



TGV SRAAC LIMITED

6-2-1012, 2nd Floor, TGV Mansion, Khairatabad, Hyderabad – 500 004,
Telangana, INDIA.

☎040-23313842, Fax : 040- 23313875 Email: sralkalies@tgvmail.net

CIN : L24110AP1981PLC003077



REF:TGVSL:SECL:BSE:2021-22:

September 3, 2021

The Secretary (DCS – CRD)
M/s. BSE Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
M U M B A I – 400 001.

Dear Sir,

Sub: Annual Report for the financial year 2020-21 and Notice of Thirty-Ninth Annual General Meeting – Reg.

Ref: Regulation 34 of SEBI (LODR) Regulations, 2015, Scrip Code : 507753.

Pursuant to Regulation 34 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed (attachment of soft copy) Annual Report for the financial year 2020-21 and notice of the Thirty-Ninth Annual General Meeting of TGV SRAAC Limited (the “Company”) scheduled to be held on Monday, September 27, 2021, at 11.30 A.M (IST) through Video Conferencing (“VC”)/Other Audio visual Means (“OAVM”).

In compliance with the Ministry of Corporate Affairs (“MCA”) circulars dtd.08.04.2020, 13.04.2020, 05.05.2020 and 13.01.2021 (collectively referred as “MCA Circulars”) and the SEBI Circular Dtd.12.05.2020, 09.12.2020 and 15.01.2021 Annual Report for the financial year 2020-21 and notice of the Thirty-Ninth Annual General Meeting are being sent to the Members through electronic mode.

The Annual Report for the financial year 2020-21 and notice of the Thirty-Ninth Annual General Meeting are available and can be accessed from the Investor relations section of the Company’s Website viz., www.tgvgroup.com.

This is for your kind information and record.

Thanking you,

Yours faithfully,
For **TGV SRAAC Limited**

RADHAKRISHNA Digitally signed by
RADHAKRISHNA MURTHY
Date: 2021.09.03 11:51:05 +05'30'
MURTHY VEMULA

CS V. Radhakrishna Murthy
Company Secretary

Regd. Off. & factory : Gondiparla, KURNOOL – 518 004. (A.P) INDIA. ☎ + 91 8518 280006, 7, 8 Fax : 08518-280098
Corporate Off : 40-304, 2nd Floor, K.J. Complex, Bhagya Nagar, KURNOOL – 518 004. (A.P) INDIA. ☎ 08518-221933, 221939 Fax: 08518-226973
Bellary Power Plant : P.D.Halli (Post), T Budehal Dist. Pin 583 138, ☎ (0839) 265239, 265085, Fax: 0839-265240
Chennai Off : New No. 100(old No.74) 1st Floor, Greenways Road, Extn. R.A.Puram, Chennai-600 028. ☎ 044-24611932, 11940 Fax : 044-24612553
Bangalore Off : 25, 1st Floor, Shankara Park Road, Shankarapuram, Bangalore – 560 004. ☎ 080 – 26520493, 5120493, Fax : 080 – 266523655
Mumbai Off : 302, Rishikesh Apt. 3rd Floor, Above Sapna Hotel, Opp: N.L. College, S.V. Road, Malad(west)Mumbai-400 064 Tele Fax : 022-28084481/82
Delhi Off : 72/75, 2nd Floor, Amnt Chamber, Scindia House, Janpat, Connaught Place, New Delhi-110 001 Tele Fax : +91-11-51513233



39th ANNUAL REPORT 2020-21



TGV SRAAC LIMITED

(Formerly Sree Rayalaseema Alkalies & Allied Chemicals Ltd.)



TGV SRAAC LIMITED

BOARD OF DIRECTORS

Sri. T. G. Venkatesh
Chairman (upto 15.5.2020)

Sri. P. N. Vedanarayanan
Sri. G. Krishna Murthy

Sri. K Karunakar Rao
Executive Director & CEO

Sri. N. Jesvanth Reddy
Executive Director (Technical)

Sri. Gopal Krishan
Executive Director (Technical)

Sri. C. Srinivasa Babu (from 04.08.2021)
Executive Director (Technical)

Dr. M. Asha Reddy
Sri. J. Nagabhushanam

COMPANY SECRETARY
Sri. V. Radhakrishna Murthy

VICE PRESIDENT (F&A) & CFO
Sri. C. Rajesh Khanna

BANKERS

Indian Bank
Punjab National Bank (United Bank of India)
The South Indian Bank Limited
The Federal Bank Limited
IDBI Bank Limited
Canbank Factors Limited

SECRETARIAL AUDITOR

Sri. N. Ramaswamy
Flat No. 101 C, Sartaaaj Villa Apartment
3-6-159, Urdu Hall Lane, Himayat Nagar,
Hyderabad - 500 029 (T.S.)

COST AUDITOR

Aruna Prasad & Co.,
Plot No. 802, 64th Street 10th Sector,
K.K. Nagar, Chennai - 600 078 (T.N)

STATUTORY AUDITORS

M/s. K.S. Rao & Co.,
Chartered Accountants
Flat No. 602, Golden Green Apartments
Irrum Manzil Colony,
Hyderabad - 500 082 (T.S.)

REGISTERED OFFICE & FACTORY

Gondiparla, Kurnool - 518 004 (A.P.)

CORPORATE IDENTITY NUMBER (CIN)

L24110AP1981PLC003077

CORPORATE OFFICE

40-304, 2nd Floor, Krishna Jyothsna Complex,
Bhagyanagar, Kurnool - 518 04 (A.P.)

REGISTERAR & SHARE TRANSFER AGENT

Aarhi Counsultants Private Limited
Regd. Office : 1-2-285, Domalaguda
Hyderabad - 500 029 (Telangana State)
Tel. No. 040-27638111 / 4445
Fax No. 040-27632184
E-mail: info@aarhiconsultants.com
aarhiconsultants@gmail.com

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NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the Members of **TGV SRAAC LIMITED (CIN:L24110AP19851PLC003077)** will be held through (Video Conference) VC / OAVM (Other Audio Visual Means) Mode on **Monday, the 27th September, 2021 at 11.30 A.M** to transact the following business :

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss for the year ended and other annexures together with the Reports of Directors and the Auditors attached thereto.
- 2) To appoint a Director in place of Sri K. Karunakar Rao (DIN:02031367) who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint a Director in place of Sri N. Jesvanth Reddy (DIN:03074131) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS :

- 4) **Ratification for appointment of Sri Srinivasa Babu Chappidi (DIN:09266926) as Executive Director (Technical) and for fixation of Remuneration by the Board.**

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

RESOLVED THAT pursuant to Sec. 196, 197, 198 read with Schedule V and other applicable provisions if any of the Companies Act, 2013 including any amendments, modifications, variations or re-enactments to any of the foregoing and subject to required statutory approvals as may be necessary, the members of the company hereby ratify the Board recommendation for appointment of Sri

Srinivasa Babu Chappidi (DIN:09266926) as Executive Director (Technical) for a period of One year i.e., from 04-08-2021 to 03-08-2022 in its meeting held on 31.07.2021, upon the recommendation of Nomination and Remuneration Committee (dt.31.07.2021) on the following terms and conditions.

RESOLVED FURTHER THAT Sri Srinivasa Babu Chappidi will be paid Rs.3,00,000/- per month as Consolidated salary + allowances, perquisites and other benefits as per the Rules of the Company. Perquisites shall be evaluated as per Income Tax Rules or at actual costs. However, the following will not be included in the above perquisites limit.

- a) Company's contribution to Provident Fund, Pension and Superannuation Fund will not be included in computation of the ceiling or perquisites to the extent of these either singly or put together are not taxable under the Income Tax Act.
- b) Use of Company Car for Official purpose and phone at residence/Cell phone for official purpose (including payment of local and long distance calls).
- c) Earned/privileged leave – on full pay and allowance as per Rules of Company. Leave accumulated and not availed during the tenure may be encashed as per Rules of the Company.

RESOLVED FURTHER THAT in the event of absence or inadequacy of Profits in any financial year the aforesaid remuneration shall be treated as minimum remuneration in pursuance to Schedule V of the Companies Act, 2013 and any amendment thereof from time to time.

RESOLVED FURTHER THAT the position of directorship of incumbent is subject to retirement by rotation in pursuant to Articles of Association of the company.



RESOLVED FURTHER THAT Sri V. Radhakrishna Murthy, CGM and Company Secretary is hereby authorized to take all necessary steps to comply with statutory provisions and to file Form MGT-14, Form MR-1, DIR-12 and other related forms with MCA/ROC and to digitally sign the same to comply with statutory formalities.

5) Approval for Material Related Party Transactions.

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 188 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 23 of the Securities of Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board), to ratify/approve all existing contracts / arrangements/ agreements / transactions for the year 2020-21 aggregate value of Rs.223.75 Cr (i.e. Rs.0.75 Cr more than shareholders approval for estimated value i.e. Rs.223.00 Cr accorded in the 38th AGM) and to enter into new/further contracts/ arrangements/agreements/transactions with related parties to the aggregate value of Rs.263.51 Crs (estimated) for the year 2021-22 (including any modifications, alterations or amendments thereto), in the ordinary course of business and on arm's length basis with 'Related Parties' within the meaning of the Act and the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company and related parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.

6) Ratification for Re-appointment and Remuneration of Cost Auditor.

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 all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s.Aruna Prasad & Co., (Regn.No.100883) Proprietrix : Aruna Prasad as Cost Auditors of the Company by the Board of Directors of the Company in its meeting held on 03.06.2021 (upon the recommendation of Audit Committee in its meeting held on 03.06.2021) on a remuneration of Rs.1,50,000/- plus GST and reimbursement of out of pocket expenses, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2022, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps



as may be necessary, proper or expedient to give effect to this Resolution.

7) Creation of Security in favour of Indian Bank for availing Term Loan for Chloromethanes Expansion Project.

To consider and if thought fit, to pass with or without modification, the following Resolution which is proposed as an **Special Resolution**.

RESOLVED THAT the consent by way of approval of the members is hereby accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 for creation/to be created of mortgage and/charge by the Board of Directors of the Company of all the fixed assets of the Company (as clearly explained and mentioned in the explanatory statement) wheresoever situate, present and future, and the whole of undertaking of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of Indian Bank for creation/to be created of security on pari passu first charge basis as under.

<u>Lender</u>	<u>Term Loan (Rs. in Crs)</u>
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Indian Bank	100.00
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together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders under their Loan agreements in respect of the said financial assistance.

8) Creation of security in favour of Banks for availing Term Loans under GECL Scheme/ COVID Loans.

To consider and if thought fit, to pass with or without modification, the following Resolution which is proposed as an **Special Resolution**.

RESOLVED THAT the consent by way of approval of the members is hereby accorded to the Company in terms of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 for creation/to be created of mortgage and/charge by the Board of Directors of the Company of all the fixed assets/current assets of the Company (as clearly explained and mentioned in the explanatory statement) wheresoever situate, present and future, and the whole of undertaking of the Company together with power to take over the management of the business and concern of the Company in certain events, to or in favour of members of Banks consortium for creation/to be created of security on paripassu first/second charge basis on fixed assets and current assets as under.

<u>Lenders</u>	<u>Term Loan (Rs. in Crs)</u>
Indian Bank	18.20 (9.53+8.67)
IDBI Bank Ltd.	9.57
Punjab National Bank	2.25
The Federal Bank Ltd.	0.37
The South Indian Bank Ltd.	1.61 (0.86+0.75)

together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the company to the Lenders under their Loan agreements in respect of the said financial assistance.

