.70
Expected outflow in six to ten years	12.52	15.83
<b>Total expected payments</b>	<b>73.29</b>	<b>74.02</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 6.93 years (March 31, 2021: 7.37 years)

**(iii) Defined contribution plans**

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 16.09 Lakhs (March 31, 2021: INR 17.02 Lakhs)

**31. COMMITMENTS AND CONTINGENCIES**

**A. Commitments**

**Capital Commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Amount in INR Lakhs)		
	March 31, 2022	March 31, 2021
Property, plant and equipment	13.61	3.19

(Amount in INR Lakhs)		
B. Contingent Liabilities	March 31, 2022	March 31, 2021
Claim against the company not acknowledged as debt	36.81	36.81

Name of the Statute	Nature of Dues	Period to which it pertains	Forum where dispute is pending	Amount (exl interest and penalty (Rs.in lakhs)
The Maharashtra Value Added Tax Act, 2002	Local body Tax (LBT)	2013-14	Asstt. Commissioner, Thane Municipal	1.40
		2014-15		15.61
				<b>17.01</b>
Income Tax Act, 1961	Income Tax	2016-17	CIT(A)	10.47
		2017-18		9.33
				<b>19.80</b>

**32. RELATED PARTY TRANSACTIONS**

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Country of Incorporation
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List of Related parties :

**Associate**

Mol Chem Limited	India
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**Entities over which Key Management personnel are able to exercise significant influence/control**

Yogi Investments Private Limited	India
Vijal Shipping Private Limited	India
Waada Film Private Limited	India
Wada Bottling Industries Private Limited	India
Patel Entertainment Private Limited	India
Chavi Impex Private Limited	India
Wada Alums and Acids Private Limited	India
My Shop	India

**Key Management Personnel**

Y D Patel, Chairman and Managing Director  
 Kantilal Narandas Jethwa, Director and CFO  
 Suresh Maganlal Bhadrecha, Director  
 Yogesh Shamjibhai Rathod, Director  
 Chunilal Bhanji Gherwada, Director  
 Arvind Jaykumar Chakote, Company Secretary

**Relatives of Key Management Personnel**

Anjni Y. Patel, Whole Time Director  
 Chandni Y. Patel, Whole Time Director  
 Vijal Y. Patel, Whole Time Director  
 Shailendra D. Patel, Chief Executive Officer  
 Viraj S. Patel, Laboratory Incharge

**(ii) Transactions with related parties**

The following transactions occurred with related parties

(Amount in INR Lakhs)

Name	Nature of Transaction	March 31, 2022	March 31, 2021
Yogendra D. Patel	Remuneration including perquisites	20.00	60.00
Anjni Y. Patel	Remuneration including perquisites	20.00	60.00
Chandni Y. Patel	Remuneration including perquisites	20.00	60.00
Vijal Y. Patel	Remuneration including perquisites	20.00	60.00
Shailendra D. Patel	Remuneration including perquisites	4.77	4.77
Viraj S. Patel	Remuneration including perquisites	3.47	3.47
Mol Chem Limited	Loan given	-	-
	Loan repayments received	-	-
	Interest received	-	-
	Interest charges	-	-

**(iii) Loans to related parties**
**(Amount in INR Lakhs)**

Name	Particulars	March 31, 2022	March 31, 2021
<b>Loans to related parties</b>			
Mol Chem Limited	Beginning of the year	899.28	899.28
	Loans advanced	-	-
	Loan repayments received	-	-
	Interest charged	-	-
	Interest received	-	-
	<b>End of the year</b>	<b>899.28</b>	<b>899.28</b>

**Loans from related parties**

Yogendra D. Patel	Beginning of the year	23.56	-
	Loans received	125.20	23.56
	Loan repayments made	(70.75)	-
	<b>End of the year</b>	<b>78.01</b>	<b>23.56</b>
Anjni Y. Patel	Beginning of the year	17.96	-
	Loans received	74.53	17.96
	Loan repayments made	(47.92)	-
	<b>End of the year</b>	<b>44.57</b>	<b>17.96</b>
Chandni Y. Patel	Beginning of the year	6.46	-
	Loans received	14.08	6.46
	Loan repayments made	(20.54)	-
	<b>End of the year</b>	<b>-</b>	<b>6.46</b>
Vijal Y. Patel	Beginning of the year	2.96	4.30
	Loans received	18.20	2.96
	Loan repayments made	(20.24)	(4.30)
	<b>End of the year</b>	<b>0.92</b>	<b>2.96</b>

**(iv) Key management personnel compensation**
**(Amount in INR Lakhs)**

	March 31, 2022	March 31, 2021
Short term employee benefits	88.24	248.24
Post-employment benefits*	-	-
Other long term employee benefits*	-	-
	<b>88.24</b>	<b>248.24</b>

\*The amount of post employment benefits and long term employee benefits cannot be separately identified from the composite figure advised by the actuary/valuer.

**(v) Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the year ended March 31, 2022, the group has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2021: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

**33. SEGMENT REPORTING**

A. For management purposes, the Company is organized into following three business units based on the risks and rates of returns of the products offered by these unit as per Ind AS 108 on 'Operating Segment' :

Construction  
Fertilizers  
Resort

No operating segments have been aggregated to form the above reportable operating segment.

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2022

(Amount in INR Lakhs)

Particulars	Construction	Fertilizers	Resort	Unallocable	Total segments
<b>Segment Revenue</b>					
External sales revenue	-	1,576.16	725.31	-	<b>2,301.47</b>
Internal segment revenue	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>1,576.16</b>	<b>725.31</b>	<b>-</b>	<b>2,301.47</b>
<b>Segment results before interest, taxes prior period and exceptional items</b>	<b>195.81</b>	<b>424.37</b>	<b>(321.86)</b>	<b>(37.07)</b>	<b>261.25</b>
Interest Expense	-	-	-	207.55	207.55
Interest Income	-	-	-	3.30	3.30
<b>Profit/(Loss) before tax and Exceptional items</b>					<b>57.00</b>
Exceptional items	-	-	-	-	-
<b>Profit/(Loss) before tax</b>					<b>57.00</b>
Tax expense				6.22	<b>6.22</b>
<b>Profit/(Loss) after tax</b>					<b>50.78</b>
<b>Other Information</b>					
Segment Assets	4,124.27	2,552.39	90.27	1,640.15	<b>8,407.08</b>
Segment liabilities	495.48	2,559.33	450.24	364.19	<b>3,869.24</b>
Capital Expenditure	-	2.88	979.09	-	<b>981.97</b>
Depreciation	5.83	73.84	14.42	-	<b>94.09</b>
Non cash expenses other than Depreciation	-	-	-	-	-

Year ended March 31, 2021

(Amount in INR Lakhs)

Particulars	Construction	Fertilizers	Resort	Unallocable	Total segments
<b>Segment Revenue</b>					
External sales revenue	-	2,316.11	251.23	-	<b>2,567.34</b>
Internal segment revenue	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>2,316.11</b>	<b>251.23</b>	<b>-</b>	<b>2,567.34</b>
<b>Segment results before interest, taxes prior period and exceptional items</b>	<b>(69.20)</b>	<b>(19.18)</b>	<b>(320.33)</b>	<b>(4.97)</b>	<b>(413.68)</b>
Interest Expense	-	-	-	176.41	<b>176.41</b>
Interest Income	-	-	-	1.76	<b>1.76</b>
<b>Profit/(Loss) before tax and Exceptional items</b>					<b>(588.32)</b>
Exceptional items	-	-	-	-	-
<b>Profit/(Loss) before tax</b>					<b>(588.32)</b>
Tax expense	-	-	-	11.57	<b>11.57</b>
<b>Profit/(Loss) after tax</b>					<b>(599.89)</b>
<b>Other Information</b>					
Segment Assets	3,860.33	2,370.20	1,532.87	1,727.99	<b>9,491.38</b>
Segment liabilities	492.34	2,581.83	117.77	266.40	<b>3,458.34</b>
Capital Expenditure	-	20.81	20.80	-	<b>41.61</b>
Depreciation	1.26	115.49	115.20	-	<b>231.95</b>
Non cash expenses other than Depreciation	-	-	-	-	-

**Adjustments and eliminations**

Finance income and costs are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment and intangible assets.

**B. Information about geographical areas**

**Revenue from external customers**

The Company is domiciled and have operations only in India. Hence, there is no geographical segment. Accordingly, no disclosure is required under Ind AS 108 "Operating Segment".

**Revenue from Major Customers**

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2022 and March 31, 2021 were as follows:

Segment	March 31, 2022		March 31, 2021	
	Number of Customers	Revenue	Number of Customers	Revenue
Construction	-	-	-	-
Fertilizers	2	375.69	1	197.57
Resort	-	-	-	-

(Amount in INR Lakhs)

**BHARAT AGRI FERT & REALTY LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****34. FAIR VALUE MEASUREMENTS****i. Financial Instruments by Category****(Amount in INR Lakhs)**

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
Trade Receivables	991.19	1,031.08	991.19	1,031.08
Loans	907.52	916.18	907.52	916.18
Cash and Cash Equivalents	1.34	8.43	1.34	8.43
Security Deposits	24.27	24.27	24.27	24.27
Other Bank Balances	102.39	187.14	102.39	187.14
Other Financial Assets	380.93	122.62	380.93	882.22
<b>Financial assets at FVTPL</b>				
Investments in Equity instruments	1.71	1.71	1.71	1.71
<b>Total</b>	<b>2,409.36</b>	<b>2,291.42</b>	<b>2,409.36</b>	<b>3,051.03</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
Borrowings	2,294.74	1,823.71	2,294.74	1,823.71
Trade Payables	793.93	921.66	793.93	921.66
Other financial liabilities	101.13	75.39	101.13	75.39
	<b>3,189.80</b>	<b>2,820.76</b>	<b>3,189.80</b>	<b>2,820.76</b>

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans, deposits and other non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

**BHARAT AGRI FERT & REALTY LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****ii. Fair Value Hierarchy**

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

	March 31, 2022			Total	March 31, 2021			Total
	Fair value measurement using				Fair value measurement using			
Particulars	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Unquoted equity shares	-	-	1.71	1.71	-	-	1.71	
Total Financial Assets	-	-	1.71	1.71	-	-	1.71	

There have been no transfers among Level 1, Level 2 and Level 3 during the period

**Measurement**

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares included in level 3.



**BHARAT AGRI FERT & REALTY LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****iii. Valuation technique used to determine fair value**

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

**iv. Valuation processes**

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee(AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

**v. Reconciliation of fair value measurement of financial assets classified as FVTPL(Level 3):**

<b>(Amount in INR Lakhs)</b>	
<b>Particulars</b>	<b>Unquoted equity shares</b>
<b>As at April 1, 2020</b>	<b>1.71</b>
Remeasurement recognised in Profit and loss	-
<b>As at March 31, 2021</b>	<b>1.71</b>
Remeasurement recognised in Profit and loss	-
<b>As at March 31, 2022</b>	<b>1.71</b>

**35. FINANCIAL RISK MANAGEMENT**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee and finance team oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company's activity exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

**(A) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

**(a) Trade and other receivables**

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**i. Provision for expected credit losses**

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

**ii. Exposure - Trade Receivables**

The ageing of trade and other receivables that were not impaired was as follows:

Particulars	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31, 2022	57.08	934.11	991.19
As at March 31, 2021	6.00	1,025.08	1,031.08

**iii. Reconciliation of loss allowance provision - Trade receivables**

Particulars		(Amount in INR Lakhs)
Loss allowance on April 1, 2020		331.01
Changes in loss allowance		-
Loss allowance on March 31, 2020		331.01
Changes in loss allowance		-
Loss allowance on March 31, 2021		331.01

**(b) Other Financial Assets**

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure.

**(B) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

**Contractual maturities of financial liabilities**

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include principal cash flows.

(Amount in INR Lakhs)					
Particulars	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
<b>March 31, 2022</b>					
Borrowings	2,294.74	2,294.74	2,033.63	261.11	-
Trade payables	793.93	793.93	793.93	-	-
Other financial liabilities	101.13	101.13	101.13	-	-
<b>Total liabilities</b>	<b>3,189.80</b>	<b>3,189.80</b>	<b>2,928.68</b>	<b>261.11</b>	<b>-</b>
<b>March 31, 2021</b>					
Borrowings	1,823.71	1,823.71	1,606.21	217.50	-
Trade payables	921.66	921.66	921.66	-	-
Other financial liabilities	75.39	75.39	75.39	-	-
<b>Total liabilities</b>	<b>2,820.76</b>	<b>2,820.76</b>	<b>2,603.26</b>	<b>217.50</b>	<b>-</b>

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

**(i) Foreign currency risk**

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import payables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

(a) Foreign currency risk exposure (Amount in INR Lakhs)	
Particulars	Exposure in USD
<b>March 31, 2022</b>	
Trade Payables	(292.82)
<b>Net exposure to foreign currency risk</b>	<b>(292.82)</b>
<b>March 31, 2021</b>	
Trade Payables	(406.14)
<b>Net exposure to foreign currency risk</b>	<b>(406.14)</b>

The following significant exchange rates have been applied during the year

INR	Year end spot rate	
	March 31, 2022	March 31, 2021
USD 1	75.91	73.20

**(b) Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars	(Amount in INR Lakhs)			
	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency changes	(2.93)	2.93	(4.06)	4.06
<b>Net Increase/(decrease) in profit or loss</b>	<b>(2.93)</b>	<b>2.93</b>	<b>(4.06)</b>	<b>4.06</b>

**(ii) 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 change in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

However, during the periods presented in the financial statements, the Company has primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not significantly exposed to interest rate risk.