By order of the Board

Sd/-

CS V. RADHAKRISHNA MURTHY

COMPANY SECRETARY

Place : Hyderabad

Date : 26th August, 2021



NOTES :

1. The Board in its meeting held on 26.08.2021 has approved the company's proposal to conduct 39th Annual General Meeting through (Video Conference) VC / OAVM (Other Audio Visual Means) instead of physical Annual General Meeting in compliance of General Circular No. 20/2020, dated 05th May, 2020 and 13th January, 2021 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 30.09.2021/31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA Circular no. 02/2021 dated January 13, 2021 issued in view of continuation of Covid-19 pandemic.
- 2) Further, it has been decided that physical copies of Annual Reports will not be sent by post to Members and instead only soft copy of Annual Report (including Notice of AGM) will be sent to Registered email_ids of shareholders in pursuance to MCA Circular No. 17/2020 dated April 13, 2020 & 12.05.2020 and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 and Shareholders can view soft copy of the Annual Report on company's website www.tgvgroup.com and BSE Website and also on RTA Website.

Since the company has opted for convening Annual General Meeting through VC/OAVM, there will not be any provision for physical ballot voting. Members who have participated in Annual General Meeting through VC/OAVM mode can cast their vote through e-voting at the time of Annual General Meeting (provided that he has not cast his vote through remote e-voting).

3. Pursuant to Sec.91 of the Companies Act, 2013 and Regulation 42 of SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for 7 (Seven) days i.e. from 21.09.2021 to 27.09.2021 (both days inclusive).
4. Non-resident Indian Shareholders are requested to inform us immediately:
 - a) the change in Residential Status on return to India for permanent settlement.
 - b) the particulars of Bank/NRE Account, if not furnished earlier.

Shareholders who have not registered their email_ids are requested to register / update immediately to enable the company to send soft copy of Annual Report of the ensuing Annual General Meeting and for future communication.

E-Voting:

The Company is pleased to provide E-Voting facility through Central Depository Services (India) Limited (CDSL) for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 39th Annual General Meeting of the Company dated 27th September, 2021. The Company has appointed Mr. M. Nirmal Kumar Reddy, B.Com., F.C.A., I.S.A, I.R.M., Practicing Chartered Accountant as the Scrutinizer for conducting and completing the E-voting counting process in a fair and transparent manner.

The E-voting rights of the Shareholders / beneficial owners shall be reckoned on the equity shares held by them as on 20th September, 2021. The instructions for Members for voting electronically are as under:

**CDSL e-Voting System – For Remote e-voting and Joining Virtual meetings e-voting during AGM /EGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.tgvgroup.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of



CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and January 13, 2021.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 23.09.2021 at 9.00 A.M. and ends on 26.09.2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/ HO/ CFD/ CMD/CIR/P/2020/242 dated

09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

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

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

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



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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.



Type of shareholders	Login Method
	Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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



Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

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

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

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.



- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant TGV SRAAC Limited on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting @ cdsindia.com](mailto:helpdesk.evoting@cdslindia.com).
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.



- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; Sralakalies@tgvmail.net (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

By order of the Board

Sd/-

CS V. RADHAKRISHNA MURTHY
COMPANY SECRETARY

Place : Hyderabad

Date : 26th August, 2021

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

The following Statement, as required under Section 102 of the Companies Act, 2013, sets out all material facts relating to the items of Special Business mentioned in the accompanying Notice.

ITEM NO. 4

It is brought to the kind notice of the members that the Board (on recommendation of Nomination & Remuneration committee) in its meeting held on 31.07.2021 has co-opted Sri Srinivasa Babu Chappidi as Additional Director in pursuance to Sec. 161 of the Companies Act, 2013. Further, the Board has designated him as Executive Director (Technical) to take care of all technical matters and implementation of future strategic plans on terms and conditions as set out in the resolution subject to shareholders approval in the ensuing AGM effective from 04.08.2021 (the date of allotment of DIN by MCA) pursuant to relevant provisions of Articles of Association whose place is subject to retirement by rotation.

Further it may kindly be noted that Sri Srinivasa Babu Chappidi has given his consent to act as Director in the prescribed format of Form MBP-1 and also given required declaration stating that the disqualification provisions provided in Sec. 164 read with Companies (Appointment and Qualification of Directors) Rules, 2014 are not applicable to him.

Required information with respect to the company and the proposed candidate are furnished in pursuance to the relevant provisions of Schedule V read with SEBI (LODR) Regulations, 2015 furnished as an annexure hereunder.



Annexure

I. General Information

- (1) Nature of Industry: Manufacturer's of Chloro Alkalie Chemicals, Chloromethanes, Castor oil derivatives, Fatty Acids and Power Generation.

Name Change : Name of the Company has been changed from M/s Sree Rayalaseema Alkalies and Allied Chemicals Limited to M/s TGV SRAAC LIMITED (CIN:L24110AP1981PLC003077) for easy recognition and identification vide RoC Approval Dt.14.10.2017.

- (2) In case of new companies, expected date of commencement of activities as per project approved by the financial institutions appearing in the prospectus :

- Not Applicable –

- (3) Financial Performance :

(Rs. in Lakhs)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020	Year Ended 31.03.2019
Revenue from operations	1008.72	1040.26	1204.57
Profit Before Interest, Depreciation and Tax	151.72	160.13	237.90
Net Profit as per Profit and Loss Account	28.95	47.27	68.40
Equity Capital	107.09	101.74	96.69

- (4) Foreign Investment or Collaboration, if any :

- Not Applicable –

II. Information about the appointee :

(1) Background details :

Sri Srinivasa Babu Chappidi is an Engineering graduate in Chemical engineering from Andhra University and Post Graduate from NIT Warangal. Started his career as management trainee at IFFCO has put in more than 35 years of experience in senior management cadre both in India and abroad of reputed Listed companies in Chemicals Industry. He is of 55 years old.

(2) Past Remuneration :

His previous employment is with M/s. Aditya Birla Chemicals (Thailand) Limited in Thailand at a remuneration of USD 158000 per year.

(3) Job Profile and his suitability :

To take care of all Technical Matters and to ensure overall plant safety, ongoing projects management, planning future strategic plans and for ensuring sustainable growth of the company.

(4) Remuneration Proposed :

Existing Remuneration has been recommended by Nomination and Remuneration Committee and Board Directors which is appropriate and reasonable, keeping in view of Responsibility, Rights and Accountability.

(5) Comparative Remuneration with respect to Industry, size of the Company, profile of the position and person :

Considering the size of the Company and the job profile of the position and the credentials and



performance of the appointee, the remuneration proposed is moderate and reasonable and comparable well with that of similar companies.

(6) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any.

Sri Srinivasa Babu Chappidi is not having any pecuniary relationship with the company except that he is in employment of the company and he is not related to any Directors or Promoters of the Company. He is not holding any shares in the company.

III. Other Information :

(1) Steps taken or proposed to be taken for improvement of the Company :

Expansion Programme of Chloromethanes Project is in advanced stage. Modernization programme is under implementation in Chemical division. Once these programmes are completed, the profitability of the company is expected for further improvement In view of these projects. Keeping in view of ever changing environment, it is imperative for well designed and documented strategic plans for sustainable growth of the company for which the incumbent is more suitable.

(2) Expected Increase in productivity and profits in measurable terms :

Depending upon the nature of the Industry, it has not been predicted accurately as the same is dependent on various factors.

IV. Disclosures :

The Company being a Listed Company, the provisions of Corporate Governance are applicable and hence required details are furnished here to comply with Regulation 36 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Schedule V of Companies Act, 2013.

None of the Directors /Key Managerial Personnel (KMP) of the Company except Sri. Srinivas Babu / their relatives is, in any way, concerned or

interested in passing the Resolution set out in Item No.4 of the Notice.

Your Director commend the Special Resolution for your approval and ratification.

ITEM NO. 5

Shareholders attention is brought to the 38th Annual General Meeting held on 28.09.2020 in which prior approval for Related Party Transactions (Sale and Purchase) to the aggregate value of Rs.223.00 Crs was given by the shareholders vide Item No.6 of the Notice of AGM. The approval limit is applicable for 2020-21. Whereas as 10% of the previous year Audited Turnover i.e. for 2019-20 comes to Rs.104.02 Crs. The Actual Related Party Transactions (Sales and Purchase) for 2020-21 which is material as per SEBI (LODR) Regulations, 2015 comes to Rs.223.75 (125.76 + 97.99) Cr. since it exceeds 10% of Turnover as explained above.

Pursuant to Sec.188 of the Companies Act, 2013, Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014 read with Reg.23 of SEBI (LODR) Regulations, 2015 requires shareholders approval for Material Related Party Transactions explained above. Eventhough shareholders in the 38th AGM has given prior approval for related party transactions (2020-21) is given for an aggregate value of Rs.223.00 Crs, the actual related party transactions for 2020-21 comes to Rs.223.75 Cr as detailed in the table and hence shareholders approval by way of ratification for excess value of Rs.0.75 Crs i.e., over and above estimated value approved by shareholders.

In compliance of the above statutory provisions apart from Audit Committee (Meeting Dt.03.06.2021) members prior approval for Material Related Party Transactions (Sales and Purchase estimated for 2021-22) to the aggregate value of Rs.263.51 Crs as clearly explained in the table is required for which the resolution has been recommended in the Board Meeting Dt.03.06.2021 for your approval. The details of Actual (for 2020-21) and Estimated (2021-22) Related Party Transactions are furnished hereunder:



(₹ in lakhs)

Name of the Related Party	Actuals for 2020-21			Estimates for 2021-22		
	Sales	Purchase	Total	Sales	Purchase	Total
SreeRayalasema Hi-Strength Hypo Limited	125.58	95.11	220.69	137.61	114.66	252.27
Other Related Parties	0.18	2.88	3.06	4.22	7.02	11.24
Total :	125.76	97.99	223.75	141.83	121.68	263.51

It may kindly be noted that all Related Party Transactions are having Omnibus approval of the Audit Committee and Board. Related Party Transactions are entered during the ordinary course of business and are at arm's length. These transactions are subject to transfer price audit to comply with statutory provisions. 98.6% of Related Party Transactions are between two Listed Companies and these transactions are mutually beneficial.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives except the promoters are, in any way, concerned or interested in passing the Resolution set out in Item No.5 of the Notice.

Your Directors recommend the above resolution for your approval.

ITEM NO. 6

The Board of Directors after taking into account the recommendation of Audit Committee in its meeting held on 03.06.2021 has appointed M/s.Aruna Prasad & Co. (Regn.No.100883) Proprietrix: Mrs. Aruna Prasad as Cost Auditor for the Financial year 2021-22 on a remuneration of Rs.1,50,000/- plus GST and reimbursement of out of pocket expenses in its meeting held on 03.06.2021 to conduct Cost Audit of cost records of the Company in compliance of MCA Notification Ref. No.52/56/CAB-2010, Dated 06.11.2012. As per the provisions of Section 148 of the Act, payment of remuneration and

appointment of Cost Auditors requires Members ratification for the action taken by the Board as explained above.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives is, in any way, concerned or interested in passing the Resolution set out in Item No.6 of the Notice.

The Board of Directors pleased to recommend the Resolution set forth in Item No.6 for your approval.

ITEM NO.7

With respect to implementation of Chloromethanes Expansion Project the company has approached M/s. Indian Bank for providing financial assistance required after M/s. IFCI Limited cancellation of the sanctioned loan for its internal reasons. After considering company request the Bank has sanctioned Rs.100.00 Crores Term Loan subject to the terms and conditions mentioned in their sanction letter Ref.No.CO/Credit/Group 5/2437/2020-21 dt.15.02.2021. Shareholders approval is necessary for creation of required security on company assets as clearly mentioned hereunder by the Board of the Company in favour the Lender i.e. Indian Bank.

- (1) First pari passu charge on all fixed assets of the company including the Chloromethanes expansion project (excluding specific charges)
- (2) Extension of existing securities on pari pass basis.



As mentioned in the Resolution and detailed in the explanatory statement read with Bank sanction letter the above security will be created/to be created after obtaining necessary clearances from other Lenders for which your approval for this Special resolution is requested.