**(iii) Inventory price risk**

The company is exposed to the movement in price of principal finished product i.e Fertilizer. The main raw material i.e Rock Phosphate is imported from Egypt and its price is variable depending upon exchange rate. Fertiliser being a seasonal as well as subsidized product; prices of fertilizer are monitored by government. Department of Fertilizer implemented "Direct Benefit Transfer" (DBT) system for eligibility of subsidy on sale of fertilizer through POS machines. Company monitors the fertilizer prices on daily basis and formulates the sales strategy to achieve maximum realisation.

**36. CAPITAL MANAGEMENT**

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

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 may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(Amount in INR Lakhs)

Particulars	March 31, 2022	March 31, 2021
Borrowings	2,294.74	1,823.71
Trade payables	793.93	921.66
Other payables	101.13	75.39
Less: Cash and cash equivalents	(1.34)	(8.43)
Less: Other bank balance	(102.39)	(187.14)
<b>Net Debt</b>	<b>3,086.06</b>	<b>2,625.19</b>
Equity share capital	528.55	528.55
Other equity*	5,571.74	5,504.49
<b>Total Capital</b>	<b>6,100.29</b>	<b>6,033.04</b>
<b>Total Equity and Net Debt</b>	<b>9,186.35</b>	<b>8,658.23</b>
<b>Gearing ratio (%)</b>	<b>33.59</b>	<b>30.32</b>

\*Includes Property, plant and equipments revaluation reserve of INR 144.73 Lakhs.

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.

(Amount in INR Lakhs)

**37. ASSETS GIVEN AS COLLATERAL SECURITY AGAINST BORROWINGS**

The carrying amount of assets given as collateral security for current and non current borrowings are:

	March 31, 2022	March 31, 2021
<b>CURRENT ASSETS</b>		
<b>i. Financial Assets</b>		
Trade Receivables	981.78	1,021.68
<b>ii. Non Financial Assets</b>		
Inventories	516.40	270.96
<b>Total current assets</b>	<b>1,498.18</b>	<b>1,292.64</b>
<b>NON CURRENT ASSETS</b>		
<b>Non Financial Assets</b>		
Freehold land	76.58	76.58
Freehold building	149.80	154.38
Plants and equipments	260.48	308.36
<b>Total non current assets</b>	<b>486.87</b>	<b>539.33</b>

**38. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)**

The details in respect of Enterprises covered/ registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are not available with the Company. Hence, the details of the principal amounts and interest, if any, payable to the suppliers as on March 31, 2022 have not been furnished.

**39. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013**

Name of the Party	Nature	Purpose	March 31, 2022	March 31, 2021
Mol Chem Limited	Unsecured Loan	Working Capital	899.28	899.28
	Investment	Business	35.06	35.06

**40. ADDITIONAL REGULATORY INFORMATION**

Sr.No.	Particulars	As at 31.03.22	As at 31.03.21
1	Current Ratio	1.40	1.46
2	Debt Equity Ratio	0.38	0.30
3	Debt Service Coverage Ratio	1.90	-1.09
4	Return on Equity Ratio	0.84%	-9.49%
5	Inventory Turnover Ratio	0.80	0.90
6	Trade Receivables Turnover Ratio	2.28	2.34
7	Trade Payables Turnover Ratio	0.86	1.06
8	Net Capital Turnover Ratio	1.63	1.80
9	Net Profit Ratio	1.92%	-22.96%
10	Return on Capital Employed	3.15%	-5.24%
11	Return on Investment	4.25%	1.58%

Due to COVID 19 outbreak in FY 2020-21, all the ratios were affected adversely, however performance is improving due to positive changes in economical and social conditions. Few points to notice are as follows:

Debt service coverage ratio was negative in previous year due to losses to the company.

Return on equity, Return on capital employed and Net Profit ratio has improved due to profitability, FY 2020-21 has severely affected Resort Division as Resort was not in operation for 7-8 months due to COVID 19 restrictions

Higher returns on FD and dividend has improved the Return on investment ratio

**41. Discrepancy to be reported under Clause L(ix) under Additional Regulatory Information applicable to a Company required to prepare Financial Statements under Division II Ind AS Schedule III of the Company's Act**

in lacs				
Sr.No.	Particulars	Amount as per the books of accounts	Amount as per stock statement submitted to the bank	
		Total Amount	Total Amount	Difference
		A	B	A-B
1		Jun-21		
	Inventories	626	2675	-2049
	Trade Receivables	1340	1379	-40
	Subsidy Receivables	419	235	183
2		Sep-21		
	Inventories	526	2390	-1864
	Trade receivables	1334	1390	-56
	Subsidy Receivables	439	460	-21
3		Dec-21		
	Inventories	496	2430	-1934
	Trade receivables	1375	1448	-72
	Subsidy Receivables	505	526	-21
4		Mar-22		
	Inventories	516	2382	-1866
	Trade receivables	1306	1402	-96
	Subsidy Receivables	353	374	-21

Discrepancies in the value of Current Assets occurred due to the inclusion of stocks of all the divisions of the company in the Stock Statement submitted to Bank instead of only Fertiliser Division. As the company had hypothecated all the stocks & receivables of the company as a whole to the lender bank and also since stock statement are to be submitted within ten days of the next month, current asset values are based on provisional accounts.

42. Previous year's amounts are regrouped and reclassified to make them comparable with current year's classification, wherever necessary.

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**As per our report of even date attached**

**For VERMA MEHTA & ASSOCIATES**

Chartered Accountants

Firm Registration No : 112118W

**Sandeep Verma**

Partner

Membership No. 045711

Place : Mumbai

Date : May 30, 2022

**For BHARAT AGRI FERT & REALTY LIMITED**

**Y. D. Patel**

**Chairman and Managing Director**

(DIN : 00106864)

**K. N. Jethwa**

**Director & CFO**

(DIN : 00107034)

Place : Mumbai

Date : May 30, 2022

**A. Y. Patel**

**Whole Time Director**

(DIN : 00106976)

**A. J. Chakote**

**Company Secretary**

(Membership No : ACS550)

## **Consolidated Independent Auditor's Report**

### **To the Members of Bharat Agri Fert and Realty Limited Report on the Audit of the Consolidated Financial Statements**

#### **Qualified Opinion**

We have audited the accompanying Consolidated Financial Statements of **Bharat Agri Fert and Realty Limited** ("the Company") its associates comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the 'Basis of Qualified Opinion'* and based on the consideration of information certified by directors of an associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, its associates as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### **Basis for Qualified Opinion**

##### **a) Loan given to an Associate Company - Mol Chem Ltd**

As per the agreement dated 28th May 2015, the Company had given loan to M/s Mol Chem Ltd aggregating to Rs.8.25 Crore. The loan was repayable over a period of five years. Delays/defaulted were observed in payment of interest and in view of this the Company had amended the agreement. However, the same was not complied by M/s Mol Chem Ltd. In view of this, the said loan was recalled on 31/08/2019. The Loan amount is Rs.8.99 Crores as at 31<sup>st</sup> March 2022. The management of Company has informed that, all necessary steps have been taken by the Company. However, there is no recovery of the said loan even though a significant amount of time has lapsed. Company has not made any provision in respect of the said outstanding loan.

- b) Carrying value of old overdue trade receivables is Rs.10.84 Crores as at 31<sup>st</sup> March 2022. The Company has not made any provision regarding the said old overdue trade receivables.



c) **Old overdue advances:**

The Company has given advances to certain parties aggregating to Rs.1.40 Crores. Certain material amount out of these advances are old and overdue. Company's management is of the opinion that, the intended material/services are received from certain parties for which expenses will be booked after receipt of bills. In respect of certain parties material/services will be received in future and accordingly no provision is necessary in this regard. It is also informed that, in case of few advances, some parties may refund the advances to the Company.

d) **Society Maintenance Charges (SMC):**

Outstanding Society maintenance charges receivable aggregating to Rs.0.26 Crores (app.) as at 31<sup>st</sup> March 2022 are very old and the Company has not made provision in this regard.

e) The amount of subsidy receivable from the financial year ended 31<sup>st</sup> March 2015 to 31<sup>st</sup> March 2018 is Rs.0.21 Crores. As at 31<sup>st</sup> March 2022 the Company has not made provision in this regard.

f) The carrying value of deposits which are not confirmed is Rs.24.27 lakhs as at 31<sup>st</sup> March 2022. The Company has not made provision in this regard.

The Matters as per the serial numbers a) to c) as stated above have been qualified in the preceding quarters and for year ended 31<sup>st</sup> March, 2021.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Company, associates, in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 modified audit opinion on the Consolidated Financial Statements.

**Emphasis of Matter**

a) **Transfer Developments Rights & Real Estate Expenses:**

The Company has made payment for the purpose of purchase of Transfer Developments Rights (TDR) from M/s Hubtown Limited (erstwhile Akruti City Limited) on 19/09/2014 for a sum aggregating to Rs.9.66 Crores. The Company has informed that, TDR is transferred in its name and it has received short TDR for area 332.180 sq. mtrs. aggregating to Rs.1.36 Crores. The Company has not filed any claim for the said short receipt of TDR. The Company has purchased corporate office from M/s Hubtown Limited (erstwhile Akruti City Limited) and

has contended ultimately to adjust the short receipt of TDR by way of maintenance of its corporate office at Andheri payable to M/s Hubtown Limited (erstwhile Akruti City Limited). The Company is intending to use the said TDR and other TDRs purchased in the proposed development of the real estate business. Carrying value of the said TDR aggregating to Rs.9.66 Crores and real estate construction expenses aggregating to Rs.26.86 Crores (including TDR purchased) as at 31<sup>st</sup> March 2022 depends on the Company's ability to further fund the proposed development of reality business & other business segments.

**b) Confirmations of certain trade receivables, trade payables & other receivables:**

Balances of certain trade receivables, trade payables & other receivables are subject to confirmations and reconciliations. Management has stated that, all known liabilities are duly provided by the Company.

**c) Sub-judice matters:**

The Company has informed that, certain matters are sub-judice as at 31<sup>st</sup> March 2022. The summary in brief is as under:

Sn.	Particulars	Amt. Rs.(in Crores)
1	Amount deposited in protest with Maharashtra State Electricity Distribution Company Limited (MSEDCL)-Refer to point i. below	0.53
2	Society Common Area Maintenance Charges Receivables-Refer to point ii & iii. below-(sub judice Other than the societies pertaining to the building "C to F")	0.63
3	Maintenance Charges payable*	0.33

\* The case is yet to be admitted. The Company has not provided any documentary evidence in this regard.

**i. In respect of the Amount deposited in protest with MSEDCL:**

Pursuant to the matter referred in the paragraph c) s.no. 1 above:

MSEDCL officials visited Bharat Agri Fert & Realty Ltd ("The Company") factory at Wada on 21/05/2016 for inspection and made observation that, MSEDCL connection was in the name of Wada Alums & Acids Pvt Ltd and manufacturing activity is going on in the name of the Company and put allegation of transfer or extending unauthorized supply of electricity from one unit to another unit.

Accordingly, MSEDCL issued notice and order for payment of Rs.106 lakhs against which the Company had filed appeal with

The Chief Electrical Inspector and deposited Rs.53 lakhs (50% of the liability) with Chief Electric Inspector (CEI) office.

Upon various hearing, the Company received refund order of the amount paid dated 23<sup>rd</sup> January 2018. However, MSEDCL filed appeal in Mumbai High Court which is in Pre-admission stage.

In respect of the above, the Company has further clarified that, The Company Wada Alums & Acids Pvt Ltd had merged with erstwhile Bharat Fertilizer Industries Ltd, currently known as Bharat Agri Fert & Realty Ltd vide Mumbai High Court Merger Order on 15.06.2007. In view of this and other matters in this regard the management of the Company is hopeful about refund of the said amount deposited.

**ii. In respect of the Society Common Area Maintenance Charges Receivables- A & B Buildings (SCAMCR) :**

Pursuant to the matter referred in the paragraph c) s.no. 2 above:

The Company had recognised income on account of SCAMCR aggregating to Rs.0.73 Crores as at 31<sup>st</sup> March 2014. The Company had recognised income on account of SCAMCR aggregating to Rs.0.83 Crores (50% amount of the proposed settlement) for the period from 01<sup>st</sup> April 2014 till 31<sup>st</sup> December 2021 in the quarter ended 31/12/2021. Further, the Company has reversed SCAMCR aggregating to Rs.19.46 lakhs in March 2022 quarter pursuant to the Memorandum of Understanding (MOU) entered with the societies pertaining to A & B Building on 21<sup>st</sup> April 2022. The Company has realised approximately 50% amount in this regard till the date of this audit report. The Company has explained that, the expenses with regard to MOU with the Housing Co-operative Societies are accounted for by it. However, the Company has not provided any details and underlying documents for the same. The Company has informed that, the court case was filed in the year 2016. As the grounds of case filed are same, the Company has considered entire revenue recognised for the period from 01<sup>st</sup> April 2014 till 31<sup>st</sup> March 2022 aggregating to Rs.2.02 Crores as sub- judice.

The management has stated that the above stated matters are sub- judice and no impact of these is envisaged on the financial statements.