None of the Directors /Key Managerial Personnel (KMP) of the Company / their relatives is, in any way, concerned or interested in passing the Resolution set out in Item No.7 of the Notice.

Your Directors recommend the above said Resolution as set out in the notice for your approval.

ITEM NO.8

The company has availed following Working Capital Term Loans (WCTL) under GECL-2 Scheme and COVID emergency term loans to overcome liquidity problems caused by COVID-19 Pandemic situation from members of Bank Consortium with due approvals from the Board. These term loans were sanctioned by Banks in compliance of RBI Circular and Govt. order to help the companies to tide over the financial stress caused in the economy due to COVID-19 Pandemic.

- 1) Indian Bank Sanction Letter Ref.No.CO/ Credit/ Group-5/2437/2020-21, Dt.15.02.2021 Rs.9.53 Cr., and Letter Ref.No.Credit/Group V/1420/20-21 dt.28.09.2020 for Rs.8.67 Cr.
- 2) Punjab National Bank Sanction Letter Dt.17.02.2020 Rs.2.25 Cr.
- 3) IDBI Bank Sanction Letter Ref.No. IDBI/MCG/129/GECL/2020-21/275, Dt.28.12.2020 Rs.9.57 Cr.
- 4) The South Indian Bank Sanction Letter Ref.No.BR/GEN/677-A/2020-21,Dt.16.02.2021 Rs.0.86 Cr. and Letter Ref.No.BR/0128/Gen/46/20-21 dt.20.05.2020 for Rs.0.75 Cr.

- 5) The Federal Bank Sanction Letter Ref.No. FB/HYD/CIB/FY21/43, Dt.03.03.2021 for Rs.0.37 Cr.

To comply with the terms and conditions of respective sanction letters of Members of Banks Consortium, the Company has to create securities as clearly detailed hereunder on Second Paripassu basis.

- 1) SECURITY TO BE CREATED IN FAVOUR OF INDIAN BANK, PUNJAB NATIONAL BANK, IDBI BANK, THE FEDERAL BANK AND THE SOUTH INDIAN BANK.
 - a. Second Paripassu Charge on the proposed GECL 2.0 Loans from the Members of Consortium Banks.
 - b. Second Paripassu Charge on existing security given to other banks for additional WCTL.
 - c. Extension of First paripassu charge inventories and unencumbered receivables provided to other working capital lending banks.
 - d. Paripassu Second Charge on Land, Buildings, Plant & Machinery (First Charge to IDBI Bank, IFCI Ltd., The Federal Bank Ltd, Indian Bank, Punjab National Bank).
 - e. Paripassu Second Charge on project assets of Chloromethanes Project.
- 2) SECURITY FOR PUNJAB NATIONAL BANK.
 - a. Second Charge on the assets financed under GECL Scheme.

None of the Directors / Key Managerial Personnel (KMP) / their relatives is deemed to be interested in the Special Resolution.

Yours Directors commend the above Special Resolution as set at in the Notice for your approval.



**Details of Directors seeking appointment
(Pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015)**

Name of the Director	Sri Srinivasa Babu Chappidi
Date of Birth	12-02-1966
Date of Appointment	04-08-2021
Experience in Specific areas	Starting his career with IFFCO has put in more than 35 years in Listed Companies of Chemical Industry both in India and Abroad.
Qualifications	B.Tech (AU) M.Tech (NIT, Warangal)
Shareholding in the Company	Nil
Directorship in other Listed Entities	Nil
Membership in Committees in other Listed Entities	Nil

By order of the Board

Sd/-

CS V. RADHAKRISHNA MURTHY
COMPANY SECRETARY

Place : Hyderabad
Date : 26th August, 2021



DIRECTORS' REPORT

Dear Members,

Your Directors' have pleasure in presenting the Annual Report and the Audited statements of Accounts of the Company for the year ended 31st March, 2021.

1. Operations

The turnover (Gross) for the year under review is Rs.116822 Lakhs as compared to Rs.120588 Lakhs in the previous year. The 3% decrease is on account of the following changes in respective Division's performance.

2. Division / Segment Wise Performance

For the current year net sales for Caustic Soda plant is Rs.49502 lakhs whereas for the previous year net sales is Rs.59625 lakhs showing a decrease of 17%.

For the current year net sales for Caustic Potash Plant is Rs.22108 lakhs, whereas for the previous year net sales is Rs.17668 lakhs showing an increase of 25%.

For the current year net sales for Chloro-methanes Plant is Rs. 14664 lakhs, whereas net sales for previous year is Rs.14744 lakhs showing moderate decrease of 1%.

For the current year net sales for Castor Oil Plant is Rs.2780 lakhs, whereas for the previous year net sales is Rs.2951 lakhs showing a decrease of 6%.

For the current year net sales for Fatty acid plant is Rs.10772 lakhs, whereas for the previous year net sales is Rs.8064 lakhs showing an increase of 34%.

There are no commercial operations at Bellary Power Plant due to expiry of Power Purchase Agreement (PPA) by KPTCL. The Company is looking out for other viable options including its sale or relocation of the Plant.

The Wind Farm at Ramagiri has generated 5.88 Lakh/KWH power in the current year as against previous year generation of 20.81 Lakh/KWH. The decrease in power generation is due to weather conditions. The power generated is wheeled through State Grid to the Company for captive use.

3. Outlook for the Current Year

Segment-wise discussion is furnished in Management Discussion and Analysis annexed to this report in "ANNEXURE-E".

(₹ in lakhs)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
Profit before Finance	15141.86	16012.99
Costs & depreciation		
Less: Finance Cost	3937.28	3905.19
Profit before Depreciation	11204.58	12107.80
Less: Depreciation	6318.03	5628.62
Profit (Loss) before		
Exceptional items and Tax	4886.55	6479.18
Less: Exceptional items	0.00	0.00
Profit/Loss Before Tax	4886.55	6479.18
Tax Expense:		
Less: - Current Tax	955.68	1376.62
- Deferred Tax	959.12	299.41
Profit for the period from		
continuing operations	2971.75	4803.15
Less : Loss from discounting		
operations	76.51	75.70
Profit for the period	2895.24	4727.45
Add: Balance Carried from		
Previous year	10498.27	8446.10
Profit available for		
Appropriation	13393.51	13173.55
Less: Transfer to General Reserve	(2500.00)	(2500.00)
Add: Transfer from Other		
Comprehensive Income	23.11	(18.99)
Lease rentals liability as		
per Ind As-116	0.00	(156.29)
MAT credit for previous year	2371.09	0.00
Surplus carried to Balance Sheet	13287.71	10498.27



Profit before tax for the current year Rs.4886.55 lakhs as against previous year Profit before tax of Rs.6479.18 lakhs. For the Current year Profit after tax is Rs.2971.75 lakhs where as previous year Profit after tax is Rs.4803.15 lakhs. The decrease in profit is mainly on account of decreased prices for the products of the company due to recession and continuation of Covid-19 Pandemic.

4. Capital Expenditure

During the year the Company has incurred an amount of Rs.125.54 Cr towards modernization, Chloromethanes expansion works and normal capital expenditure. The funds required for the above is met from Banks and internal accruals.

5. Dividend

In view of future needs and liquidity constraints your Directors have not recommended any dividend on Equity Shares.

6. Continuation of Covid-19 Pandemic Situation

The world is still reeling under Covid-19 Pandemic Situation from February, 2020 and Second Wave of Covid-19 was devastated India. To tackle the ill effects of Covid-19, the Company is taking all necessary steps and proactive measures are adhered strictly. A Special Team consisting of Senior Officials has been formed to continuously monitor the situation and evaluate steps to be taken to contain its effects on Company activities and also to frame future plan of action to minimise the adverse effects on company.

Disclosure of particulars in SEBI Format regarding Covid-19 effects were submitted to BSE and required information has been provided along with Unaudited / Audited Results. As a result of timely actions taken by the management, there is no single day

shutdown of the plant happened during the year due to Covid-19.

In view of timely actions taken by the company production and capacity utilization are at satisfactory level however realization of finished products were subdued for major part of the year in view of Covid-19 effect on consumption industries. Proper risk management plans are drawn to tackle any adverse situations in future and the same are reviewed and monitored by Senior Officials task force continuously to take stock of the situation.

7. Safety and Environment

Your Company and management believe in proactive steps for achieving desired objectives of safety in all activities of the company and preservation of clean environment in its surrounding. Policies and procedures are properly documented to guide the staff to ascertain that their business activities are always ensured safety and pollution free environment. ISO 9002, 14001 certification to the company by reputed institution DNV is the result of meticulous implementation of company policies and procedures effectively by the dedicated staff in charge.

Senior level management official is entrusted with the responsibility to ensure "all time" safety and environment protection and preservation at manufacturing places and other places where business activities of the company taken place. To ensure staff awareness to the new innovative methods and techniques, training programmes are designed to involve each and every personnel of the company. To achieve these objectives, training programmes are updated and the same are continuously followed. Your



company is encouraging staff to come with new and innovative ideas to achieve objectives by conducting competitions and rewarding the participants who come with successful ideas for effective implementation. Further, the company is complying all statutory requirements to ensure allround safety and environment protection.

8. Listing Fees

The Company has paid Listing Fee for the year 2021-22 to Bombay Stock Exchange vide our letter dated 30.04.2021.

9. Insurance

Assets of the Company are adequately insured.

10. Fixed Deposits

The Company has not accepted any fixed deposits during the year and there are no fixed deposits outstanding as on 31.03.2021.

11. Directors and Key Managerial Personnel (KMP)

Consequent to the resignation of Sri T.G. Venkatesh as Chairman and Director (15.05.2020), the company has not appointed regular Chairman for the Board. The Board of Directors at respective meetings will elect one among the director present to act as Chairman of the respective meeting.

Appropriate Special Resolution has been placed in the Notice of AGM to ratify the appointment of Sri Srinivasa Babu Chappidi (DIN:09266926) as Executive Director (Technical) by the Board in its meeting held on 31.07.2021 (on consideration of Nomination and Remuneration Committee recommendation) for a period of One year.

12. Industrial Relations

Your Company's Industrial Relations continue to be harmonious and cordial.

13. Energy Conservation Technology Absorption and Foreign Exchange earnings and outgo

Particulars required to be disclosed under Section 134 (3) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are forming part of the Directors' Report for the year ended 31st March, 2021 is annexed hereto as "Annexure-A" to this report.

14. Directors' Responsibility Statement

As required by the provisions of Section 134 (3) (C) of the Companies Act, 2013, Directors' Responsibility Statement is attached as "Annexure-B".

15. Corporate Governance – Reg. 34 (3) read with Schedule - V of SEBI (LODR) Regulations, 2015

A separate report on Corporate Governance (Annexure-C) is being incorporated as a part of the Annual Report along with a certificate from the Auditors of the Company (Annexure-D) regarding compliance of the conditions of Corporate Governance. The "Annexure-C and D" are attached to this report.

16. Management Discussion and Analysis Report

Further to comply with Reg. 34(2) (e) Schedule-V of SEBI (LODR) Regulations, 2015 "Management Discussion and Analysis" has been given as "Annexure-E" to the Directors' Report.

**17. Auditors**

M/s. K.S. Rao & Co., Chartered Accountants, Hyderabad were appointed as Statutory Auditors for a term of 5 years upon the recommendation of Audit Committee in its meeting held on 23.08.2017 by the Board in its meeting held on 23.08.2017. Shareholders in the AGM held on 27.09.2017 has ratified the same. Pursuant to recent amendment to Sec. 143 of Companies Act, 2013 members ratification at every AGM is discontinued / not required.

18. Cost Audit

Majority of the products manufactured by the Company are coming under Central Govt. order Letter Ref. No. 52/26/CAB-2010 dated 06.11.2012. To comply with statutory provisions, Cost Audit Report has been filed in Form CRA-4 in XBRL format vide SRN: R72868698 dt. 30.11.2020 with MCA portal for the financial year 2019-20. The Cost Audit Report for the financial year ended 31st March, 2021 is being submitted in due course.