**iii. Society Common Area Maintenance Charges Receivables (SCAMCR)- C to F Buildings:**

Pursuant to the matter referred in the paragraph c) s.no. 3 above:

The Company had recognised income on account of SCAMCR aggregating to Rs.0.42 Crores as at 31<sup>st</sup> March 2014. The

Company had recognised income on account of The SCAMCR aggregating to Rs.2.14 Crores (50% amount of the proposed settlement) till 31<sup>st</sup> December 2021 in the quarter ended 31/12/2021. The Company had reversed SCAMCR aggregating to Rs.12.76 lakhs in the March 2022 quarter pursuant to the Memorandum of Understanding (MOU) signed on 21<sup>st</sup> April 2022. However, it is important to note that, the society pertaining to the “C” building is not a party to the said MOU. Further, the Company has yet not realised any amount out of total revenue recognised Rs.58.98 lakhs from the society pertaining to the “C” building in this regard. The Company has realised approximately 50% amount from societies related to the “D” to “F” buildings till the date of this audit report. The Company has explained that, the expenses with regard to MOU with the Housing Co-operative Societies are accounted for by it. However, the Company has not provided any details and underlying documents for the same. The Company has further informed that, no legal case is filed by the Company in this regard.

d) The above stated illustrative matters coupled by COVID situation for last two and half years (approximately) has significantly affected the company’s cash flows and ability to raise further funds. This has an impact on Company’s business, which further depends upon outcome of the above matters and ability of the Company to raise the funds.

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 Consolidated Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and information certified by directors of an associate, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Sn.	The Key Audit Matters	How our audit addressed the key audit matter

1	Trade Receivables	Our audit procedures included, among others, the following: <ol style="list-style-type: none"> <li>1. Evaluation of sales procedure.</li> <li>2. Evaluated the design of the internal controls relating to sale booking.</li> <li>3. Evaluated sales invoices on test check basis.</li> <li>4. Evaluated ageing analysis and ledger accounts of the trade receivables.</li> </ol>
2.	Inventories	Our audit procedures included, among others, the following: <ol style="list-style-type: none"> <li>1. Evaluation of accounting of inventory related procedure.</li> <li>2. Correlation of inventory as per books and as per physical stock verification reports.</li> <li>3. Evaluated requirements of IND AS-2.</li> </ol>
3.	Loans & Advances	Our audit procedures included, among others, the following: <ol style="list-style-type: none"> <li>1. Evaluation of underlying contracts.</li> <li>2. Evaluation of management perspective of overdue interest amount.</li> </ol>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider

whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the 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.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Company including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and of its associates 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the company and of its associates are responsible for assessing the ability of the Company and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those respective Board of Directors of the Company and of its associates are also responsible for overseeing the financial reporting process of the Company and of its associates.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 ability of the Company and its associates 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of business activities of the Company of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the associate entity included in the Consolidated Financial Statements, based on the information certified by directors, such other director remains responsible for the direction, supervision and performance of the information certified by them. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matter**

(a) We did not audit the financial statements of the associate whose financial statements include the Company's share of net loss after tax of Rs. 7.60 lakhs, as considered in the consolidated financial statements.

The share of loss is Rs.8.92 Lakhs for the year ended 31st March 2022. The carrying value of the Mol Chem Investment was Rs.7.60 lakhs as at 31<sup>st</sup> March 2021. In view of this share of loss for the year and for the quarter to the extent of Rs.7.60 lakhs can only be considered for the purpose of consolidation.

The information have been certified by the Director of the Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the information of the associate certified by the director. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the information of the associate certified by director to the extent applicable to the Company.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and the other financial information of the associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and the other financial information of associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other information of the associate we have relied upon have sought and obtained all the information and explanations *except for the effects of the matter described in the 'Basis of Qualified Opinion'* paragraph above, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

(b) *Except for the effects of the matter described in the 'Basis of Qualified Opinion' paragraph above*, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial



statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

(d) *Except for the effects of the matter described in the 'Basis of Qualified Opinion' paragraph above*, in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors of the Company and associate company, none of the directors of the Company, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Company and its, associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

(g) No information is available in respect of the payment or otherwise of the managerial remuneration by an associate Company. The managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the information certified by the director as noted in the 'Other matter' paragraph:

i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Company, in its Consolidated Financial Statements;

ii. The Company did not have any material foreseeable losses on long-term contracts during the year ended 31 March 2021; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, its associate incorporated in India during the year ended March 31, 2022;

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the

aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The dividend is not declared by the Company, its associates incorporated in India during the year and the immediately preceding previous year.

**For Verma Mehta & Associates**

Chartered Accountants  
FRN : 112118W

**Sandeep Verma**

Partner  
Membership No.: 045711  
UDIN : 22045711ARGPOR1101  
Place : Mumbai  
Date : 30<sup>th</sup> May 2022

**Consolidated Independent Auditor's Report**

(Referred to in paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) The audited financial statements of the associate are not provided to us. Hence no observations can be made in respect of clause 3 (xxi) of the order.

**For Verma Mehta & Associates**

Chartered Accountants

FRN : 112118W

**Sandeep Verma**

Partner

Membership No.:045711

UDIN : 22045711ARGPOR1101

Place : Mumbai

Date : 30<sup>th</sup> May 2022

## **Annexure 2**

To the Independent Auditors' Report of even date on the Consolidated Financial Statements of **Bharat Agri Fert and Realty Limited**

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

In conjunction with our audit of the Consolidated Financial Statements of **Bharat Agri Fert and Realty Limited** which (hereinafter referred to as the "Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Company and its associate which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the companies its associate, which are companies incorporated in India, are 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's and its associate, which are incorporated in India, internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating

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

We believe that the audit evidence we have obtained and the information certified by the director referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements**

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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial control over financial reporting as at 31st March 2022:

1. Loan given to an Associate Company - Mol Chem Ltd
2. Non provisioning of old overdue trade receivables
3. Old overdue advances
4. Society Maintenance Charges (SMC)

5. Subsidy receivable
6. Carrying value of deposits

A 'material weakness' is a deficiency, or a combination of deficiencies in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim

financial statements will not be prevented or detected on a timely basis.

In our opinion, *except for the effects / possible effects of the material weaknesses described above under Basis for Qualified Opinion paragraph* the Company, its associate which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **Other Matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Company, in so far as it relates to an associate which is a company incorporated in India, is based on the information certified by the director of the Company.

### **For Verma Mehta & Associates**

Chartered Accountants

FRN : 112118W

### **Sandeep Verma**

Partner

Membership No.:045711

UDIN : 22045711ARGPOR1101

Place : Mumbai

Date : 30<sup>th</sup> May 2022

**BHARAT AGRI FERT & REALTY LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022**

(Amount in INR Lakhs)

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Particulars	Notes	March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	2,642.70	1,933.77
(b) Capital Work-in-Progress	4	-	726.12
(b) Intangible Assets	5	1.12	0.59
(c) Financial Assets			
(i) Investments	6	4.71	9.31
(ii) Loans	6	899.28	899.28
(iii) Other Financial Assets	6	236.58	139.11
(d) Other Non-Current Assets	11	1,239.16	1,195.10
		<b>5,023.56</b>	<b>4,903.28</b>
<b>Current assets</b>			
(a) Inventories	7	3,217.57	2,966.91
(b) Financial Assets			
(i) Trade Receivables	8	991.19	1,031.08
(ii) Cash and Cash Equivalents	9	1.34	8.43
(iii) Bank Balances Other than (ii) above	10	102.39	187.14
(iv) Loans	6	8.23	16.90
(v) Other Financial Assets	6	168.62	7.78
(c) Other Current Assets	11	421.56	342.41
		<b>4,910.91</b>	<b>4,560.65</b>
<b>TOTAL</b>		<b>9,934.47</b>	<b>9,463.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	13	528.55	528.55
(b) Other Equity	14	5,536.68	5,477.04
		<b>6,065.23</b>	<b>6,005.59</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	261.11	217.50
(ii) Other Non Current Financial Liabilities		-	-
(b) Deferred Tax liabilities (Net)	12	67.42	62.12
(d) Other Non-Current Liabilities	16	43.85	44.39
		<b>372.38</b>	<b>324.01</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	2,033.63	1,606.21
(ii) Trade Payables	18		
A) Total outstanding dues of micro enterprises and small enterprises		-	-
B) Total outstanding dues of creditors other than micro enterprises and small enterprises		793.93	921.66
(iii) Other Financial Liabilities	17	101.13	75.39
(b) Other Current Liabilities	19	561.79	522.39
(c) Provisions	20	6.38	8.68
		<b>3,496.86</b>	<b>3,134.33</b>
<b>TOTAL</b>		<b>9,934.47</b>	<b>9,463.93</b>

Significant Accounting Policies and Notes on Accounts form 1 to 44  
an integral part of the financial statements.

As per our report of even date attached

For VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No : 112118W

Sandeep Verma

Partner

Membership No. 045711

For BHARAT AGRI FERT & REALTY LIMITED

Y. D. Patel

Chairman and Managing Director

(DIN : 00106864)

A. Y. Patel

Whole Time Director

(DIN : 00106976)

K. N. Jethwa

Director & CFO

(DIN : 00107034)

A. J. Chakote

Company Secretary

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,****(Amount in INR Lakhs)**

Particulars	Notes	2021-22	2020-21
<b>INCOME</b>			
Revenue from operations (net)	21	2,301.47	2,567.34
Other income	22	336.99	45.38
<b>Total Revenue (I)</b>		<b>2,638.46</b>	<b>2,612.72</b>
<b>EXPENSES</b>			
Cost of Construction and Raw Materials Consumed	23	588.57	1,064.28
Changes in inventories of finished goods, stock-in-trade and work in progress	24	(56.49)	113.23
Employee benefits expense	25	469.54	485.17
Finance costs	26	207.55	176.41
Depreciation and amortization expense	27	272.51	231.95
Other expenses	28	1,099.78	1,130.00
<b>Total Expenses (II)</b>		<b>2,581.46</b>	<b>3,201.04</b>
<b>Profit/(loss) before share of profit/(loss) of an associate and tax (I-II)</b>		<b>57.00</b>	<b>(588.32)</b>
Share of profit/(loss) of an associate		(7.60)	5.57
<b>Profit/(loss) before tax</b>		<b>49.40</b>	<b>(582.75)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax		5.30	(1.70)
Adjustment of tax relating to earlier periods		0.92	13.27
<b>Profit/(loss) for the year</b>		<b>43.18</b>	<b>(594.32)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>A. Other Comprehensive income not to be reclassified to profit and loss in subsequent periods:</b>			
Remeasurement of gains (losses) on defined benefit plans		16.46	28.18
Income tax effect		-	-
<b>B. Other Comprehensive income to be reclassified to profit and loss in subsequent periods:</b>		-	-
<b>Other Comprehensive income for the year, net of tax</b>		<b>16.46</b>	<b>28.18</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>59.64</b>	<b>(566.13)</b>



(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit/(Loss) before tax	57.00	(588.32)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	272.51	231.95
Finance costs	207.55	176.41
Dividend and interest income classified as investing cash flows	6.04	(3.47)
Net foreign exchange differences	(6.72)	-
<b>Change in operating assets and liabilities:</b>		
(Increase)/Decrease in trade receivables	39.89	128.07
(Increase)/Decrease in inventories	250.66	259.27
Increase/(decrease) in trade payables	127.73	94.55
(Increase) in other financial assets	(162.81)	35.04
(Increase) in other financial liabilities	(25.74)	195.14
(Increase)/decrease in other current assets	(79.14)	421.15
Increase/(decrease) in provisions	2.29	(3.89)
Increase/(decrease) in other balances with bank	84.74	(157.88)
Increase in other liabilities	(39.39)	145.27
<b>Cash generated from operations</b>	<b>734.61</b>	<b>933.29</b>
<b>Add: Gain on Gratuity</b>	<b>16.46</b>	<b>28.18</b>
<b>Add: Prior Period Expenses`</b>	<b>-</b>	<b>(8.37)</b>
<b>Add: Short Provision of Income Tax</b>	<b>0.92</b>	<b>(4.90)</b>
Less: Income taxes paid	-	-
<b>Net cash inflow from operating activities</b>	<b>751.99</b>	<b>948.20</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Payments for purchase of property, plant and equipment	(981.98)	(41.61)
Payments for capital work in progress	-	(726.12)
Proceeds from sale of property, plant and equipment	-	-
Payments for loans to related parties and employess	-	-
Proceeds for Investments	(3.00)	-
Dividends received	2.74	1.71
Interest received	3.30	1.76
<b>Net cash outflow from investing activities</b>	<b>(978.94)</b>	<b>(764.26)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	427.42	-
Repayment of borrowings	-	-
Interest paid	(207.55)	(176.41)
<b>Net cash inflow (outflow) from financing activities</b>	<b>219.87</b>	<b>(176.41)</b>
Net increase (decrease) in cash and cash equivalents	(7.09)	7.53
Cash and Cash Equivalents at the beginning of the financial year	8.43	0.90
Effects of exchange rate changes on Cash and Cash Equivalents		
<b>Cash and Cash Equivalents at end of the year</b>	<b>1.34</b>	<b>8.43</b>

<b>Reconciliation of cash and cash equivalents as per the cash flow statement:</b>		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks on current accounts	0.13	8.12
Cash on hand	1.21	0.31
<b>Balances per statement of cash flows</b>	<b>1.34</b>	<b>8.43</b>

**Notes:**

1. The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on 'Statement of Cash Flows'.
2. Previous years figures have been regrouped/rearranged/recast wherever necessary to conform to this year's classification.

**Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.** 1 to 44

**As per our report of even date attached**

**For VERMA MEHTA & ASSOCIATES**

Chartered Accountants

Firm Registration No : 112118W

**Sandeep Verma**

**Partner**

Membership No. 045711

**For BHARAT AGRI FERT & REALTY LIMITED**

**Y. D. Patel**

**Chairman and Managing Director**

(DIN : 00106864)

**A. Y. Patel**

**Whole Time Director**

(DIN : 00106976)

**K. N. Jethwa**

**Director & CFO**

(DIN : 00107034)

**A. J. Chakote**

**Company Secretary**

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,**

Earnings per share for profit attributable to equity shareholders (in Rs.)	29		
Face Value per equity share Rs.10			
Basic and Diluted EPS		0.82	(11.24)

Significant Accounting Policies and Notes on Accounts 1 to 44  
form an integral part of the financial statements.

As per our report of even date attached

For VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No : 112118W

**Sandeep Verma**

Partner

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**Company Secretary**

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022****A Equity Share Capital**

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
<b>March 31, 2021</b>			
Numbers	5,285,511	-	<b>5,285,511</b>
Amount	528.55	-	<b>528.55</b>
<b>March 31, 2022</b>			
Numbers	5,285,511	-	<b>5,285,511</b>
Amount	528.55	-	<b>528.55</b>

**B Other Equity**

Particulars	Reserves and Surplus							Total
	Capital Reserve	Securities Premium Reserve	Property, Plant and Equipment Revaluation Reserve	General Reserve	Other Comprehensive Income	Retained Earnings	Capital Subsidy	
<b>As at April 1, 2020</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>11.58</b>	<b>4,860.78</b>	<b>7.50</b>	<b>6,043.17</b>
Profit for the period	-	-	-	-	28.18	(594.32)	-	<b>(566.13)</b>
<b>Total comprehensive income for the year</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>39.76</b>	<b>4,266.46</b>	<b>7.50</b>	<b>5,477.04</b>
<b>As at March 31, 2021</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>39.76</b>	<b>4,266.46</b>	<b>7.50</b>	<b>5,477.04</b>
Profit for the period	-	-	-	-	16.46	43.18	-	<b>59.64</b>
<b>Total comprehensive income for the year</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>56.22</b>	<b>4,309.64</b>	<b>7.50</b>	<b>5,536.68</b>
<b>As at March 31, 2022</b>	<b>70.01</b>	<b>318.90</b>	<b>144.73</b>	<b>629.66</b>	<b>56.22</b>	<b>4,309.64</b>	<b>7.50</b>	<b>5,536.68</b>

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements. 1 to 44

As per our report of even date attached

For VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm Registration No : 112118W

Sandeep Verma

Partner

Membership No. 045711

For BHARAT AGRI FERT & REALTY LIMITED

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A. J. Chakote

Company Secretary

(Membership No : ACS550)

Place : Mumbai

Date : May 30, 2022

Place : Mumbai

Date : May 30, 2022

## NOTES to the Consolidated Financial Statements for the year ended March 31, 2022

### 1. Corporate Information about the Company

These statements comprise financial statements of Bharat Agri Fert Realty Limited (referred to as “the Company”) (CIN: L24100MH1985PLC036547) for the year ended March 31, 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity shares are listed on Bombay Stock Exchange in India. The registered office of the company is located at 301, 3rd Floor, Hubtown Solaris, N S Phadke Marg, near Gokhale Bridge, Andheri (East), Mumbai - 400 069.

The Company is principally engaged in the business of construction and development of Residential and Commercial Complex, Manufacture of Fertilisers and Operating Resort.

The financial statements were approved by the Board of Directors and authorised for issue on May 30, 2022.

### 2. Significant Accounting Policies

#### a. Statement of Compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as amended and notified by Ministry of Corporate Affairs (“MCA”) pursuant to Section 133 of the Companies Act, 2013 read with Rule 3.

#### b. Basis of preparation & presentation

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain revalued PPE and financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these Financial Statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 ‘Inventories’ (“Ind AS 2”), Employee defined benefit assets/(obligations) are recognised at the present value of the defined benefit obligations.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value

measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

Level 3 inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services rendered and the time between the rendering of the products/services and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non- Current classification of assets and liabilities.

All the Indian Accounting Standards ("Ind AS") issued and notified by the MCA are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company.

The Financial Statements are presented in Indian Rupee ("INR"), which is the Company's functional currency and all values are rounded to the nearest lakhs upto two decimals, except when otherwise indicated.

### **Principles of consolidation**

#### **i. Subsidiaries**

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Generally, there is a presumption that a majority of voting rights results in control. to support this presumption and when the group has less than a majority of voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The Group re-assess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the

transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Profit or loss and each component of other comprehensive income (the 'OCI') are attributed to the equity holders of the parent of the Group and to the non controlling interests, even if this results in the non controlling interest having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring there accounting policies into line with the Group's accounting policies.

**ii. Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

**iii. Joint arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has investment in joint ventures.

**Joint Ventures**

Interests in joint ventures are accounted for using the equity method (see(iv) below), after initially being recognised at cost in the consolidated balance sheet.

**iv. Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an

impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in below.

### **c. Key Accounting Estimates and Judgements**

The preparation of Financial Statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these Financial Statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future period, if the revision affects current and future periods.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year are:

#### **i) Useful Lives of Property , Plant and Equipment and Intangible Assets**

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed using the best information available to the Management.

#### **ii) Provisions, Liabilities and Contingencies**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgments to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre – tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible to



quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised, but disclosed in the Financial Statements when an inflow of economic benefit is probable. Provisions, contingent liability and assets are reviewed at each reporting date and are adjusted to reflect the current best estimates.

**iii) Recognition and Measurement of defined benefit obligation**

The obligation arising from defined benefit plans is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**iv) Income Taxes**

The Company's tax jurisdiction is India. Significant judgements 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. Significant management judgements is also required in determining deferred tax assets and liabilities and recoverability of deferred tax assets which is based on estimates of taxable income.

**d. Property, Plant and Equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Freehold land are stated at cost. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. 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. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost

of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Borrowing costs directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the Property, plant and equipment is de-recognized.

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

Costs of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated on written down value basis over the useful lives estimated by the management based on internal assessment as follows:

<b>Particulars</b>	<b>Useful Life</b>
Factory/Office Buildings	58 years
Plant and Machinery and ETP	18 years
Pollution Control Equipments	18 years
Laboratory Equipments	15 years
Electrical Installation	18 years
Office Equipments	15 years
Computers	6 years
Furniture and Fixtures	15 years
Vehicles	10 years

The Company, based on internal assessments, believes that the useful live as given above represents period over which the Management expects to use these assets. Hence, the useful lives for these assets is difference from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The residual values are not more than 5% of the original cost of the asset.

#### **e. Intangible assets**

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and accumulated impairment loss.

Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

#### **Amortisation methods and periods**

Intangible assets are amortized on a written down value basis over the useful life of five years which is estimated by the management

The estimated useful lives of intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern, if any.

#### **f. Impairment of Tangible Assets and Intangible Assets other than Goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in a subsequent period.

#### g. Investments in Associates

Investments in associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

#### h. Inventories

##### (a) Fertiliser Division:

**Raw Materials and Stores and Spares** are valued at lower of moving average cost or net realisable value.

**Finished stocks** are valued at cost or net realisable value whichever is lower.

##### (b) Construction Division:

Inventory comprises completed property for sale and property under construction (Construction Work-in-Progress).

- Completed unsold inventory is valued at lower of cost and net realisable value. Cost is determined by including cost of land (at book value), TDR, materials, services and other related proportionate overheads.
- Work-in-progress is valued at lower of cost and net realisable value. Cost comprises cost of land (at book value), materials, services and other proportionate overheads related to projects under construction.

The valuation of inventories includes taxes, duties of non refundable nature and direct expenses and other direct cost attributable to the cost of inventory, net of GST/ countervailing duty / education cess and value added tax.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

#### i. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks and other short term highly liquid investments, which are readily convertible into cash and which are subject to an insignificant risk of change in value and have original maturities of three months or less.

**j. Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby net profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash at banks, other short-term deposits and highly liquid investments with original maturity of three months or less that are readily convertible into cash.

**k. Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

**Financial Assets:**

On initial recognition, a financial asset is recognised at fair value. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI") depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the Effective Interest Rate ("EIR") method net of any Expected Credit Losses ("ECL"). The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Equity Instruments:**

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument- by-instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

#### **Derecognition:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

#### **Impairment of Financial Asset**

Expected credit losses are recognised for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

Expected credit losses is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

### **Financial Liabilities and Equity Instruments Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **Financial Liabilities**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as FVTPL. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at FVTPL are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### **Financial Guarantee Contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

When guarantee in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as cost of investment.

### **Derecognition of Financial Liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

### **Derivative Financial Instruments**

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately. The Company has not designated any derivative instruments as a hedging instrument.

## **I. Provisions, Liabilities and Contingencies**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## **m. Revenue Recognition**



The Company derives revenues primarily from Sale of Fertiliser and business of Real Estate Development; its other operating revenues include Lease Rentals and Subvention Income.

Revenue from contracts with customers for sale of goods or services is recognised when the Company satisfies performance obligation by transferring promised goods or services to the customer at an amount that reflects the consideration which the Company is expected to be entitled to in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discounts, incentives and returns, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The trade discounts incentives and right of return are estimated and provided for, based on historical, current and forecast information available. A refund liability is recognised for expected returns in relation to sales made, corresponding assets are recognised for the products expected to be returned.

The Company does not expect to have any contract where the period between the transfer of the promised goods or services to the customer and payment by the customer exceed one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

#### **Sale of Goods**

Revenue from sale of goods is recognised at a point in time when the control of the goods is transferred to the customer involving single performance obligation. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer, delivery basis or dispatch, as the case may be (i.e. at the point in time when goods are delivered at the dealer site or when the customer purchases the goods at the retail outlet).

#### **Sale of Services**

Revenue from services, which mainly consists of lease rentals from letting of space, is recognised over time on satisfying performance obligations as per the terms of agreement, that is, by reference to the period in which services are being rendered. Revenue from services, if any, involving single performance obligation is recognised at a point in time.

Revenue is recognized upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain. Revenue from rendering of services is net of Indirect taxes, returns and discounts.

#### **Government Subsidy**

Subsidy is recognised on the basis of the rates notified from time to time by the Government of India in accordance with the Nutrient Based Subsidy (NBS) policy on the quantity of fertilisers sold by the Company for the period for which notification has been issued.

#### **Construction and real estate development**

The company derives revenues from sale of properties comprising of and residential units. The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised

products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations.

For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units the Company recognises revenue when its performance obligations are satisfied and customer obtains control of the asset.

Revenue from trading activity, in property as well as Transferable Development Rights (TDR), is recognized when significant risk and rewards of the property/TDR are transferred to the buyer, as demonstrated by transfer of physical possession and transfer of the title in the property/TDR.

#### **Trade Receivables, Contract Assets and Contract Liabilities Trade Receivables**

A receivable is recognised by the Company when the control over the goods and services is transferred to the customer such as when goods and services are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due (which is referred to as “Trade Receivable”).

A receivable is recognised when the Company’s right to an amount of consideration under the contract with the customer that is unconditional, as only the passage of time is required before payment is due.

#### **Contract Assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to the customer for which the consideration (or the amount is due) has been received from the customer. If the customer pays the consideration before the transfer of goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **Interest Income and Dividend**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the

head “Other Income” in the Statement of Profit and Loss.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income from a financial asset is recognized using the effective interest rate (EIR), which is the rate that 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 is recognised when the right to receive the payment is established. Incomes from investments are accounted on an accrual basis.

#### **n. Lease Liability**

##### **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-to-use assets and Lease Liabilities for short-term lease of Property, Plant and Equipment that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘Other Operating Income under Revenue from Operation’ in the Statement of Profit and Loss.

#### **o. Cost Recognition**

Costs and expenses are recognised when incurred and are classified according to their nature.

#### **p. Employee Benefits**

##### **Long Term Post-employment benefits**

Contributions to defined contribution schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

##### **Provident and Family Pension Fund**

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees’ eligible salary (currently 12% of employees’ eligible salary). The contributions are made to the provident fund and pension fund to respective Regional Provident Fund Commissioner. The Company has no further obligations beyond making the contribution.

##### **The company has the following Defined Benefit Plans:**

##### **Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees.

Other long term employee benefits – The Company provides for encashment of leave or leave with pay subject to certain rules.

The Company makes provision for such compensated absences based on an actuarial

valuation by an independent actuary at the year end, which is calculated using Project Unit Credit Method (PUCM). Actuarial gains and losses which comprise experience adjustment and the effect of change in actuarial assumptions are recognised in the Statement of Profit and Loss.

### **Short Term Employee Benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### **q. Borrowing Costs**

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.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **r. Government Grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance Sheet and transferred to Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in Statement of Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

#### **s. Foreign Currency Transactions**

The management of the Company has determined Indian Rupee ("INR") as the

functional currency of the Company. In preparing the Financial Statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### **t. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus issue, bonus element in a rights issue and shares split that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **u. Taxation**

##### **Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

##### **Deferred Tax**

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against those deductible temporary differences which can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax

rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets and liabilities relate to the income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax liabilities and assets on a net or simultaneous basis.

#### **Current and deferred tax for the year**

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### **v. Segment Reporting**

Ind AS 108 establishes standards for the way that public enterprises report information about operating segments and related disclosures about products, services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the company is required to present information in the manner which the Chief Operating Decision Maker ("CODM") evaluates the company's performance and allocates resources. The analysis is generally based on an analysis of various performance indicators by business segments.

The accounting principles used in the preparation of the Financial Statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the relevant applicable accounting policies above. Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment.

Segment assets include all operating assets used by the business segments and consist principally of fixed assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses. Inter- segment transfers are accounted at prevailing market prices.

### **3. Significant accounting judgments, estimates and assumptions**

#### **i. Fair value measurement of Financial Instruments**

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and

assumptions.

**ii. Estimation of net realizable value for inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

**iii. 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, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 a 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.