Disclosure on maintenance of Cost records.

The Company made and maintained the cost records under Sec. 148 of the companies Act, 2013 for the financial year 2020-21.

19. Audit Committee

The Audit Committee was constituted to comply with provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 and other statutory provisions. The Audit Committee was reconstituted on 28.01.2020 with the following members namely Sri J. Nagabhushanam, Sri G.Krishna Murthy and Dr. M. Asha Reddy as members with Sri P.N. Vedanarayanan as Chairman of the Audit

Committee.

20. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report

There are no material changes which will be affected to the financial position of the company according to the date of financial year and the date of its Report.

21. Details of significant and material orders passed by Regulators or Courts or Tribunals impacting the going concern status and company's opportunities in future

There was no significant and material order passed by the Regulator or Court or Tribunal impacting the going concern status and company's opportunities in future.

22. Statement concerning development and implementation of Risk Management Policy of the Company

Your company's management give utmost importance of Risk Management Policy implementation for smooth success of the company as it has to encounter various risks while doing its operations and interacting with various systems of society. Company complies with all required procedures for Risk Management Policy implementation voluntarily in view of the above philosophy of the company. A specific committee under the leadership of Executive Director and CEO with Senior Executives and departmental heads having exposure in various fields plays instrumental role in framing required policy after taking outside professionals help wherever necessary. Risk Management Policy



and procedures are continuously reviewed and updated to tackle new threats and challenges particularly in view of COVID-19 Pandemic situation and its repercussions on company activities. Proper weightage and importance has been given to individual enterprises risk, department wise risks and society or world at large risks and their effect on proper remedial steps taken by the company to contain, prevent and minimize risks in future. The committee and task force closely monitors risk management policy implementation to know about its effectiveness and need for upgradation in view of ever changing outside and inside environment and factors.

23. Details of Policy Development and implementation by the company on its Corporate Social Responsibility (CSR) policy.

The main philosophy of the company is to recognize fulfilment of social responsibility by each and every system in the society for upliftment of downtrodden and society equality for resources. Your company being one part of the whole society, rightly recognized its responsibility towards the society at large right from its initial stage and hence it is taking all required steps towards fulfillment of its Corporate Social Responsibility (CSR) continuously and voluntarily.

To comply with Sec. 135 of Companies Act, 2013 and other applicable statutory Provisions, the company has officially constituted CSR Committee on 26.05.2014 comprising of Board Members. Well developed and documented CSR Policy has been approved by the Board and the same is updated or modified to incorporate in objectives to meet changed requirements for

compliance. The CSR Committee will regularly meet review its role, initiatives of the company to implement CSR objectives and to assess performance in its meetings.

As informed in the previous year annual report, there was unspent CSR obligation amount of Rs.58.52 lakhs (which arisen due to liquidity constraints as well as not finding viable CSR projects). For the current year (2020-21), the CSR obligation comes to Rs.140.19 lakhs. Whereas actual CSR expenditure for the year comes to Rs.201.61 lakhs (which includes the unspent amount of Rs.58.52 lakhs of previous year has been spent in the current year to comply with relevant provisions of the Companies Act). This resulted in CSR excess spend of Rs.2.90 lakhs [201.61 (58.52+140.19)] for being set off in succeeding year i.e., 2021-22. The details of CSR expenditure as per prescribed format has been provided as “**Annexure-H**” to the Directors’ Report. The present CSR Committee is comprising of (1) Sri G. Krishna Murthy, Chairman (2) Sri K. Karunakar Rao, Member and (3) Sri Gopal Krishan, Member.

24. Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013

The particulars of loans given, investments made and guarantees provided by the Company under Sec. 186 of the Companies Act, 2013 as at 31st March, 2021 are furnished in “**Annexure- L**” and forms part of this report.

25. Particulars of Contracts or Arrangements made with Related Parties

During the course of its business, the Company is dealing with the Group Companies which are Related Parties pursuant to the Section 188 of the Companies Act, 2013, Accounting



Standard 18 and SEBI (LODR) regulations, 2015. The Sale, Purchase, Lease Rental Transactions, services availed / provided and monetary values of its transactions are mentioned in notes to Accounts to comply with IND AS-24. All the Related party transactions were on arm-length basis and the same are entered with the prior approval of the Audit Committee (omnibus approval) and Board. Further details to be furnished in Form AOC-2 has been given as “Annexure-F” to this report to comply with statutory provisions of Sec.188.

26. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors and the Practicing Company Secretary in their Reports

Statutory Auditors of the Company and the Practicing Company Secretary, who have conducted statutory audit and Secretarial Audit respectively, have not made any adverse comments on the activities of the Company for the financial year 2020-21.

27. Company’s Policy relating to Directors Appointment, Payment of Remuneration and discharge of their duties

The Nomination and Remuneration Committee has been re-constituted by the Board in its meeting held on 29.01.2016 to ensure the appointment of persons having wide exposure in the fields which are useful to the companies growth having independence as defined in the Companies Act to be available for appointment as Director. The Committee always keeps a list of eminent personalities having independence and qualification available for Company’s requirement depending upon vacancy on the

Board. As regards remuneration payable to whole-time Directors, the Board will take collective decision within the parameters of various statutes including Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Committee will follow the Company’s policy to discharge its duties whenever necessity arises. It will not be out of place to mention that the set policy being followed since inception of the Company to ensure transparency.

28. Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements

The Company has robust internal financial controls (IFC) systems, which is in line with requirement of the Companies Act, 2013, which is intended to increase transparency & accountability in an organization’s process of designing and implementing a system of internal control. Our IFC process, facilitates orderly and efficient conduct of its business including adherence to Company’s policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Risk Control Matrices (RCMs) have been prepared for all Business functions along with the mapping with Functional Dashboard / Compliance Management System / GRC Process Control. The internal control system ensures compliance with all applicable laws and regulations.

To ensure effective Internal Financial Controls, Company has laid down the following measures.

1. Company has defined and documented the Standard Operating Procedures (SOPs) and Delegation of Authority (DOA)



which forms the basis for compliance to laid down procedures. The SOPs and DOA are refreshed on a periodic basis.

2. All regulatory compliances are monitored for all locations Pan India through a fully automated tool. Company has a “Zero Tolerance” Policy towards non-compliances.

SAP GRC (with respect to access control) has been implemented which also take care of users’ conflict relating to Segregation of Duties (SOD).

29. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 204, the Board in its meeting held on 03.06.2021 has re-appointed Sri N. Ramaswamy as Secretarial Auditor for the year 2020-21. Secretarial Audit Report for the year ending 31.03.2021 has been Annexed to the Directors’ Report as “**Annexure-J**” to comply with statutory provisions of the Companies Act, 2013 and other applicable provisions of other Acts. The Secretarial Auditor Report does not contain any qualification, reservation or adverse remark. Further, in compliance of Regulation 34(3) read with Schedule V Para C clause 10 (i) of SEBI (LODR) Regulations, 2015 certificate on “non-disqualification of Directors” issued by the Secretarial Auditor is enclosed as “**Annexure-K**” to this report.

Compliance with Secretarial Standards

The Company is in compliance with applicable secretarial standards issued by the Institute of Company Secretaries of India and approved by the Central Govt., under Sec. 118 (10) of the Act.

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ending 31st March, 2021 on compliance of all applicable SEBI Regulations and other guidelines issued thereunder, was obtained from Sri N. Ramaswamy, Secretarial Auditor and submitted to BSE Limited within statutory time limit.

30. Annual Return in Form MGT-9 format

A copy of the Extracts of the Annual Return of the Company as required under Section 134 (3)(a) of the Companies Act, 2013, in Form MGT-9, as they stood on the close of the financial year i.e. 31st March, 2021 is furnished in “**Annexure-G**” and forms part of this Report.

Further, a copy of the Annual Return of the Company containing the particulars prescribed u/s. 92 of the Companies Act, 2013, in Form MGT-7, as they stood on the close of the financial year i.e. 31st March, 2020 is uploaded on the website of the company in the Investor Relations Section under Disclosures and can be accessed from <https://www.tgvgroup.com/investorrelation/disclosure.html>.

31. Subsidiaries, Joint Ventures and Associate Companies

The Company is not having any Subsidiaries, Joint Ventures and Associate Companies as on 31.03.2021.

32. Declaration of Independent Directors

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies



Act, 2013 and SEBI (LODR) Regulations, 2015. Further, Sri N. Ramaswamy, Practicing Company Secretary has issued appropriate certificate regarding non-applicability of the provisions of Directors disqualification to comply with the provisions of SEBI (LODR) Regulations, 2015.

33. Evaluation

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual Directors by seeking their inputs on various aspects of Board/Committee Governance.

The aspects covered in the evaluation include the contribution to and monitoring of corporate governance practices, participation in the long-term strategic planning and the fulfillment of Directors' obligation and fiduciary responsibilities, including but not limited, to, active participation at the Board and Committee meetings.

The Chairman of the Board had one-on-one meetings with the Independent Directors and the Chairman of the Nomination and Remuneration Committee had one-on-one meetings with the Executive and non-Executive Directors. These meetings were intended to obtain Directors' inputs on effectiveness of Board/Committee processes. The Board considered and discussed the inputs received from the Directors.

Further, the Independent Directors at their meeting, reviewed the performance of Board, Chairman of the Board and of Non-Executive Directors.

34. Disclosure as per the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards

sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has no such cases of sexual harassment at workplace.

35. Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (LODR) Regulations, 2015 includes an Ethics and Compliance Task Force comprising Senior Executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://www.tgvgroup.com>.

36. Investor Education and Protection Fund (IEPF):

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 and unclaimed dividends/amounts are required to be transferred by the Company to the IEPF established by the Government of India after the completion of seven years.

The following table provides list of years for which unclaimed dividends/redemption amount would become eligible to be transferred to the IEPF on the dates mentioned below.



TGV SRAAC LIMITED

CRPS Dividend :

Financial Year	CRPS Dividend Declared (%)	Date of declaration of Dividend on CRPS	Last date for claiming unpaid dividend / amount	Unclaimed Dividend/Amount as on 31.03.2021 (Rs.)	Due date for transfer to IEPF Account
01.04.2002 to 31.03.2016 (14 years)	@ 0.01 per year	27.09.2016	03.11.2023	33,596.00	04.11.2023

Fractional Shares Entitlement :

Financial Year	Fractional Shares entitlement	Date of payment/ declaration	Last date for claiming unpaid amount	Unclaimed Amount (Rs.) as on 31.03.2021	Due date for transfer to IEPF Account
2016-17	Rs. 39/- per share	27.01.2017	04.03.2024	23,946.00	05.03.2024

CRPS Dividend (2016-17 & 2017-18) + CRPS Redemption amounts :

Financial Year	Redemption Installments	Date of payment / declaration	Last date for claiming unpaid amount	Unclaimed Amount as on 31.03.2021 (Rs.)	Due date for transfer to IEPF Account
2018-19	RI – First (*)	01.04.2018	08.06.2025	31,95,147.50	09.06.2025
	NRI – Single (**)	01.04.2018	08.06.2025	4,32,190.00	09.06.2025
	RI - Second including Dividend (2 years) (*)	01.07.2018	08.08.2025	32,28,630.00	09.08.2025
	RI – Third (*)	01.10.2018	08.12.2025	33,38,347.50	09.12.2025
	RI – Fourth (*)	01.01.2019	10.03.2026	33,96,690.00	11.03.2026

(*) RI means Resident Indian (**) NRI means Non-Resident Indian

37. Acknowledgement

Your Directors wish to express their sincere thanks to Financial Institutions, Bankers, Distributors and Customers for their continued support to the Company. The Directors also acknowledge with gratitude the continued help and support received from the various departments of the Government of India and the Government of Andhra Pradesh and Government of Telangana.