**iv. Recoverability of trade receivables**

In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

**v. Defined benefit plans**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****4. PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR Lakhs)										
Particulars	Freehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Computer Hardwares	Electric Installations	Capital Work in Progress	Total
GROSS CARRYING VALUE										
As at April 1, 2020	76.58	1,895.25	587.53	165.95	237.84	133.35	5.38	141.27	-	3,243.15
Additions	-	9.39	20.81	3.00	-	-	-	8.41	726.12	767.73
Disposals	-	-	-	-	-	-	-	-	-	-
PPE capitalised	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	76.58	1,904.64	608.34	168.95	237.84	133.35	5.38	149.68	726.12	4,010.88
Additions	-	686.18	2.88	35.50	9.40	11.25	10.30	225.49	-	981.00
Disposals	-	-	-	-	-	-	-	(4.41)	-	(4.41)
PPE capitalised	-	-	-	-	-	-	-	-	(726.12)	(726.12)
As at March 31, 2022	76.58	2,590.82	611.22	204.45	247.24	144.60	15.68	370.76	0.00	4,261.35
ACCUMULATED DEPRECIATION/IMPAIRMENT										
As at April 1, 2020	-	486.50	240.84	99.58	146.98	82.61	4.09	58.72	-	1,119.33
Depreciation for the year	-	107.11	59.13	15.64	24.17	11.82	0.52	13.27	-	231.66
Deductions\Adjustments during the period	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	593.61	299.97	115.22	171.15	94.43	4.61	71.99	-	1,350.99
Depreciation for the year	-	142.41	50.76	16.05	18.41	11.19	3.41	29.84	-	272.07
Deductions\Adjustments during the period	-	-	-	-	-	-	-	(4.41)	-	(4.41)
As at March 31, 2022	-	736.02	350.73	131.27	189.56	105.62	8.02	97.42	-	1,618.65
Net Carrying value as at March 31, 2022	76.58	1,854.80	260.48	73.17	57.68	38.98	7.66	273.34	0.00	2,642.70
Net Carrying value as at March 31, 2021	76.58	1,311.03	308.36	53.72	66.69	38.92	0.77	77.69	726.12	2,659.89

**Notes:****i. Property, Plant and Equipment given as collateral security against borrowings by the company**

Refer to Note 39 for information on property, plant and equipment given as collateral security by the company.

**ii. Contractual Obligations**

Refer to Note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**iii. Capital Work in progress**

There is capital expenditure for construction of new rooms at ANCHAVIYO resort along with banquet hall and other facilities



5. INTANGIBLE ASSETS				
				(Amount in INR Lakhs)
Particulars	Goodwill	Brands or Trade Marks	Computer Software	Total
<b>GROSS CARRYING VALUE</b>				
As at April 1, 2020			2.90	2.90
Additions			-	-
Deletions			-	-
Other Adjustments			-	-
As at March 31, 2021	-	-	2.90	2.90
Additions			0.98	0.98
Deletions			-	-
Other Adjustments			-	-
As at March 31, 2022	-	-	3.88	3.88
<b>ACCUMULATED AMORTISATION AND IMPAIRMENT</b>				
As at April 1, 2020			2.02	2.02
Amortisation for the year			0.30	0.30
Deductions\Adjustments during the period			-	-
As at March 31, 2021	-	-	2.32	2.32
Amortisation for the year			0.44	0.44
Deductions\Adjustments during the period			-	-
As at March 31, 2022	-	-	2.76	2.76
Net Carrying value as at March 31, 2022	-	-	1.12	1.12
Net Carrying value as at March 31, 2021	-	-	0.59	0.59

## 6. FINANCIAL ASSETS

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>(A) INVESTMENTS</b>		
<b>Non Current</b>		
<b>Investments carried at fair value through profit and loss</b>		
<b>Investments in Equity Instruments - Others (Unquoted)</b>		
68400* Equity Shares of Indian Potash Limited (face value Rs.5 each)	1.71	1.71
(March 31, 2021: 68,400 and March 31, 2022: 68,400)		
*Including bonus shares		
<b>Investments carried at Cost</b>		
<b>Investments in Equity Instruments of Associate (Unquoted)</b>		
13,22,880 Equity Shares Mol Chem Limited (face value Rs.10 each)	7.60	2.03
(March 31, 2021: 13,22,880 and March 31, 2022: 13,22,880)		
Profit/ (loss) of Associate Concerns	(7.60)	5.57
	-	<b>7.60</b>
<b>Investments carried at Cost</b>		
<b>Investments in Mutual Funds (Quoted)</b>	<b>3.00</b>	-
Edelweiss Large & Mid Cap Reg-G (1457.653 units)	0.75	-
IDFC Multi Cap Fund Reg-G (7560.106 units)	0.75	-
Invesco India Focused 20 Equity Fund Reg-G (4956.791 units)	0.75	-
Mirae Asset Banking and Financial Services Fund Reg-G (6355.076)	0.75	-
<b>Total</b>	<b>4.71</b>	<b>9.31</b>
Aggregate amount of unquoted investments	9.31	3.74
Investments carried at fair value through profit and loss	1.71	1.71
Investments carried at cost	10.60	2.03
Market Value of Quoted Investments	3.05	-
<b>(B) LOANS</b>		
<b>Non Current</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Loans to Related Parties (refer note no.32)	899.28	899.28
<b>Total</b>	<b>899.28</b>	<b>899.28</b>
<b>Current</b>		
<b>Unsecured, considered good unless otherwise stated</b>		
Loans to Employees	8.23	16.90
<b>Total</b>	<b>8.23</b>	<b>16.90</b>
<b>(C) OTHER FINANCIAL ASSETS</b>		
<b>Non Current</b>		
<b>Financial assets carried at amortised cost</b>		
<b>Unsecured, considered good</b>		
Security and other deposits	24.27	24.27
Security deposit paid to related party	-	-
Common Maintenance charges receivable	212.31	114.84
<b>Total</b>	<b>236.58</b>	<b>139.11</b>
<b>Current</b>		
<b>Financial assets carried at amortised cost</b>		
<b>Unsecured, considered good</b>		
Common Maintenance charges receivable	167.44	-
Rent receivable	1.19	7.78
<b>Total</b>	<b>168.62</b>	<b>7.78</b>

## 7. INVENTORIES

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>(Valued at lower of Cost and Net Realisable value)</b>		
<b>(a) Construction Division</b>		
Real estate under Development	2,647.51	2,647.51
Property development project- completed property	38.86	38.86
	<b>2,686.38</b>	<b>2,686.38</b>
<b>(b) Fertiliser Division</b>		
Raw materials	32.34	27.24
Raw materials in transit	143.17	-
Finished goods	207.49	151.00
Stores, consumables and packing material	133.40	92.72
	<b>516.40</b>	<b>270.96</b>
<b>(c) Resort Division</b>		
	14.79	9.57
	<b>14.79</b>	<b>9.57</b>
<b>Total</b>	<b>3,217.57</b>	<b>2,966.91</b>

Refer to Note 39 for information on inventories given as collateral security by the company.

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****12. INCOME TAX****Deferred Tax****(Amount in INR Lakhs)**

Particulars	March 31, 2022	March 31, 2021
<b>Deferred tax relates to the following:</b>		
Temporary difference in the carrying amount of property, plant and equipment	(67.42)	(62.12)
<b>Net Deferred Tax Assets / (Liabilities)</b>	<b>(67.42)</b>	<b>(62.12)</b>

**Movement in deferred tax liabilities/assets**

Particulars	March 31, 2022	March 31, 2021
<b>Opening balance as of April 1</b>	(62.12)	(63.82)
Tax income/(expense) during the period recognised in profit or loss	(5.30)	1.70
Tax income/(expense) during the period recognised in OCI	-	-
Other adjustment	-	-
<b>Closing balance as at March 31</b>	<b>(67.42)</b>	<b>(62.12)</b>

Particulars	March 31, 2022	March 31, 2021
<b>Unrecognised deferred tax assets</b>		
Unrecognised tax losses	6.20	6.20
Unrecognised tax credits	1,678.20	1,678.20

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of tax credits carried forward by the Company.

**Major Components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are as follows:**

**i. Income tax recognised in profit or loss****(Amount in INR Lakhs)**

Particulars	2021-22	2020-21
Current income tax charge	-	-
Adjustment in respect of current income tax of previous year	0.92	13.27
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	5.30	(1.70)
<b>Income tax expense recognised in profit or loss</b>	<b>6.22</b>	<b>11.57</b>

**ii. Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2021 and March 31, 2020**

Particulars	March 31, 2022	March 31, 2021
<b>Accounting profit before income tax</b>	57.00	(588.32)
Enacted tax rate in India	26.00%	26.00%
<b>Income tax on accounting profits</b>	<b>14.82</b>	<b>(152.96)</b>
<b>Tax Effect of</b>		
Depreciation	(4.74)	(1.70)
Expenses not allowable or considered separately under Income Tax	4.54	0.75
Income considered separately under Income Tax		
Income not taxable under income tax	(0.71)	(0.27)
Losses carried forward to future years	-	176.61
Adjustment in respect of current income tax of previous year	-	-
Other adjustments	(7.69)	(10.86)
<b>Tax at effective income tax rate</b>	<b>6.22</b>	<b>11.57</b>

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 13. SHARE CAPITAL

## i. Authorised Share Capital

(Amount in INR Lakhs)

	Equity Share	
	Number	Amount
At April 1, 2020	10,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2021	10,000,000	1,000.00
Increase/(decrease) during the year	-	-
At March 31, 2022	10,000,000	1,000.00

## Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2022, the amount of per share final dividend recognised as distributions to equity shareholders was Nil (P.Y final dividend Nil)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of equity shares held by the shareholders.

## ii. Issued Capital

(Amount in INR Lakhs)

Particulars	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2020	5,285,511	528.55
Changes during the year	-	-
At March 31, 2021	5,285,511	528.55
Changes during the year	-	-
At March 31, 2022	5,285,511	528.55

## iii. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Yogendra D Patel	820,650	15.53%	820,650	15.53%
Anjni Y Patel	788,872	14.93%	788,872	14.93%
Yogi Investment Private Limited	780,586	14.77%	780,586	14.77%
Wada Alums and Acids Private Limited	767,845	14.53%	767,845	14.53%
Vijal Shipping Private Limited	332,800	6.30%	332,800	6.30%

iv. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL (previous period of five years ended March 31, 2021: NIL)

v. None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.

vi. The Company does not have any holding company.

## vii. Shareholding of Promoters &amp; Promoters Group

Promoters Name	No of Shares	% of Total Shares	% change during the year
Yogendra Dahyabhai Patel	820650	15.53%	-
Anjni Yogendra Patel	788872	14.93%	-
Vijal Yogendra Patel	33961	0.64%	-
Chandni Yogendra Patel	21555	0.41%	-
Kantilal Naryandas Jethwa	3770	0.07%	-
Yogi Investments Pvt Ltd	780586	14.77%	-
Wada Alums And Acids Pvt Ltd	767845	14.53%	-
Vijal Shipping Pvt Ltd	332800	6.30%	-
Chavi Impex Pvt Ltd	26200	0.50%	-
Wada Bottling Industries Pvt Ltd	12900	0.24%	-

## 14. OTHER EQUITY

## Reserves and Surplus

(Amount in INR Lakhs)

Particulars	March 31, 2022	March 31, 2021
Capital Reserve	70.01	70.01

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

Securities Premium Reserve	318.90	318.90
Property, Plant and Equipment Revaluation Reserve	144.73	144.73
General Reserve	629.66	629.66
Capital Subsidy	7.50	7.50
Other Comprehensive Income	56.22	39.76
Retained Earnings	4,309.64	4,266.46
	<b>5,536.68</b>	<b>5,477.03</b>

(a) Capital Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	70.01	70.01	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>70.01</b>	<b>70.01</b>	

(b) Securities Premium Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	318.90	318.90	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>318.90</b>	<b>318.90</b>	

The amount received in excess of face value of the equity shares is recognised in Share premium reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(c) Property, Plant and Equipment Revaluation Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	144.73	144.73	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>144.73</b>	<b>144.73</b>	

Property, plant and equipment reserve represents reserve created on revaluation of assets and it is non distributable reserve.

(d) General Reserve		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	629.66	629.66	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>629.66</b>	<b>629.66</b>	

The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

(e) Capital Subsidy		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	7.50	7.50	
Add/(Less): Changes during the year	-	-	
<b>Closing balance</b>	<b>7.50</b>	<b>7.50</b>	

(f) Other Comprehensive Income		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	39.76	11.57	
Remeasurement of post employment benefit obligation, net of tax	16.46	28.18	
<b>Closing balance</b>	<b>56.22</b>	<b>39.76</b>	

(g) Retained Earnings		(Amount in INR Lakhs)	
	March 31, 2022	March 31, 2021	
Opening balance	4,266.46	4,860.78	
Net Profit/(Loss) for the period	43.18	(594.32)	
Adjustment for fair valuation of financial instruments	-	-	
<b>Closing balance</b>	<b>4,309.64</b>	<b>4,266.46</b>	

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 15 . BORROWINGS

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Non Current Borrowings</b>		
<b>Secured</b>		
(a) Term Loan from bank (BGECL)	261.11	217.50
<b>Unsecured</b>		
Loans from Related Parties	-	-
	<b>261.11</b>	<b>217.50</b>
<b>Current Borrowings</b>		
<b>Secured</b>		
(a) Cash credit/Over Draft from bank	1,763.46	1,482.77
(b) Term Loan from bank (BGECL)	146.67	72.50
<b>Unsecured</b>		
(a) Loans from related parties (refer to note no.32)	123.50	50.94
<b>Total</b>	<b>2,033.63</b>	<b>1,606.21</b>

**Current and Non Current Borrowings**

**Terms and Conditions of Repayment and Details of Securities are as under :**

1. The loan is Repayable on demand. Term loan is having repayment period of 48 months with 12 months of moratorium period.
2. Cash Credit loan is secured by hypothecation of stock of raw material, semi-finished goods and stores and spares, packing material, finished goods , receivables (both present and future).
3. Cash Credit loan is secured by equitable mortgage on factory Land(measuring 18.36 acre) and buildings situated at village Kharivali, Taluka-Wada, District-Palghar. Overdraft is secured by equitable mortgage on land measuring 2 acre and building (studio) situated at survey no.180/1, Village Kharivali, Taluka Wada, District Palghar.
4. Cash Credit loan is secured by hypothecation of Plant and machinery and all other movable fixed Property, Plant and Equipment of the Company already in possession or to be in possession of the Company.
5. Personal Guarantee of Shri.Yogendra D Patel, Promoter Director of the company is given against Overdraft facility for Resort Division
6. Rate of Interest is 10.35% p.a. - SBI and 9.25% - BOB (March 31, 2021: 9.25%)

**Net debt Reconciliation**

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Current Borrowings	2,033.63	1,606.21
Non-current Borrowings	261.11	217.50

(Amount in INR Lakhs)			
Particulars	Liabilities from financing activities		
	Non Current Borrowings	Current Borrowings	Total Borrowings
<b>Net Debt as at April 1, 2020</b>	-	<b>1,447.12</b>	<b>1,447.12</b>
Cash Inflows	217.50	119.14	336.64
Cash Outflows	-	39.94	39.94
	<b>217.50</b>	<b>1,606.21</b>	<b>1,823.70</b>
Interest Expense	-	149.64	149.64
Interest Paid	-	(149.64)	(149.64)
Other non cash adjustments	-	-	-
<b>Net Debt as at March 31, 2021</b>	<b>217.50</b>	<b>1,606.21</b>	<b>1,823.70</b>
Cash Inflows	43.61	427.43	471.04
Cash Outflows	-	-	-
	<b>261.11</b>	<b>2,033.63</b>	<b>2,294.74</b>
Interest Expense	-	178.26	178.26
Interest Paid	-	(178.26)	(178.26)
Other non cash adjustments	-	-	-
<b>Net Debt as at March 31, 2022</b>	<b>261.11</b>	<b>2,033.63</b>	<b>2,294.74</b>

There are no defaults in repayment of borrowings and interest thereon for the reporting periods presented.

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****16. OTHER NON CURRENT LIABILITIES**

(Amount in )		
Particulars	March 31, 2022	March 31, 2021
<b>Non Current</b>		
Gratuity payables	43.85	44.39
	<b>43.85</b>	<b>44.39</b>

**17. OTHER FINANCIAL LIABILITIES**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Other payables (mainly includes provision for expenses and deposit received against premises offered on leave and licenses)	101.13	75.39
<b>Total</b>	<b>101.13</b>	<b>75.39</b>

**18. TRADE PAYABLES**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No.38)	-	-
Total outstanding dues to Related Parties (Refer Note 34)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	793.93	921.66
<b>Total</b>	<b>793.93</b>	<b>921.66</b>

21-22		in lacs				
SR NO	Particular	Outstanding for following periods from due date of payment				Total
		Leass than 1 Year	1-2 Year	2-3 Year	More than 3 Year	
1	MSME					
2	Others	345.10	267.86	20.68	20.30	653.95
3	Disputed dues – MSME					
4	Disputed dues - Others					
Less	Advance to the creditors	43.28	96.70			139.98
						793.93

20-21		Outstanding for following periods from due date of payment				
SR NO	Particular	Leass than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
1	MSME					
2	Others	635.15	36.83	148.22		820.19
3	Disputed dues – MSME					
4	Disputed dues - Others					
	Advance to the creditors	43.28	31.50	26.68		101.47
						921.66

**19. OTHER LIABILITIES**

(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
<b>Current</b>		
Advance against flat sales	456.40	456.40
Statutory Liabilities	59.22	64.72
Other Liabilities (mainly includes advances received from clients)	46.17	1.28
<b>Total</b>	<b>561.79</b>	<b>522.39</b>



20. PROVISIONS		
(Amount in INR Lakhs)		
Particulars	March 31, 2022	March 31, 2021
Current		
Dividend payable	6.38	8.68
<b>Total</b>	<b>6.38</b>	<b>8.68</b>

**21. REVENUE FROM OPERATIONS**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
<b>Sale of products</b>		
Fertilisers Sales	650.22	1,561.39
<b>Sale of services</b>		
Resort Income	725.31	251.23
<b>Other operating revenues</b>		
Government Subsidy	925.94	754.72
	<b>2,301.47</b>	<b>2,567.34</b>

**22. OTHER INCOME**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
Interest income on		
Bank fixed deposits	3.30	1.76
Loans to others	-	-
Dividend income	2.74	1.71
<b>Other Non Operating Income</b>		
Agriculture income	0.49	-
Rent income	30.75	39.36
Insurance claim	9.62	-
Net gain / loss on disposal of Property, plant and equipment	8.82	-
Common Area Maintenance Charges	264.91	-
Sundry balances written back	14.75	-
Miscellaneous Income	1.62	2.55
	<b>336.99</b>	<b>45.38</b>

**23. COST OF CONSTRUCTION AND RAW MATERIAL CONSUMED**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
As at beginning of the year	27.24	167.58
Add: Purchases	736.84	923.94
Less : As at end of the year	(175.51)	(27.24)
	<b>588.57</b>	<b>1,064.28</b>

**24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE**

(Amount in INR Lakhs)		
Particulars	2021-22	2020-21
<b>Inventories as at the beginning of the year</b>		
Finished goods - Fertiliser division	151.00	264.23
Finished goods - Construction division	38.86	38.86
Work in progress - Real estate under Development	2,647.51	2,647.51
<b>Total</b>	<b>2,837.37</b>	<b>2,950.61</b>
<b>Less : Inventories as at the end of the year</b>		
Finished goods - Fertiliser division	207.49	151.00
Finished goods - Construction division	38.86	38.86
Work in progress - Real estate under Development	2,647.51	2,647.51
<b>Total</b>	<b>2,893.87</b>	<b>2,837.37</b>
<b>Net decrease / (increase) in inventories</b>	<b>(56.49)</b>	<b>113.23</b>

**25. EMPLOYEE BENEFITS EXPENSE**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Salaries, wages and bonus incl Directors Remuneration	346.03	359.09
Staff welfare expenses	89.65	79.24
Gratuity expense	18.34	17.02
Leave salary expenses	0.28	3.81
Contribution to provident and other funds	15.24	26.02
	<b>469.54</b>	<b>485.17</b>

**26. FINANCE COST**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Interest expense on borrowings	178.26	149.64
Other finance charges	29.30	26.76
	<b>207.55</b>	<b>176.41</b>

**27. DEPRECIATION AND AMORTISATION EXPENSE**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
Depreciation on tangible assets	272.07	231.51
Amortisation on intangible assets	0.44	0.44
	<b>272.51</b>	<b>231.95</b>

**28. OTHER EXPENSES**

(Amount in INR Lakhs)

Particulars	2021-22	2020-21
<b>Operating and Other Expenses</b>		
Power and Fuel	109.62	104.57
Stores, Spares and Packing Material Consumed	71.89	138.70
Repairs and maintenance		
Plant and Machinery	7.54	4.23
Factory Building	9.80	5.04
Rates and Taxes	13.31	24.24
Insurance charges	11.76	13.89
Other Operating Expenses	73.07	109.57
	<b>296.98</b>	<b>400.25</b>
<b>Administrative expenses</b>		
Payments to auditors (Refer note (a) below)	2.97	2.97
Postage and Telegrams and Fax	1.26	2.06
Legal and other professional fees	33.58	28.54
Travelling and conveyance expenses	18.15	10.44
Vehicle Expenses	29.21	38.69
Donation	-	0.29
Freight Expenses	171.60	331.63
Marketing and sales promotion expenses	37.81	11.91
Repairs and maintenance - Others	108.50	105.73
Discount	0.05	2.85
Corporate social responsibility expenditure	-	-
Common maintenance expense	34.62	16.77
Sundry debtors written off	-	-
Loss allowance on Receivables	-	-
Loss on sale of scrap	-	-
Resort expenses	285.12	89.42
General expenses	41.96	39.19
Miscellaneous expenses	37.97	49.26
	<b>802.80</b>	<b>729.75</b>
<b>Total</b>	<b>1,099.78</b>	<b>1,130.00</b>

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(a) Details of Payments to statutory auditors		(Amount in INR Lakhs)	
	2021-22	2020-21	
<b>As auditor</b>			
Audit Fee	2.97	2.97	
<b>In other capacity</b>			
Taxation matters	-	-	
Other Professional Services	-	-	
Re-imbursement of expenses	-	-	
	<b>2.97</b>	<b>2.97</b>	
(b) Corporate social responsibility expenditure		(Amount in INR Lakhs)	
	2021-22	2020-21	
Amount required to be spent as per Section 135 of the Act	-	-	
Amount spent during the year on			
(i) Social and Education activities	-	-	
(ii) on purposes other than (i) above	-	-	

29. EARNINGS PER SHARE			(Amount in INR Lakhs)	
Particulars	March 31, 2022	March 31, 2021		
(a) Basic earnings per share (INR)	0.82	(11.24)		
(b) Diluted earnings per share (INR)	0.82	(11.24)		
(c) Reconciliations of earnings used in calculating earnings per share				
<i>Basic earnings per share</i>				
Profit attributable to the equity holders of the company used in calculating basic earnings per share	43.18	(594.32)		
<i>Diluted earnings per share</i>				
Profit attributable to the equity holders of the company used in calculating basic earnings per share	43.18	(594.32)		
Adjustments for calculation of Diluted earnings per share:	-	-		
<b>Profit attributable to the equity holders of the company used in calculating diluted earnings per share</b>	<b>43.18</b>	<b>(594.32)</b>		
(d) Weighted average number of shares used as the denominator				
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	5,285,511	5,285,511		
Adjustments for calculation of diluted earnings per share:	-	-		
<b>Weighted average number of equity shares used as the denominator in calculating diluted earnings per share</b>	<b>5,285,511</b>	<b>5,285,511</b>		

**30. INTEREST IN OTHER ENTITIES**
**Interest in associate**

(i) Set out below are the details of associate of the group as at March 31, 2022 which, in the opinion of the directors, is material to the group. The share capital consisting solely of equity shares, which are held directly by the ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of Business	% of ownership interest	Relationship	Accounting Method	Carrying Amount	
					March 31, 2022	March 31, 2021
Mol Chem Limited	India	26.00%	Associate	Equity Method	-	7.60

Name of entity	Carrying Amount		Quoted Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Mol Chem Limited	-	7.60	**	**

\*\* Unlisted entity - no quoted price available

**(ii) Summarised financial information for associate**

The table below provides summarised financial information for this associate that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant associate and not group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments made at the time of acquisition and modification for differences in accounting policies.

Summarised balance sheet	Mol Chem Limited	
	March 31, 2022	March 31, 2021
Total current assets	173.04	304.39
Total non current assets	2,059.74	2,043.61
Total current liabilities	517.62	377.85
Total non current liabilities	1,196.11	1,412.06
<b>Net Assets</b>	<b>519.05</b>	<b>558.09</b>

**Reconciliation to carrying amounts**

Particulars	Mol Chem Limited	
	March 31, 2021	March 31, 2021
Opening net assets	487.99	466.56
Profit for the year	(34.32)	21.43
Other comprehensive income	-	-
<b>Closing net assets</b>	<b>453.67</b>	<b>487.99</b>
Group's share in %	26.00%	26.00%
Group's share in INR	117.95	126.88
Other adjustments	(117.95)	(119.28)
<b>Carrying amount</b>	<b>0.00</b>	<b>7.60</b>

Summarised statement of profit and loss	Mol Chem Limited	
	March 31, 2022	March 31, 2021
Revenue from operations	473.20	473.20
<b>Profit for the year</b>	<b>(34.32)</b>	<b>21.43</b>
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>(34.32)</b>	<b>21.43</b>
Dividends paid	-	-

Particulars	March 31, 2022	March 31, 2021
Share of profits (Loss) of an associates	(7.60)	5.57
<b>Total share of profits from associates and joint ventures</b>	<b>(7.60)</b>	<b>5.57</b>

**31. DISCLOSURES REQUIRED BY SCHEDULE III**

Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b> Bharat Agri Fert And Realty Limited	100.00%	9,562.10	98.73%	(588.74)	100.00%	16.46	98.69%	(572.28)
<b>Associates (Investment as per the equity method)</b> <b>Indian</b> Mol Chem Limited	0.00%	-	1.27%	(7.60)	0.00%	-	1.31%	(7.60)
	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Total Elimination/ consolidation adjustments</b>								
<b>Total</b>	<b>100.00%</b>	<b>9,562.10</b>	<b>100.00%</b>	<b>(596.34)</b>	<b>100.00%</b>	<b>16.46</b>	<b>100.00%</b>	<b>(579.88)</b>

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 32. EMPLOYEE BENEFIT OBLIGATIONS

	March 31, 2022			March 31, 2021		
	Current	Non Current	Total	Current	Non Current	Total
Gratuity	55.84	43.84	99.68	55.60	44.39	99.99
<b>Total Employee Benefit Obligation</b>	<b>55.84</b>	<b>43.84</b>	<b>99.68</b>	<b>55.60</b>	<b>44.39</b>	<b>99.99</b>

## Post Employment obligations

## Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a **unfunded plan**.