The Directors place on record their appreciation of the sincerity, commitment and contribution made by the Employees at all levels and this was mainly responsible to carry on the business of the Company during the year.

On behalf of the Board of Directors

Sd/-

CAK. KARUNAKAR RAO

Executive Director & CEO

(DIN: 02031367)

Sd/-

N. JESVANTH REDDY

Executive Director (Technical)

(DIN: 03074131)

Place : Hyderabad

Date : 26th August, 2021

**ANNEXURE “A” TO THE DIRECTORS’ REPORT**

Particulars pursuant to Rule 8(3) of Companies (Accounts) Rules, 2014.

A. Conservation of energy

1. With the commissioning of energy efficient 200 TPD Caustic Soda Flaking Unit about 1.0 MT of steam/M.T of flakes is conserved due to efficient technology.
2. 1 No. Energy Efficient Electrolyser is commissioned to reduce electrical power consumption by 450 KWH/MT.
3. As a part of conversion of 3rd generation Electrolyzer, about 74 elements converted to Zero Gap to reduce power consumption.
4. About 51 Nos. of Vth B Generation Elements are recoated and commissioned with new membranes to reduce power consumption and to improve the efficiency.

B. Details of Technology development and research

1. Research and Development (R & D)

Laboratory Studies are going on to recover Calcium Nitrate and Magnesium Sulphate from Brine Sludge to use the same as micro nutrient in agriculture. Preliminary trails are encouraging and hence further trails will be continued.

- Experiments are in progress to utilize sludge generated from Kcl purification and to use the same in agriculture as Potassium substitute.
- Recently company commissioned effluent recycling plant to recycle low TDS water and to reuse high TDS water to recover chloride available in high TDS effluent. Major constraint in reusing is the presence of high TOC. We are doing Research and development experiments to remove TOC from high TDS effluent using various types of resin and reuse high TDS effluent for brine make up.

2. Benefits derived as a result of R&D

1. By recovering calcium nitrate and magnesium sulphate, the major problem of disposal of brine sludge will be minimized.
2. By using Kcl brine sludge in agriculture, major disposal problem of Kcl brine sludge will be eliminated.
3. After removing TOC from high TDS effluent water, high TDS water can be effectively reused and major disposal problem of liquid effluent is eliminated.
4. Technology Absorption, Adoption and Innovation

There is no instances of technology innovation, absorption and adoption during the financial year.

C. Foreign Exchange Earnings and Outgo

- a) Activities relating to exports; initiatives taken to increase exports, development of new export markets for products and services, and export plans :
 - i) Exported Hydrogenated Castor Oil, 12 Hydroxy Stearic Acid, Caustic Potash and planning to enlarge exports by increasing export quantity and exploring export possibility for other products.

- b) Total Foreign Exchange earned and used **(Rs. in lakhs)**

- i) Foreign Exchange earned 5829.87
- ii) Foreign Exchange used 297.27

On behalf of the Board of Directors

Sd/-

CA K. KARUNAKAR RAO

Executive Director & CEO

(DIN: 02031367)

Sd/-

N. JESVANTH REDDY

Executive Director (Technical)

(DIN: 03074131)

Place : Hyderabad

Date : 26th August, 2021



ANNEXURE “B” TO THE DIRECTORS’ REPORT

Directors’ Responsibility Statement

Your Directors Further Confirm that

- i. In the presentation of the Annual Accounts, applicable Accounting Standards have been followed.
- ii. The accounting policies are consistently applied and reasonable, prudent judgment and estimates are made 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.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the Annual Accounts on a going concern basis.

On behalf of the Board of Directors

Sd/-

CA K. KARUNAKAR RAO

Executive Director & CEO

(DIN: 02031367)

Sd/-

N. JESVANTH REDDY

Executive Director (Technical)

(DIN: 03074131)

Place : Hyderabad

Date : 26th August, 2021

ANNEXURE “C” TO THE DIRECTORS’ REPORT

Report On Corporate Governance

The Management of TGV SRAAC Ltd., hereby confirm and certify that the relevant provisions of SEBI (LODR) Regulations, 2015 dealing with “Corporate Governance” as amended from time to time by SEBI and BSE Ltd., have been complied for the year 2020-21. The Corporate Governance compliance details are furnished hereunder :

1. Company’s Philosophy:

Your company is firmly believes that by practicing transparency in all activities will automatically lead to adherence of Corporate Governance which in turns leads to attainment to objectives effectively. The company has complied with all the provisions of Corporate Governance before its enactment by SEBI (LODR) Regulations, 2015. This shows the commitment of the management of the company for fair and efficient Corporate Governance. The company’s humble philosophy is “SERVING SOCIETY THROUGH HARMONIOUS AND CORDIAL INDUSTRY ACTIVITIES AND RELATIONS” synchronizing socio, economic and human objectives which are backed by principles of concern, commitment, ethics, excellence and learning in all its activities and harmonious relationships with stake holders, customers, associates and community at large which has always propelled the Company towards higher horizons.

2. Policies:

In compliance with the requirements of Listing Agreements with Stock Exchanges; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. (“Listing Regulations”), SEBI Regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed hereunder.

3. Related Party Transaction Policy :

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate senior management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.tgvgroup.com.



4. Policies & Code as per SEBI Insider Trading Regulations :

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) Insider Trading code to regulate dealing in the securities of the company by designated persons in compliance with the regulation; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

Sri V. Radhakrishna Murthy, Company Secretary of the Company is Compliance Officer for the purposes of Insider Trading Code, while the Chief Executive Officer of the Company has been assigned responsibility fair disclosure policy.

5. Familiarisation Program for Independent Directors :

Independent Directors are familiarized with their roles, rights and responsibilities at the time of their appointment as Directors and regular presentations are made to the Board/Board Committees covering business strategies, management structure, periodic financial results, budgets and operations of subsidiaries, if any.

Apart from above policies, the Board has in accordance with the requirements of the Companies Act, 2013 and Listing Regulations approved and adopted Policy for Determining Material Subsidiary, Policy for Determining Material Events, Policy for Preservation of Documents and Archival of Records, Corporate Social Responsibility Policy and Remuneration Policy. These policies can be viewed on Company's Website at www.tgvgroup.com.

6. Board Procedure :

All the mandatory information as mentioned in SEBI (LODR) Regulations, 2015 is being placed before the Board during its meetings.

7. Board of Directors :

The Composition of the Board is in compliance with the guidelines given in SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The Board comprises of Seven (7) Directors and majority Four (4) of Directors are Independent Directors and balance are Three (3) are Non-Independent Executive Directors. The day-to-day management of the Company is conducted by One Executive Director & CEO and Two Executive Directors (Technical) under the co-ordination of Chairman subject to the superintendence and control of the Board of Directors. During the year the Board was reconstituted one time on 15.05.2020 to give effect to the changes effected Due to Resignation of Shri. T.G. Venkatesh from 15.05.2020 as Director and Chairman The details of Directors attending the Meetings and Date of the Meetings are further furnished here under:

Sl. No.	Name of Director	Category	F.Y. 2020-21 attendance at		As on 31st March, 2021		
			BM	Last AGM	No. of Directorship	Committee Positions	
						Chairman	Member
1	Sri P.N. Vedanarayanan	Director (Independent)	5	Yes	-	2	-
2	Sri G. Krishna Murthy	Director (Independent)	5	Yes	-	5	1
3	Sri J. Nagabhushanam	Director (Independent)	8	Yes	-	-	2
4	Dr. M. Asha Reddy	Director (Independent)	8	Yes	-	-	3
5	Sri K. Karunakar Rao	Executive Director (Fin. & Comm.,)	8	Yes	1	-	3
6	Sri N. Jesvanth Reddy	Executive Director (Technical)	6	Yes	-	-	2
7	Sri Gopal Krishan	Executive Director (Technical)	6	Yes	-	-	1



During the financial year ended 31st March, 2021, Eight Board Meetings were held on (1) 22.04.2020 (2) 15.05.2020 (3) 30.06.2020 (4) 10.08.2020 (5) 26.10.2020 (6) 29.12.2020 (7) 25.01.2021 and (8) 17.02.2021 respectively.

8. Audit Committee:

The composition of the Audit Committee is in accordance with the Regulation 15 of SEBI (LODR) Regulations, 2015 dealing with Corporate Governance guidelines and the provisions of Sec. 177 of the Companies Act, 2013. The main terms of reference of the Audit Committee are;

1. Oversight of the Company's financial reporting process to ensure that the financial statement is correct, sufficient and credible in compliance with IND AS and Companies Act, 2013 and other relevant acts.
2. Recommending to the Board with regard to appointment, re-appointment, fixation of fees etc. of Statutory Auditors, Cost Auditors etc.
3. Reviewing with management the annual Financial Statement before submitting to the Board with particular reference to Directors Responsibility statement, Changes in Accounting Policies, major accounting entries involving estimates, compliance with other Listing Agreement, disclosure of other related party transactions.
4. Qualifications in draft Audit Report.
5. Reviewing with management quarterly financial statements.
6. The adequacy of internal audit functions.
7. Discussion with statutory auditors before the audit commences.
8. Reviewing the findings of any investigations by the internal auditors etc.
9. Appointment of CFO.
10. Omnibus approval to related party transaction at the beginning of the year and review of quarterly actual related party transactions and recommendation of the same to the Board for its approval.

In addition to quarterly and yearly Un-audited / Audited Financial Results the Committee deliberate upon the relevant matters mentioned in SEBI (LODR) Regulations, 2015, Companies Act and Cost Audit Report Rules etc. The Committee is headed by Sri P.N. Vedanarayanan, the Senior most Independent Director. All the committee members are Independent Directors. Latest reconstitution of Audit Committee was done by the Board in its meeting held on 28.01.2020 with the following Directors as its members (1) Sri. P.N. Vedanarayanan, Chairman (2) Dr. M. Asha Reddy, Member (3) Sri. J. Nagabhushanam, Member (4) Sri G. Krishna Murthy, Member.



Sl. No.	Name of Director	Designation	No. of Meetings	
			Held	Attended
1	Sri P.N. Vedanarayanan	Chairman	4	2
2	Sri G. Krishna Murthy	Member	4	3
3	Dr. M. Asha Reddy	Member	4	4
4	Sri J. Nagabhushanam	Member	4	4

During the financial year ended 31st March, 2021, Four Board Audit Committee Meetings were held on (1) 30.06.2020 (2) 10.08.2020 (3) 26.10.2020 and (4) 25.01.2021 respectively.

9. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee was reconstituted by the Board in its Meeting held on 29.01.2016 with the following Directors as its members. The committee comprises of the following Directors as its members (1) Sri G. Krishna Murthy, Chairman (2) Sri J. Nagabhushanam, Member and (3) Dr. M. Asha Reddy, Member.

The Non-Executive Directors will be paid sitting fee of Rs.5,000/- per meeting of Board and Audit Committee and Rs.1,500/- for other Sub-committees of the Board. The Executive Directors will not be paid any sitting fee for attending the Board / Committee meetings. During the year the Committee has met i.e. on 17.02.2021. All the members attended the meetings.

10. Stakeholders Relationship and Shareholders / Investors Grievance Committee:

To review the actions taken by the company in relieving Investor's Grievances and its response to Stock Exchange, SEBI and other related Government correspondence Stakeholders Relationship Committee and Shareholders / Investors Grievance Committee was reconstituted by the Board on 29.01.2016. The details of the committee meetings and composition are detailed here under:

Sl. No.	Name of Director	Designation	No. of Meetings	
			Held	Attended
1	Sri P.N. Vedanarayanan	Chairman	4	4
2	Sri G. Krishna Murthy	Member	4	3
3	Dr. M. Asha Reddy	Member	4	4

During the financial year ended 31st March, 2021, Four Stake holders Relationship committee and Shareholders' / Investors Grievance Committee Meetings were held on (1) 09.04.2020 (2) 08.07.2020 (3) 10.10.2020 and (4) 11.01.2021 respectively.

The Committee is vested with the requisite powers and authorities to specifically look into redressal of share holder and investor grievances to comply with SEBI (LODR) Regulations, 2015. The details of complaints are as follows:

No. of Investor Queries/complaints received in the year 2020-21	Pending at the end of the year	No. of pending Share Transfers
5	Nil	Nil

Sri V. Radhakrishna Murthy, Company Secretary, being the Compliance Officer of the Company and act as the Secretary to all the above Committees.



11. General Body Meetings :

The last three Annual General Meetings were held as follows :

Financial Year	Day & Date	Time	Venue
2017-18	Wednesday, 26.12.2018	4.00 P.M.	Regd. Office : Gondiparla, Kurnool
2018-19	Monday, 30.09.2019	4.00 P.M.	Regd. Office : Gondiparla, Kurnool
2019-20	Monday, 28.09.2020	11.30 A.M.	Through (Video conference) VC / OAVM (other Audio Visual Means)

All Resolutions moved at the last Annual General Meeting (Resolutions were passed by e-voting to comply with the provisions of the Companies Act, 2013) and MCA and SEBI circulars were passed with Requisite majority. The last Annual General Meeting of the Company was held on 28.09.2020 and it was attended by Directors viz. Sri G. Krishna Murthy, Sri P.N. Vedanarayanan, Sri K. Karunakar Rao, Sri N. Jesvanth Reddy, Sri Gopal Krishan, Sri J. Nagabhushanam and Dr M. Asha Reddy.

The special business transacted and approved by the members at the previous 3 Annual General Meetings are as follows:

(A) 2017-18

1. Increase in Authorised Capital.
2. Alteration of Capital Clause of Memorandum of Association.
3. Alteration of Articles of Association.
4. Appointment and remuneration of Cost Auditor.
5. Re-Appointment of Dr M. Asha Reddy as Independent Director for second term of 3 consecutive years.
6. Re-Appointment of Sri J. Nagabhushanam as Independent Director for second term of 3 consecutive years.
7. Re-appointment of Sri Gopal Krishan, Executive Director (Technical) and Fixation of Remuneration.
8. Re-appointment of Sri K. Karunakar Rao, Executive Director (Finance & Commercial) and Payment of Remuneration.
9. Re-appointment of Sri N. Jesvanth Reddy, Executive Director (Technical) and Payment of Remuneration.
10. Continuation of Directorship by Sri P.N. Vedanarayanan as Non-Executive Independent Director for remaining period of existing term.
11. Continuation of Directorship by Sri G. Krishna Murthy as Non-Executive Independent Director for remaining period of existing term.
12. Creation of security in favour of Indian Bank Rs.50.00 Cr Term Loan.
13. Creation of Security in favour of Indian Bank Rs.40.00 Cr L.C. Facility.
14. Creation of Security in favour of Indian Bank Rs.100.00 Cr Capex L.C. Facility
15. Creation of additional security in favour of Banks and Financial Institutions for providing existing financial assistance to the Company.
16. Approval for Material Related Party Transactions.



17. Preferential Allotment of Convertible Share Warrants to Promoters/Promoters Group Companies.

(B) 2018-19

1. Appointment and Remuneration of Cost Auditor.
2. Re-appointment of Sri P.N. Vedanarayanan as Independent Director for a term of 3 (three) consecutive years.
3. Re-appointment of Sri G. Krishna Murthy as Independent Director for a term of 3 (three) consecutive years.
4. Re-appointment of Sri Gopal Krishan as Executive Director (Technical) and fixation of remuneration.
5. Approval for material related party transactions.
6. Creation of security in favour of M/s. IFCI Limited for a Rupee Term Loan of Rs. 90 Crore.
7. Creation of security on company fixed assets including Wind Mill Assets (excluding Chloromethanes, Bellary Power Plant division assets) in favour of Banks.
8. Creation of security on company Chloromethanes Assets in favour of members of Banks Consortium.
9. Creation of security on company Bellary Power Plant Assets in favour of members of Banks Consortium.

(C) 2019-20

1. Re-classification of Authorised Share Capital and consequent alteration of Memorandum of Association and Articles of Association.
2. Ratification of Appointment and Remuneration of Cost Auditor.
3. Approval for Material Related Party Transactions.
4. Alteration of Articles of Association of the company.
5. Creation of Security in favour of Indian Bank.

Following Special Resolutions passed by the members through Postal ballot. The results of which declared on 06.04.2020.

1. Reappointment of Sri K. Karunakar Rao, Executive Director (Fin.& Comml.,).
2. Reappointment of Sri N. Jesvanth Reddy, Executive Director (Technical).
3. Reappointment of Sri Gopal Krishan, Executive Director (Technical).

12. Disclosures:

None of the transactions with any of the related parties were in conflict with the interests of the Company at large. The details of related party transactions are furnished under Point No. 30 - Notes to financial statements of Balance Sheet and Statement of Profit & Loss to comply with Accounting Standard 24. The company has not received any notices from Stock Exchange or SEBI regarding non compliance of statutory provisions. The Company is complying with all mandatory requirements stipulated in SEBI (LODR) Regulations, 2015 and non-mandatory requirements are not yet adopted by the Company.

13. Means of Communication :

The Company publishes its quarterly, half yearly and annual results in the (1) Business Standard (English) (2) Andhra Prabha (Telugu) news papers generally.



In addition to this the company is communicating its results to all the Stock Exchanges where the shares are listed. Further, quarterly results, shareholding pattern and other related information is placed on the company's website. The company is also making presentations to the Financial Institutions with all the details relating its quarterly results. Further to confirm that the management discussion and analysis report is communicated to shareholders and all the concerned, the report has been made part and parcel of Annual Report. Further the Quarterly / Half yearly Results are generally posted in Company's Website www.tgvgroup.com.

14 . General Shareholder Information:

a)	AGM Date, time and Venue	Monday, the 27th September, 2021 at 11.30 AM through Video Conference (VC)
b)	Tentative Financial Calendar	The next financial year covers the period from 1st April, 2021 to 31st March, 2022
	Un - Audited Financial results for	First Quarter - July / August, 2021 Second Quarter - October / November, 2021 Third quarter - January / February, 2022 Fourth quarter - April / May, 2022
c)	Book Closure period	From 21.09.2021 to 27.09.2021 (both days inclusive)
d)	Dividend payment date	Not Applicable
e)	The Shares of the Company is listed on ISIN No.	BSE Limited, P.J. Towers, Dalal Street, Mumbai. INE284B01028, SCRIP CODE : 507753 for EQUITY SHARES

f) Market Price Data: The Monthly High and Low of Stock Quotations during the Financial Year 2020-21.

MONTH & YEAR	EQUITY SHARES	
	HIGH (Rs.)	LOW (Rs.)
April, 2020	18.40	11.25
May, 2020	17.40	14.45
June, 2020	22.50	16.35
July, 2020	19.40	16.35
August, 2020	30.00	16.00
September, 2020	26.90	21.55
October, 2020	24.70	21.50
November, 2020	25.70	21.80
December, 2020	30.60	22.60
January, 2021	31.70	24.50
February, 2021	27.85	24.60
March, 2021	31.00	24.10

**g) Distribution of Share holding pattern for Equity Shares as on 31st March, 2021.**

Sl. No.	Name of Director	EQUITY SHARES	
		SHARES	%
1	Promoters	67657172	63.18
2	Mutual Funds and UTI	17887	0.02
3	Banks & Financial Institutions	850	0.00
4	Insurance Companies	525204	0.49
5	Bodies Corporate	1590345	1.49
6	Indian Public	36084044	33.70
7	NRIs / OCB	1214298	1.13
	TOTAL	107089800	100.00

h) Share Transfer Agents:

M/s. Aarthi Consultants Pvt. Ltd., Regd. Office: 1-2-285, Domalguda, Hyderabad – 500 029 (T.S) has been acting as Share Transfer Agent (STA) to the Company. Shareholders who desire to transfer (Physical) or dematerialise their shares are requested to send their shares along with supporting documents to the above Share Transfer Agent (STA).

i) Dematerialisation of Shares and Liquidity:

As on 31st March, 2021, out of 107089800 Equity Shares 105699336 No. of Shares were dematerialised (98.70 %) were dematerialized. Since the company's shares are trading under compulsory De-mat mode shareholders are requested to take necessary steps to dematerialise their shares held in physical form.

j) Outstanding GDR / ADRs / Warrants/Convertible Instruments:

-Not Applicable –

k) Code of Conduct:

In compliance of Regulation 17 Sub-Regulation 5 proviso a) or b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "Code of Conduct" applicable to (1) Directors (2) Senior Management has been approved by the Board and the same has been placed on the company's website. Copy of the code of conduct circulated to all the concerned and obtained their affirmation.



DECLARATION BY CEO

As provided in Regulation 17 Sub-Regulation 5 proviso a) or b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Directors and Senior Management personnel have confirmed compliance with code of conduct for the period ended 31.03.2021.

On behalf of the Board of Directors

Sd/-

CA K. KARUNAKAR RAO

Executive Director & CEO

(DIN: 02031367)

Sd/-

N. JESVANTH REDDY

Executive Director (Technical)

(DIN: 03074131)

Place : Hyderabad

Date : 26th August, 2021

l) Plant Location:

Gondiparla, Kurnool – 518 004 (A.P).

Bellary Power Plant: Tagginabudihalli, Bellary, Karnataka.

Wind Farm : Ramagiri, Anantapur Dist. (A.P)

m) For all matters, address for Correspondence at any of the following addresses:

(A) Registrar and Share Transfer Agent:

Aarthi Consultants Private Limited

Regd. Office : 1-2-285, Domalguda, Hyderabad – 500 029 (T.S)

Tel. No.: 040 – 27638111, 27634445, 27642217, 66611921, Fax No.: 040 – 27632184

E-mail: info@aarthiconsultants.com

(B) TGV SRAAC Limited

(CIN: L24110AP1981PLC003077)

6-2-1012, II Floor, TGV Mansion,

Opp. Institute of Engineers, Khairatabad, Hyderabad – 500 004 (T.S)

Tel No.: 040 – 23313842, Fax No.: 040 - 23313875

n) E-mail ID: sralkalies@tgvmail.net

On behalf of the Board of Directors

Sd/-

CA K. KARUNAKAR RAO

Executive Director & CEO

(DIN: 02031367)

Sd/-

N. JESVANTH REDDY

Executive Director (Technical)

(DIN: 03074131)

Place : Hyderabad

Date : 26th August, 2021

**ANNEXURE “D” TO THE DIRECTORS’ REPORT****Independent Auditor’s Certificate on Corporate Governance**

To

The Members of TGV SRAAC Limited

1. We have examined the compliance of the conditions of corporate governance by TGV SRAAC Limited (the ‘Company’) for the year ended 31st March 2021, as stipulated in Regulations 17 to 27, clauses (b) to (l) 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 as amended (“SEBI Listing Regulations”).

Management’s Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure the compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations.

Auditors’ Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have examined the relevant records of the company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ‘ICAI’), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the standard on Quality Control (SQC) 1, Quality Control for Firms that performs Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021.
8. We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

for K S RAO & CO
Chartered Accountants
Firm’s Regn. No. 003109S
Sd/-
CA P. GOVARDHANA REDDY
Partner
Membership No.029193
UDIN:21029193AAAAIJ4494

Place: Hyderabad

Date : 3rd June, 2021

**ANNEXURE “E” TO THE DIRECTORS’ REPORT****MANAGEMENT DISCUSSION AND ANALYSIS :****Economy:**

The country’s economy witness ‘V’ shaped recovery. India is the only large country that experienced two consecutive quarters of positive growth. With Covid-19 second wave receding, the Indian economy is geared up for fast growth. While India slated 7.3% GDP growth during 2020-21, it is estimated that growth may touch 10.1% GDP during 2021-22, as per Government quarters. The second wave of Covid-19 has disturbed the already battered growth, but the strong fiscal support to push economic growth by Government is paving a way. The first and second waves of Covid-19 pandemic have a bad say on the economic history of National and International economy.