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows :

Particulars	(Amount in INR Lakhs)	
	Present value of obligation	
<b>As at April 1, 2020</b>	<b>125.59</b>	
Current service cost	8.97	
Interest expense/(income)	8.05	
Past Service Cost -(vested benefits)	-	
<b>Total amount recognised in profit or loss</b>	<b>17.02</b>	
<i>Remeasurements</i>		
(Gain)/Loss from change in financial assumptions	3.14	
Experience (gains)/losses	(31.33)	
<b>Total amount recognised in other comprehensive income</b>	<b>(28.19)</b>	
Employer contributions	-	
Benefit payments	(14.43)	
<b>As at March 31, 2021</b>	<b>99.99</b>	
Current service cost	9.83	
Past Service Cost -(vested benefits)	-	
Interest expense/(income)	6.25	
<b>Total amount recognised in profit or loss</b>	<b>16.08</b>	
<i>Remeasurements</i>		
(Gain)/Loss from change in financial assumptions	(3.55)	
Experience (gains)/losses	(10.65)	
<b>Total amount recognised in other comprehensive income</b>	<b>(14.20)</b>	
Employer contributions	-	
Benefit payments	(2.18)	
<b>As at March 31, 2022</b>	<b>99.68</b>	

The significant actuarial assumptions were as follows:

	March 31, 2022	March 31, 2021
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Discount rate	6.85%	6.32%
Rate of Increase in compensation	10.00%	10.00%
Expected average remaining service	11.52	13.35
Retirement age	56 years	56 years
Employee Attrition Rate	0.8 % For All Ages	0.8 % For All Ages

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is shown below:

(Amount in INR Lakhs)				
Assumptions	Discount rate		Salary escalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
<b>March 31, 2022</b>				
Impact on defined benefit obligation	(5.80)	7.04	4.39	(4.00)
% Impact	-5.82%	7.07%	4.40%	-4.01%
<b>March 31, 2021</b>				
Impact on defined benefit obligation	(6.22)	7.62	4.81	(4.24)
% Impact	-6.22%	7.62%	4.81%	-4.24%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected cash flows to the defined benefit plan in future years:

(Amount in INR Lakhs)		
	March 31, 2022	March 31, 2021
Expected outflow in the first year	55.84	55.60
Expected outflow in the second year	0.62	0.60
Expected outflow in the third year	0.65	0.63
Expected outflow in the fourth year	0.69	0.66
Expected outflow in the fifth year	2.97	0.70
Expected outflow in six to ten years	12.52	15.83
<b>Total expected payments</b>	<b>73.29</b>	<b>74.02</b>

The average duration of the defined benefit plan obligation at the end of the reporting period is 6.93 years (March 31, 2021: 7.37 years)

### (iii) Defined contribution plans

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 16.09 Lakhs (March 31, 2021: INR 17.02 Lakhs)

## 33. COMMITMENTS AND CONTINGENCIES

### A. Commitments

#### Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(Amount in INR Lakhs)		
	March 31, 2022	March 31, 2021
Property, plant and equipment	13.61	3.19

(Amount in INR Lakhs)		
B. Contingent Liabilities	March 31, 2022	March 31, 2021
Claim against the company not acknowledged as debt	36.81	36.81

Name of the Statute	Nature of Dues	Period to which it pertains	Forum where dispute is pending	Amount (exl interest and penalty (Rs.in lakhs))
The Maharashtra Value Added Tax Act, 2002	Local body Tax (LBT)	2013-14	Asstt. Commissioner, Thane Municipal	1.40
		2014-15		15.61
				<b>17.01</b>
Income Tax Act, 1961	Income Tax	2016-17	CIT(A)	10.47
		2017-18		9.33
				<b>19.80</b>



**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****34. RELATED PARTY TRANSACTIONS**

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Country of Incorporation
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List of Related parties :

**Associate**

Mol Chem Limited	India
------------------	-------

**Entities over which Key Management personnel are able to exercise significant influence/control**

Yogi Investments Private Limited	India
Vijal Shipping Private Limited	India
Waada Film Private Limited	India
Wada Bottling Industries Private Limited	India
Patel Entertainment Private Limited	India
Chavi Impex Private Limited	India
Wada Alums and Acids Private Limited	India
My Shop	India

**Key Management Personnel**

Y D Patel, Chairman and Managing Director  
 Kantilal Narandas Jethwa, Director and CFO  
 Suresh Maganlal Bhadrecha, Director  
 Yogesh Shamjibhai Rathod, Director  
 Chunilal Bhanji Gherwada, Director  
 Vijay Mistry, Director  
 Vijay Patel, Director  
 Arvind Jaykumar Chakote, Company Secretary

**Relatives of Key Management Personnel**

Anjni Y. Patel, Whole Time Director  
 Chandni Y. Patel, Whole Time Director  
 Vijal Y. Patel, Whole Time Director  
 Shailendra D. Patel, Chief Executive Officer  
 Viraj S. Patel, Laboratory Incharge

**(ii) Transactions with related parties**

The following transactions occurred with related parties

(Amount in INR Lakhs)

Name	Nature of Transaction	March 31, 2022	March 31, 2021
Yogendra D. Patel	Remuneration including perquisites	20.00	60.00
Anjni Y. Patel	Remuneration including perquisites	20.00	60.00
Chandni Y. Patel	Remuneration including perquisites	20.00	60.00
Vijal Y. Patel	Remuneration including perquisites	20.00	60.00
Shailendra D. Patel	Remuneration including perquisites	4.77	4.77
Viraj S. Patel	Remuneration including perquisites	3.47	3.47
Mol Chem Limited	Loan given	-	-
	Loan repayments received	-	-
	Interest received	-	-
	Interest charges	-	-

## (iii) Loans to related parties

(Amount in INR Lakhs)

Name	Particulars	March 31, 2022	March 31, 2021
<b>Loans to related parties</b>			
Mol Chem Limited	Beginning of the year	899.28	899.28
	Loans advanced	-	-
	Loan repayments received	-	-
	Interest charged	-	-
	Interest received	-	-
	<b>End of the year</b>	<b>899.28</b>	<b>899.28</b>
<b>Loans from related parties</b>			
Yogendra D. Patel	Beginning of the year	23.56	-
	Loans received	125.20	23.56
	Loan repayments made	(70.75)	-
	<b>End of the year</b>	<b>78.01</b>	<b>23.56</b>
Anjni Y. Patel	Beginning of the year	17.96	-
	Loans received	74.53	17.96
	Loan repayments made	(47.92)	-
	<b>End of the year</b>	<b>44.57</b>	<b>17.96</b>
Chandni Y. Patel	Beginning of the year	6.46	-
	Loans received	14.08	6.46
	Loan repayments made	(20.54)	-
	<b>End of the year</b>	<b>-</b>	<b>6.46</b>
Vijal Y. Patel	Beginning of the year	2.96	4.30
	Loans received	18.20	2.96
	Loan repayments made	(20.24)	(4.30)
	<b>End of the year</b>	<b>0.92</b>	<b>2.96</b>

## (iv) Key management personnel compensation

(Amount in INR Lakhs)

	March 31, 2022	March 31, 2021
Short term employee benefits	88.24	248.24
Post-employment benefits*	-	-
Other long term employee benefits*	-	-
	<b>88.24</b>	<b>248.24</b>

\*The amount of post employment benefits and long term employee benefits cannot be separately identified from the composite figure advised by the actuary/valuer.

## (v) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the year ended March 31, 2022, the group has not recorded any impairment of receivables relating to amount owed by related parties (March 31, 2021: NIL). This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

**35. SEGMENT REPORTING**

A. For management purposes, the Company is organized into following three business units based on the risks and rates of returns of the products offered by these unit as per Ind AS 108 on 'Operating Segment' :

Construction  
Fertilizers  
Resort

No operating segments have been aggregated to form the above reportable operating segment.

The Managing Director (MD) monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the standalone financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended March 31, 2022

(Amount in INR Lakhs)

Particulars	Construction	Fertilizers	Resort	Unallocable	Total segments
<b>Segment Revenue</b>					
External sales revenue	-	1,576.16	725.31	-	<b>2,301.47</b>
Internal segment revenue	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>1,576.16</b>	<b>725.31</b>	<b>-</b>	<b>2,301.47</b>
<b>Segment results before interest, taxes prior period and exceptional items</b>	<b>195.81</b>	<b>424.37</b>	<b>(321.86)</b>	<b>(37.07)</b>	<b>261.25</b>
Interest Expense	-	-	-	207.55	207.55
Interest Income	-	-	-	3.30	3.30
<b>Profit/(Loss) before tax and Exceptional items</b>					<b>57.00</b>
Exceptional items	-	-	-	-	-
<b>Profit/(Loss) before tax</b>					<b>57.00</b>
Tax expense				6.22	<b>6.22</b>
<b>Profit/(Loss) after tax</b>					<b>50.78</b>
<b>Other Information</b>					
Segment Assets	4,124.27	2,552.39	90.27	1,605.09	<b>8,372.03</b>
Segment liabilities	495.48	2,559.33	450.24	364.19	<b>3,869.24</b>
Capital Expenditure	-	2.88	979.09	-	<b>981.97</b>
Depreciation	5.83	73.84	14.42	-	<b>94.09</b>
Non cash expenses other than Depreciation	-	-	-	-	-

Year ended March 31, 2021

(Amount in INR Lakhs)

Particulars	Construction	Fertilizers	Resort	Unallocable	Total segments
<b>Segment Revenue</b>					
External sales revenue	-	2,316.11	251.23	-	<b>2,567.34</b>
Internal segment revenue	-	-	-	-	-
<b>Total revenue</b>	<b>-</b>	<b>2,316.11</b>	<b>251.23</b>	<b>-</b>	<b>2,567.34</b>
<b>Segment results before interest, taxes prior period and exceptional items</b>	<b>(69.20)</b>	<b>(19.18)</b>	<b>(320.33)</b>	<b>(4.97)</b>	<b>(413.68)</b>
Interest Expense	-	-	-	176.41	<b>176.41</b>
Interest Income	-	-	-	1.76	<b>1.76</b>
<b>Profit/(Loss) before tax and Exceptional items</b>					<b>(588.32)</b>
Exceptional items	-	-	-	-	-
<b>Profit/(Loss) before tax</b>					<b>(588.32)</b>
Share of Profit/(Loss) on Investments in Associates	-	-	-	5.57	<b>5.57</b>
Tax expense	-	-	-	11.57	<b>11.57</b>
<b>Profit/(Loss) after tax</b>					<b>(594.32)</b>
<b>Other Information</b>					
Segment Assets	3,860.33	2,370.20	1,532.87	1,700.54	<b>9,463.93</b>
Segment liabilities	492.34	2,581.83	117.77	266.40	<b>3,458.34</b>
Capital Expenditure	-	20.81	20.80	-	<b>41.61</b>
Depreciation	1.26	115.49	115.20	-	<b>231.95</b>
Non cash expenses other than Depreciation	-	-	-	-	-

**Adjustments and eliminations**

Finance income and costs are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis.

Capital expenditure consists of additions of property, plant and equipment and intangible assets.

**B. Information about geographical areas****Revenue from external customers**

The Company is domiciled and have operations only in India. Hence, there is no geographical segment. Accordingly, no disclosure is required under Ind AS 108 "Operating Segment".

**Revenue from Major Customers**

Revenue from customers exceeding 10% of total revenue for the year ended March 31, 2022 and March 31, 2021 were as follows:

(Amount in INR Lakhs)

Segment	March 31, 2022		March 31, 2021	
	Number of Customers	Revenue	Number of Customers	Revenue
Construction	-	-	-	-
Fertilizers	2	375.69	1	197.57
Resort	-	-	-	-

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****36. FAIR VALUE MEASUREMENTS****i. Financial Instruments by Category****(Amount in INR Lakhs)**

Particulars	Carrying Amount		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>FINANCIAL ASSETS</b>				
<b>Amortised cost</b>				
Trade Receivables	991.19	1,031.08	991.19	1,031.08
Loans	907.52	916.18	907.52	916.18
Cash and Cash Equivalents	1.34	8.43	1.34	8.43
Security Deposits	24.27	24.27	24.27	24.27
Other Bank Balances	102.39	187.14	102.39	187.14
Other Financial Assets	380.93	122.62	380.93	882.22
<b>Financial assets at FVTPL</b>				
Investments in Equity instruments	1.71	1.71	1.71	1.71
<b>Total</b>	<b>2,409.36</b>	<b>2,291.42</b>	<b>2,409.36</b>	<b>3,051.03</b>
<b>FINANCIAL LIABILITIES</b>				
<b>Amortised cost</b>				
Borrowings	2,294.74	1,823.71	2,294.74	1,823.71
Trade Payables	793.93	921.66	793.93	921.66
Other financial liabilities	101.13	75.39	101.13	75.39
	<b>3,189.80</b>	<b>2,820.76</b>	<b>3,189.80</b>	<b>2,820.76</b>

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair values for loans, deposits and other non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the Fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of non current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****ii. Fair Value Hierarchy**

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(Amount in INR Lakhs)								
	March 31, 2022			Total	March 31, 2021			Total
	Fair value measurement using				Fair value measurement using			
Particulars	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets								
Financial Investments at FVTPL								
Unquoted equity shares	-	-	1.71	1.71	-	-	1.71	
Total Financial Assets	-	-	1.71	1.71	-	-	1.71	

There have been no transfers among Level 1, Level 2 and Level 3 during the period

**Measurement**

**Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2** - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3** - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares included in level 3.

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022****iii. Valuation technique used to determine fair value**

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

**iv. Valuation processes**

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee(AC). Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

**v. Reconciliation of fair value measurement of financial assets classified as FVTPL(Level 3):**

(Amount in INR Lakhs)	
Particulars	Unquoted equity shares
<b>As at April 1, 2020</b>	<b>1.71</b>
Remeasurement recognised in Profit and loss	-
<b>As at March 31, 2021</b>	<b>1.71</b>
Remeasurement recognised in Profit and loss	-
<b>As at March 31, 2022</b>	<b>1.71</b>

**37. FINANCIAL RISK MANAGEMENT**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee and finance team oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company's activity exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the company manages the risk.