Company performance:

In spite of continued Covid 19 pandemic conditions the company has achieved a Gross Turnover of Rs.1168.22 Cr. compared to previous year 2019-20 scale of Rs.1205.88 Cr. The pandemic conditions have an effect not only on our company but in general to the whole industry. Drop in production levels and prices for finished goods of the company was felt along with units across the country.

Segmental performance:

The three segments, the company is holding consist (a) Chemicals (b) Oils and Fats (c) Power. The chemicals segment products mainly contain Caustic Soda (Lye & Flakes), Potassium Hydroxide, Chlorine, Hydro Chloric Acid, Sodium Hypochlorite and Chloromethanes etc.

Oils & Fats Segment contains Castor oil derivatives, Soap noodles, Hydroxy Stearic Acid etc., products. In the Power segment, a 38.5 MW Power plant is situated at Bellary, Karnataka State. This unit is inoperative after expiry of Power purchase agreement entered with State Electricity Authorities.

Of the three segments, Chemicals division is pivotal both with revenue and profits. The main product Caustic Soda however has witnessed cyclical downturn in both 2019-20 & 2020-21. Mainly on account of Covid-19 pandemic related situations, contraction in demand from end user Industries experienced. The situation has significantly impacted the margins of the industry players in FY 2021. It is to state that there are signs of recovery for this sector with revival in demand from end use Industries. Mostly, all Caustic Soda plants in India are now based on Membrane Cell Technology making India on par with other countries in terms of Technology. It is notable that share of import of Caustic Soda as a percentage of domestic consumption reduced to less than 10% during FY 2021 against 18% few years ago. Further the exports of Caustic Soda has seen a rising trend now. The Caustic – Chlorine industry in India is mainly driven by Caustic Soda unlike rest of the world where Chlorine plays important role. This situation is expected to change as capacity addition of PVC with High volumes slated during 2020-25. These indications are good for Caustic industries.

Potassium Hydroxide otherwise called Caustic Potash, another end products demand in India estimated to grow at CAGR of 3.84% during 2020-2025. Similar to Caustic Soda, Caustic Potash is manufactured by Electrolysis process. It is a versatile cleaning agent used in liquid soaps, shampoos etc., besides the environment friendly. Company manufactures Potassium Carbonate as a value addition product to Caustic Potash. The demand for Caustic Potash presently in India is encouraging.



In order to accord value addition to Chlorine the biproduct of the company, a manufacturing facility for Chloromethanes was set up during 2016. With satisfactory quality of product, the company has penetrated into market. Now company is expanding the capacity and poised for commercial operation during 3rd quarter of FY 2022. Indian Bank has extended financial assistance of Rs. 100 cr. for this product. The additional Chlorine generation with completion of Caustic Soda modernisation activity is envisaged for usage in the said expansion scheme.

The company is pursuing various options available before it for usage / disposal of power plant at Bellary, as sale or relocation.

The company, during the FY 2021 has made an investment in the equity of AP Gas Power Corporation Limited, a Captive Power generator for an additional share of 31.60 MW. This investment will help in saving in power cost substantially.

With the completion of modernisation of Caustic Soda division, encouraging market conditions for companies products, efforts made in controlling cost, the outlook of the company is expected to be satisfactory.

GENERAL-SEGMENT-WISE PERFORMANCE TOGETHER WITH DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

Segment-wise performance together with discussion on financial performance with respect to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis.

CREDIT RATING :

Your Company has retained the existing credit rating with a Credit Rating of CARE "A-" (outlook : Negative) for Long Term Bank Facilities and CARE "A2+" for Short Term Bank Facilities issued / awarded by M/s. CARE Ratings Limited, Hyderabad. Maintenance of same credit rating itself is regarded as reasonable performance. Considering the continuation of Covid-19 Pandemic throughout the year and negative growth in economy.

DETAILS OF KEY FINANCIAL RATIOS – WITH SIGNIFICANT VARIANCE :

- (i) Debtors turnover ratio : Increased by 24%
- (ii) Debt Equity ratio : Increased by 22%
- (iii) Return on Net worth : Decreased by 31%

Reasons for Variance :

Debtors Turnover ratio

Due to Covid-19 Pandemic receivables from valued customers is delayed.

Debt Equity Ratio

Due to availment of fresh loans for Chloromethanes Project expansion and Covid-19/ GECL related loans.

Return on Net worth ratio

Production and sales prices were affected due to Covid-19 Pandemic reason.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :**

The Company has established an appropriate system of internal control to ensure that there exists a proper control over all the transactions and that all its assets are properly safeguarded and not exposed to risk arising out of unauthorised use or disposal. The Internal Audit conducted at all divisions for all the key areas of business. The Internal Control System is supplemented by a programme of Internal Audits to ensure that the assets are properly accounted for and the business operations are conducted in adherence to laid down policies and procedures. The Internal Audit is oriented towards review of controls and operational improvements.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED :

Relations with the employees remained cordial in general throughout the year. In order to optimise the contribution of the employees to the Company's business and operations, in-house training is given to the employees to induce contribution to productivity increase and development programmes for all levels of employees have been devised. Occupational Health Safety and Environmental Management are given utmost importance. As at 31st March, 2021 the employee strength (on permanent rolls) of the Company was 1033.

CAUTIONARY STATEMENT :

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations and such forward-looking statements involve risks and uncertainties. Actual results could differ materially from those expressed or implied important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the Countries in which the Company conducts business and other incidental factors. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new informations, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements that speaks only as of their dates.

On behalf of the Board of Directors

Sd/-

CA K. KARUNAKAR RAO
Executive Director & CEO
(DIN: 02031367)

Sd/-

N. JESVANTH REDDY
Executive Director (Technical)
(DIN: 03074131)

Place : Hyderabad

Date : 26th August, 2021



**ANNEXURE "F" TO THE DIRECTORS' REPORT
FORM NO. AOC-2**

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

Form for Disclosure of particulars of Contracts / Arrangements entered into by the company with related parties referred to in sub-section (1) of Sec.188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

- 1) Details of Contracts or Arrangements or Transactions not at Arm's Length basis : Not applicable.
- 2) Details of Material Contracts or Arrangements or Transactions at arm's length basis :

Sl. No.	(a) Names(s) of the Related Party and Nature of Relationship	(b) Nature of Contracts/ Arrangements/ Transactions	(c) Duration of the Contracts/ Arrangements/ Transactions	(d) Salient terms of the Contracts of Transactions including the value if any. (Rs. in lakhs)	(e) Date(s) of approval by the Board, if any.	(f) Amount Paid as advances, if any. (Rs. in lakhs)
1	Sree Rayalaseema Hi-Strength Hypo Limited	Sales Purchases Rent Received Services availed Investment in Equity Dividend received	Annual Contracts / Arrangements	12557.81 9510.80 7.47 568.84 - 6.12	30.06.2020	2181.20 (Cr) 1540.18 (Cr) 24.48 (Dr)
2	TGV Projects & Investments Private Limited	Rent Paid Rent deposit	Annual Contracts / Arrangements	313.83 -	30.06.2020	- 100.09 (Dr)
3	Sree Rayalaseema Galaxy Projects Private Limited	Sales Purchases	Annual Contracts / Arrangements	8.20 71.79	30.06.2020	- 6.23 (Cr)
4	Gowri Gopal Hospitals Private Limited	Sales Services availed Purchases	Annual Contracts / Arrangements	0.27 60.68 14.95	30.06.2020	- 19.79 (Cr) -
5	Gowri Gopal Intensive Care Unit	Services availed	Annual Contracts / Arrangements	12.12	30.06.2020	-
6	The Mourya Inn	Services availed	Annual Contracts / Arrangements	98.87	30.06.2020	10.43 (Cr)
7	Brilliant Industries Private Limited	Share Warrant application money received	Annual Contracts / Arrangements	1486.27	30.06.2020	-
8	Sree Maruthi Marine Industries Limited	Purchases	Annual Contracts / Arrangements	169.26	30.06.2020	231.19 (Cr)
9	Sree Maruthi Agro Tech Private Limited	Purchases	Annual Contracts / Arrangements	32.03	30.06.2020	7.97 (Dr)
10	Roopa Industries Limited	Sales	Annual Contracts / Arrangements	10.04	30.06.2020	8.58 (Dr)
11	TGV Industries Private Limited	Purchases	Annual Contracts / Arrangements	0.52	30.06.2020	0.15 (Cr)
12	Other Related Parties	Rent & Others Rent advance Land purchase Advance	Annual Contracts / Arrangements	65.61 - 1214.40	30.06.2020	4.01 (Cr) 107.00 (Dr) 1214.40 (Dr)
13	Key Managerial Personnel (KMP)	Remuneration	Annual Contracts / Service	103.67	30.06.2020	0.67 (Dr)

Note : The above related party disclosures are only under Sec.188 read with Sec.134 of the Companies Act, 2013.

Sd/- On behalf of the Board of Directors Sd/-

CA K. KARUNAKAR RAO
Executive Director & CEO
(DIN: 02031367)

N. JESVANTH REDDY
Executive Director (Technical)
(DIN: 03074131)

Place : Hyderabad
Date : 26th August, 2021



TGV SRAAC LIMITED

ANNEXURE “G” TO THE DIRECTORS’ REPORT FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year Ended on 31.03.2021

(Pursuant of Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I.REGISTRATION AND OTHER DETAILS

i	CIN	L24110AP1981PLC003077
ii	Registration Date	24-06-1981
iii	Name of the Company	TGV SRAAC Limited
iv	Category / Sub-Category of the Company	Public Company / Limited by Shares
v	Address of the Registered Office and Contact Details	Regd.Office: Gondiparla, Kurnool - 518 004 (A.P) (Tel:Nos.+ 91-08518 280006, 280007, 280008) Fax No. 08518-280098 Cell : 09848304999
vi	Whether Listed Company	Yes
vii	Name & Address of the Registrar and Transfer Agent	M/s. Aarthi Consultants Private Limited Regd.Office: 1-2-285,Domalguda, Hyderabad - 500059 (Telangana State) Contact Nos.040-27638111 / 27634445 Fax No. 040-27632184 email: info@aarthiconsultants.com

II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

Sl. No	Name and Description of Main Product / Services	NIC Code of the Product/Service	% To total turnover of the company
1	Caustic Soda Lye / Flakes	28151110 / 28151200	39 %
2	Caustic Potash Lye / Flakes	28152000	19 %
3	Methylene Chloride	29031200	10 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associates	% of Shares held	Applicable Section
- Not Applicable –					



IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) as on 31.03.2021.