**(A) Credit risk**

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

**(a) Trade and other receivables**

Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**i. Provision for expected credit losses**

The company follows 'simplified approach' for recognition of loss allowance on Trade receivables.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

**ii. Exposure - Trade Receivables**

The ageing of trade and other receivables that were not impaired was as follows:

Particulars	Past Due		Total
	Up to 6 Months	More than 6 Months	
As at March 31, 2022	57.08	934.11	991.19
As at March 31, 2021	6.00	1,025.08	1,031.08

**iii. Reconciliation of loss allowance provision - Trade receivables**

Particulars		(Amount in INR Lakhs)
Loss allowance on April 1, 2020		331.01
Changes in loss allowance		-
Loss allowance on March 31, 2020		331.01
Changes in loss allowance		-
Loss allowance on March 31, 2021		331.01



**(b) Other Financial Assets**

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure.

**(B) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company consistently generated sufficient cash flows from operations to meet its financial obligations.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements.

**Contractual maturities of financial liabilities**

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include principal cash flows.

(Amount in INR Lakhs)					
Particulars	Carrying Amount	Total	Less than 1 year	1 to 5 years	More than 5 years
<b>March 31, 2022</b>					
Borrowings	2,294.74	2,294.74	2,033.63	261.11	-
Trade payables	793.93	793.93	793.93	-	-
Other financial liabilities	101.13	101.13	101.13	-	-
<b>Total liabilities</b>	<b>3,189.80</b>	<b>3,189.80</b>	<b>2,928.68</b>	<b>261.11</b>	<b>-</b>
<b>March 31, 2021</b>					
Borrowings	1,823.71	1,823.71	1,606.21	217.50	-
Trade payables	921.66	921.66	921.66	-	-
Other financial liabilities	75.39	75.39	75.39	-	-
<b>Total liabilities</b>	<b>2,820.76</b>	<b>2,820.76</b>	<b>2,603.26</b>	<b>217.50</b>	<b>-</b>

**(C) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

**(i) Foreign currency risk**

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the import payables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

(a) Foreign currency risk exposure (Amount in INR Lakhs)	
Particulars	Exposure in USD
<b>March 31, 2022</b>	
Trade Payables	(292.82)
<b>Net exposure to foreign currency risk</b>	<b>(292.82)</b>
<b>March 31, 2021</b>	
Trade Payables	(406.14)
<b>Net exposure to foreign currency risk</b>	<b>(406.14)</b>

The following significant exchange rates have been applied during the year

INR	Year end spot rate	
	March 31, 2022	March 31, 2021
USD 1	75.91	73.20

**(b) Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars	(Amount in INR Lakhs)			
	2021-22		2020-21	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency changes	(2.93)	2.93	(4.06)	4.06
<b>Net Increase/(decrease) in profit or loss</b>	<b>(2.93)</b>	<b>2.93</b>	<b>(4.06)</b>	<b>4.06</b>

**(ii) 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 change in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

However, during the periods presented in the financial statements, the Company has primarily borrowed funds under fixed interest rate arrangements with banks and financial institutions and therefore the Company is not significantly exposed to interest rate risk.

**(iii) Inventory price risk**

The company is exposed to the movement in price of principal finished product i.e Fertilizer. The main raw material i.e Rock Phosphate is imported from Egypt and its price is variable depending upon exchange rate. Fertiliser being a seasonal as well as subsidized product; prices of fertilizer are monitored by government. Department of Fertilizer implemented "Direct Benefit Transfer" (DBT) system for eligibility of subsidy on sale of fertilizer through POS machines. Company monitors the fertilizer prices on daily basis and formulates the sales strategy to achieve maximum realisation.

**BHARAT AGRI FERT & REALTY LIMITED****CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

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**38. CAPITAL MANAGEMENT**

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

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 may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(Amount in INR Lakhs)

Particulars	March 31, 2022	March 31, 2021
Borrowings	2,294.74	1,823.71
Trade payables	793.93	921.66
Other payables	101.13	75.39
Less: Cash and cash equivalents	(1.34)	(8.43)
Less: Other bank balance	(102.39)	(187.14)
<b>Net Debt</b>	<b>3,086.06</b>	<b>2,625.19</b>
Equity share capital	528.55	528.55
Other equity*	5,536.68	5,477.04
<b>Total Capital</b>	<b>6,065.23</b>	<b>6,005.59</b>
<b>Total Equity and Net Debt</b>	<b>9,151.29</b>	<b>8,630.78</b>
<b>Gearing ratio (%)</b>	<b>33.72</b>	<b>30.42</b>

\*Includes Property, plant and equipments revaluation reserve of INR 144.73 Lakhs.

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements.

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(Amount in INR Lakhs)

**39. ASSETS GIVEN AS COLLATERAL SECURITY AGAINST BORROWINGS**

The carrying amount of assets given as collateral security for current and non current borrowings are:

	March 31, 2022	March 31, 2021
<b>CURRENT ASSETS</b>		
<b>i. Financial Assets</b>		
Trade Receivables	981.78	1,021.68
<b>ii. Non Financial Assets</b>		
Inventories	516.40	270.96
<b>Total current assets</b>	<b>1,498.18</b>	<b>1,292.64</b>
<b>NON CURRENT ASSETS</b>		
<b>Non Financial Assets</b>		
Freehold land	76.58	76.58
Freehold building	149.80	154.38
Plants and equipments	260.48	308.36
<b>Total non current assets</b>	<b>486.87</b>	<b>539.33</b>

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**40. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)**

The details in respect of Enterprises covered/ registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are not available with the Company. Hence, the details of the principal amounts and interest, if any, payable to the suppliers as on March 31, 2022 have not been furnished.

41 **41. DISCLOSURES REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013**

Name of the Party	Nature	Purpose	March 31, 2022	March 31, 2021
Mol Chem Limited	Unsecured Loan	Working Capital	899.28	899.28
	Investment	Business	35.06	35.06

42 **42. ADDITIONAL REGULATORY INFORMATION**

Sr.No.	Particulars	As at 31.03.22	As at 31.03.21
1	Current Ratio	1.40	1.46
2	Debt Equity Ratio	0.38	0.30
3	Debt Service Coverage Ratio	1.87	-1.05
4	Return on Equity Ratio	0.72%	-9.49%
5	Inventory Turnover Ratio	0.80	0.90
6	Trade Receivables Turnover Ratio	2.28	2.34
7	Trade Payables Turnover Ratio	0.86	1.06
8	Net Capital Turnover Ratio	1.63	1.80
9	Net Profit Ratio	1.64%	-22.75%
10	Return on Capital Employed	3.07%	-5.19%
11	Return on Investment	4.25%	1.58%

Due to COVID 19 outbreak in F Y 2020-21, all the ratios were affected adversely, however performance is Division improving due to positive changes in economical and social conditions. Few points to notice are as follows:

- 1 Debt service coverage ratio was negative in previous year due to losses to the company.
- 2 Return on equity, Return on capital employed and Net Profit ratio has improved due to profitability, FY 2020-21 has severely affected Resort as Resort was not in operation for 7-8 months due to COVID 19 restrictions
- 3 Higher returns on FD and dividend has improved the Return on investment ratio

43 **43. Discrepancy to be reported under Clause L(ix) under Additional Regulatory Information applicable to a Company required to prepare Financial Statements**

in lacs				
Sn.	Particulars	Amount as per the	Amount as per	
		Total Amount	Total Amount	Difference
		A	B	A-B
1		Jun-21		
	Inventories	626	2675	-2049
	Trade Receivables	1340	1379	-40
	Subsidy Receivables	419	235	183
2		Sep-21		
	Inventories	526	2390	-1864
	Trade receivables	1334	1390	-56
	Subsidy Receivables	439	460	-21
3		Dec-21		
	Inventories	496	2430	-1934
	Trade receivables	1375	1448	-72
	Subsidy Receivables	505	526	-21
4		Mar-22		
	Inventories	516	2382	-1866
	Trade receivables	1306	1402	-96
	Subsidy Receivables	353	374	-21

Discrepancies in the value of Current Assets occurred due to the inclusion of stocks of all the divisions of the company in the Stock Statement submitted to Bank instead of only Fertiliser Division. As the company had hypothecated all the stocks & receivables of the company as a whole to the lender bank and also since stock statement are to be submitted within ten days of the next month, current asset values are based on provisional accounts.

44 **44. Previous year's amounts are regrouped and reclassified to make them comparable with current year's classification, wherever necessary.**

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

Chartered Accountants

Firm Registration No : 112118W

**Sandeep Verma**

Partner

Membership No. 045711

Place : Mumbai

Date : May 30, 2022

**Y. D. Patel****Chairman and Managing Director**

(DIN : 00106864)

**K. N. Jethwa****Director & CFO**

(DIN : 00107034)

Place : Mumbai

Date : May 30, 2022

**A. Y. Patel****Whole Time Director**

(DIN : 00106976)

**A. J. Chakote****Company Secretary**

(Membership No : ACS550)

# BHARAT AGRI FERT & REALTY LIMITED

## ATTENDANCE SLIP

**REGISTERED OFFICE – 301, 3<sup>rd</sup> Floor, Hubtown Solaris, N. S. Phadke Marg, Near East West Flyover,  
Andheri (East), Mumbai – 400 069.**

**CIN: L24100MH1985PLC036547**

**Phone: (022) 61980100 / 90 / 91, Fax: (022) 2682 0498**

**E- mail: bfilshivsai@gmail.com, Website: [www.bharatrealty.co.in](http://www.bharatrealty.co.in)**

### 37<sup>TH</sup> ANNUAL GENERAL MEETING ON FRIDAY, 30<sup>th</sup> September, 2022

Please complete this Attendance Slip and hand over at the entrance of the Meeting Hall

DP & Client ID*		No. of Shares	
Registered Folio			
Name and Address of the Shareholder(s)/Proxy			
Joint Holder 1			
Joint Holder 2			

\*Applicable for Members holding shares in an electronic form.

I hereby record my presence at the 37<sup>th</sup> Annual General Meeting held on Friday, 30<sup>th</sup> September, 2022 at 2:30 P.M at Sardar Patel Baug, Shri Vile Parle Patidar Mandal, Parleshwar Road, Vile Parle (East), Mumbai - 400 057.

**SIGNATURE OF THE SHARE HOLDER / PROXY**

## Form No. MGT-11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**Corporate Identification No (CIN) - L24100MH1985PLC036547**

**Regd. Office** – 301, 3rd Floor, Hubtown Solaris, N.S. Phadke Marg, Near East West Flyover, Andheri (East), Mumbai – 400 069

Phone:(022) 61980100 / 26820490 / 91, Fax: 022- 2682 0498

E-mail:bfilshivisai@gmail.com, Website: [www.bharatrealty.co.in](http://www.bharatrealty.co.in)

Name of the Member(s):	_____
Registered address :	_____
E-mail ID:_____FolioNo./D. P. ID.and Client ID No.*	_____

\* Applicable for members holding shares in electronic form

I/We being the member(s) of \_\_\_\_\_ shares of Bharat Agri Fert & Realty Limited, hereby appoint:

1. Name:\_\_\_\_\_ Email id: \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her,
2. Name:\_\_\_\_\_ Email id: \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her,
3. Name:\_\_\_\_\_ Email id: \_\_\_\_\_  
Address: \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, the 30<sup>th</sup> September, 2022 at 2:30 P.M. at Sardar Patel Baug, Shri Vile Parle Patidar Mandal, Parleshwar Road, Vile Parle (East), Mumbai - 400 057, Maharashtra and at any adjournment thereof in respect of such resolutions and in such manner as is indicated below.

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Particulars	For	Against
<b>Ordinary Business:</b>			
1.	<p><b>a)</b> Consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 which includes the Audited Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss for the financial year ended as on that date and Cash Flow Statement together with the reports of the Board of Directors and the Statutory Auditors thereon.</p> <p><b>b)</b> Consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 includes the Audited Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss for the financial year ended as on that date and Cash Flow Statement together with the report of Statutory Auditors thereon.</p>		

2.	To appoint a Director in place of <b>Ms. Chandni Y. Patel (DIN: 02032483)</b> , who retires by rotation and being eligible offers herself for re-appointment.		
<b>Special Business:</b>			
3.	Payment of Remuneration to <b>M/s. S.R. Singh &amp; Co., Cost Accountants (FRN: 101398)</b> , the Cost Auditors of the Company for the financial year 2022-23:		
4.	Re-appointment of <b>Mr. Chunilal Bhanji Gherwada (DIN: 08125212)</b> as an Independent Director of the Company for the second term of 5(Five) years:		

Signed this \_\_\_\_\_ Day of \_\_\_\_\_ 2022

Signature of shareholder: \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_

Affix  
Revenue  
Stamp of  
Rs. 1

**Note:**

1. This form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of Annual General Meeting of the Company.
2. For the resolution, Explanatory Statement and Notes, please refer to Notice of the 37<sup>th</sup> Annual General Meeting.
3. Please complete all details including details of Member(s) in above box before submission.



### ROUTE MAP TO REACH THE AGM VENUE

#### 37<sup>th</sup> Annual General Meeting

<b>Day and Date</b>	:	Friday, 30 <sup>th</sup> September, 2022
<b>Time</b>	:	2:30 P.M.
<b>Venue Address</b>	:	Sardar Patel Baug, Vile Parle, Patidar Mandal, Parleshwar Road, Vile Parle (East), Mumbai – 400 057.