i) Category - wise Shareholding

Sl. No	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2020)				No. of Shares held at the end of the year (31.03.2021)				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
1	Indian									
	a) Individual/ HUF	5948902	0	5948902	5.85	5948902	0	5948902	5.56	-0.29
	b) Central Govt.	0	0	0	0	0	0	0	0	
	c) State Govt (s)	0	0	0	0	0	0	0	0	
	d) Bodies Corp.	56353780	0	56353780	55.39	61708270	0	61708270	57.62	2.23
	e) Banks/FI	0	0	0	0	0	0	0	0	
	f) Any Other...	0	0	0	0	0	0	0	0	
	Sub Total (A) (1) :	62302682	0	62302682	61.24	67657172	0	67657172	63.18	1.94
2	Foreign									
	a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
	b) Other- Individuals	0	0	0	0	0	0	0	0	0
	c) Bodies Corp.	0	0	0	0	0	0	0	0	0
	d) Banks/FI	0	0	0	0	0	0	0	0	0
	e) Any Other...	0	0	0	0	0	0	0	0	0
	Sub Total (A) (2) :	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A)=(A) (1) + (A) (2)	62302682	0	62302682	61.24	67657172	0	67657172	63.18	1.94
B	Public Shareholding Institutions									
1	a) Mutual Funds	8937	8950	17887	0.02	8937	8950	17887	0.02	0.00
	b) Bank/FI	0	850	850	0	0	850	850	0.00	0.00
	c) Central Govt.	0	0	0	0	0	0	0	0	
	d) State Govt (s)	0	0	0	0	0	0	0	0	
	e) Venture Capital Funds	0	0	0	0	0	0	0	0	
	f) Insurance Companies	536004	0	536004	0.53	525204	0	525204	0.49	-0.04
	g) FIIs	0	0	0	0	0	0	0	0	
	h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
	i) Others (specify)	0	0	0	0	0	0	0	0	
	Sub Total (B) (1) :	544941	9800	554741	0.55	534141	9800	543941	0.51	-0.04
2	Non-Institutions									
	a) Bodies Corp.	2195801	37151	2232952	2.19	1553194	37151	1590345	1.49	-0.71
	i) Indian	0	0	0	0	0	0	0	0	
	ii) Overseas	0	0	0	0	0	0	0	0	
	b) Individuals									
	i) Individual Shareholders holding nominal share capital upto Rs.2 Lakh	19518160	1135801	20653961	20.30	19937723	1130726	21068449	19.67	-0.63
	Individual Shareholders holding nominal share capital in excess of Rs.2 Lakh	14775090	0	14775090	14.52	15015595	0	15015595	14.02	-0.50
	c) Others (specify) NRIs	1001530	214354	1215884	1.20	1001511	212787	1214298	1.13	-0.06
	Sub-total (B) (2):	37490581	1387306	38877887	38.21	37508023	1380664	38888687	36.31	-1.90
	Total Public shareholding (B)=(B)(1)+(B)(2)	38035522	1397106	39432628	38.76	38042164	1390464	39432628	36.82	-1.94
C	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	100338204	1397106	101735310	100.00	105699336	1390464	107089800	100.00	0



TGV SRAAC LIMITED

ii) Shareholding of Promoters as on 31.03.2021

Sl. No	Name of the Shareholder	No of Shares at the beginning the year (01.04.2020)			Shareholding at the end of the year (31.03.2021)			% of change in Share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	M/s. Sree Rayalaseema Hi-Strength Hypo Limited	20544496	20.19	0.01	20544496	19.18	0.01	-1.01
2	M/s. TGV Projects and Investments Private Ltd	11694248	11.49	0.00	11694248	10.92	0.00	-0.57
3	M/s. Sree Rayalaseema Dutch Kassenbouw Private Ltd	1881109	1.85	0.00	1881109	1.76	0.00	-0.09
4	M/s. Gowri Gopal Hospitals Private Ltd	1005375	0.99	0.00	1005375	0.94	0.00	-0.05
5	M/s. Sree Rayalaseema Galaxy Projects Private Ltd	54662	0.05	0.00	54662	0.05	0.00	0.00
6	M/s. TGV Securities Private Ltd	14150	0.01	0.00	14150	0.01	0.00	0.00
7	M/s. Brilliant Industries Private Ltd	21159740	20.80	0.17	26514230	24.76	0.00	3.96
8	Sri. T G Venkatesh	5390613	5.30	0.30	5390613	5.03	0.10	-0.26
9	Smt.T G Rajyalakshmi	322384	0.32	0.32	322384	0.30	0.02	-0.02
10	Sri. T G Bharath	129744	0.13	0.13	129744	0.12	0.03	-0.01
11	Smt. Jyothsna S Mysore	13361	0.01	0.01	13361	0.01	0.01	0.00
12	Smt. Boda Mourya	92800	0.09	0.09	92800	0.09	0.01	0.00
	Total	62302682	61.24	1.04	67657172	63.18	0.19	1.94

iii) Change in Promoters Shareholding (please specify, if there is no change)

Sl. No	Name of the Shareholder	Shareholding		Date	Increase in Share holding	Reason	Cumulative Shareholding during the Year (01.04.20) to (31.03.21)	% of total shares of the Company
		No. of Shares at the beginning of the year (01.04.20) / end of the Year (31.03.21)	% of total shares of the Company				No. of Shares	
1	M/s. Brilliant Industries Pvt Ltd.	21159740	20.80	20.05.2020	5354490	Preferential Allotment	26514230	24.76
							26514230	24.76


iv) Shareholding Pattern of Top Ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs) as on 31.03.2021

Sl. No	Name of the Shareholder	Shareholding		Increase / Decrease in Share holding (during the year 01.04.20 to 31.03.21)	Reason	Cumulative Shareholding during the Year (01.04.20) to (31.03.21)	% of total shares of the Company
		No. of Shares at the beginning of the year (01.04.20) / end of the Year (31.03.21)	% of total shares of the Company			No. of Shares	
1	Meherwan Adi Kotwal	756692 803236	0.74 0.75	46544	Purchase	803236	0.75
2	M Seethamma	636192 728612	0.63 0.68		Purchase	728612	0.68
3	Life Insurance Corporation of India	509904 509904	0.50 0.48	92420	No Change	509904	0.48
4	Ashok Kumar Giriraj Bansal	525000 525000	0.52 0.49		No Change	525000	0.49
5	Shabir Nazmuddin Paratha	0 417019	0.00 0.39		Purchase	417019	0.39
6	Sadhna Mehrotra	396400 379400	0.39 0.35	17000	Sale	379400	0.35
7	Shivswaroop Jagmohanlal Gupta	0 375000	0.00 0.35		Purchase	375000	0.35
8	Bharti Chetan Cholera	345778 345778	0.34 0.32		No Change	345778	0.32
9	Lal Tolani	347834 347834	0.34 0.32		No Change	347834	0.32
10	Anil Bhavanji Shah	0 332216	0.00 0.31		Purchase	332216	0.31



TGV SRAAC LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Date wise Increase / Decrease in Shareholding specifying the reasons for increase / decrease (e.g., Allotment / Transfer / Bonus / Sweat Equity etc.) (during the year 01.04.20 to 31.03.21)	Reason	Cumulative Shareholding during the Year (01.04.20) to (31.03.21)	% of total shares of the Company
		No. of Shares at the beginning of the year (01.04.20) / end of the Year (31.03.21)	% of total shares of the Company			No. of Shares	
1	Sri T.G. Venkatesh	53,90,613	5.30	0	No change	53,90,613	5.03
2	Dr. M Asha Reddy	2,850	0.00	0	Sale	0	0.00
3	Sri. K. Karunakar Rao	550	0.00	0	No change	550	0.00
4	Smt K. Naga Nirmala Rao	0	0.00	0	Purchase	1,000	0.00
5	Sri V. Radhakrishna Murthy	8	0.00	0	No Change	8	0.00
	At the end of the Year	53,94,021	5.30	0		53,92,171	5.03

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in lakhs)

Sl. No.	Description	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
	Indebtedness at the beginning of the financial year				
i	Principal Amount	37371.79	2138.27	0	39510.06
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	13.62	0	0	13.62
	Total (i+ii+iii)	37385.41	2138.27	0	39523.69
	Change in Indebtedness during the financial year				
*	Addition	8494.00	1400.00	0	9894.00
*	Reduction	1659.69	194.94	0	1854.63
	Indebtedness at the end of the financial year				
i	Principal Amount	44207.16	3343.33	0	47550.49
ii	Interest due but not paid	0	0	0	0
iii	Interest accrued but not due	12.56	0	0	12.56
	Total (i+ii+iii)	44219.72	3343.33	0	47563.05


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A) Remuneration to Managing Director, Whole-time Directors and /or Manager:

Sl. No.	Particulars of Remuneration	Sri Kamisetty Karunakar Rao	Sri Nalla Jesvanth Reddy	Sri Gopal Krishan	Total Amount (in Rs.)
		ED (Fin. & Comml.)	ED (Technical)	ED (Technical)	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax, 1961	19,81,620	18,82,020	24,00,000	62,63,640
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,87,441	1,86,082	1,20,000	4,93,964
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of Profit				
	others, specify				
5	Others, please specify				
	Total Ceiling as per the Act (*)	21,69,061	20,68,102	25,20,000	67,57,163

(*) Rs.617.23 lakhs (being 10% Profits of the Company as per Sec. 198 of the Companies Act, 2013).

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration during the period 01.04.2020 to 31.03.2021	Name of the Director	Fee for attending Board / Committee Meetings	Commission	* Others (Please Specify)	Total Amount (in Rs.)
1	Independent Directors	Sri G. Krishna Murthy	64,000	-	-	64,000
		Sri P.N. Vedanarayanan	36,000	-	-	36,000
		Dr M. Asha Reddy	67,500	-	-	67,500
		Sri J. Nagabhushanam	72,000	-	-	72,000
	TOTAL (1)		2,39,500	-	-	2,39,500
2	Other Non-Executive Directors		-	-	-	-
	TOTAL (2)		0	-	-	0
	Total (B) =(1+2)		2,39,500	-	-	2,39,500
	Total Managerial Remuneration		-	-	-	-
	Overall Ceiling as per the Act		-	-	-	(*)

(*) Rs. 6.17 Lakhs (being 1% of the net profit of the company calculated under Clause 198 of the Companies Act, 2013)



TGV SRAAC LIMITED

C) Remuneration to Key Managerial Personnel other than MD / MANAGER /WTD.

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (in Rs.)
		Sri C. Rajesh Khanna	Sri V. Radha krishna Murthy	
		CFO	Company Secretary	
1	Gross Salary	14,08,553	6,77,992	20,86,545
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	38,400	38,400	76,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) (c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of Profit	-	-	-
	others, specify			
5	Others, please specify	-	-	-
	Total	14,46,953	7,16,392	21,63,345

VII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of penalty/ Punishment / Compounding fees imposed	Authority (RD / NCLT/ COURT)	Appeal made if any (Give Details)
A.COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B.DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C.OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-


ANNEXURE “H” TO THE DIRECTORS’ REPORT

1	The Composition of the CSR Committee	1. Sri G. Krishna Murthy 2. Sri K. Karunakar Rao 3. Sri Gopal Krishan
2	Average net profit of the Company for last three financial years	Rs. 7009.27 Lakhs
3	Prescribed CSR Expenditure (2% of the amount mentioned in Item No. 2 above)	Rs. 140.19 Lakhs
4	Add : Previous year un spent CSR amount	Rs. 58.52 Lakhs
	Total CSR obligation	Rs. 198.71 Lakhs
5	Less : Actual amount spent on CSR	Rs. 201.61 Lakhs
	Excess amount spent CSR carried forward to next year for set off	Rs. 2.90 Lakhs

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or (2) Specify the State and District where projects or programs was undertaken	Amount outlay (Budget) project or programs wise (in Rs. lakhs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads (in Rs. lakhs)	Cumulative expenditure upto the reporting period (in Rs.lakhs)	Amount spent: Director or through implementing agency (in Rs. lakhs)
1	Drinking Water to people of nearby areas	Provision of Drinking Water	Local area	37.86	37.86	37.86	37.86
2	Temple Renovation	Social Project	Local area	15.22	15.22	15.22	15.22
3	Health and well being of people	Social Project	Local area	118.68	118.68	118.68	118.68
4	Pollution control and Sanitation	Environmental Stability	Local area	25.16	25.16	25.16	25.16
5	Old age pensions & Alleviation of poverty.	Eradication of poverty	Local area	3.60	3.60	3.60	3.60
6	Sports and Develop-ment	Sports Education	Local area	0.96	0.96	0.96	0.96
7	Donation to preserve national heritage	Protection of national heritage	Local area	0.13	0.13	0.13	0.13
			Total	201.61	201.61	201.61	201.61

For and on behalf of the Board

Place : Hyderabad
Date : 26th August, 2021

Sd/-
CA K KARUNAKAR RAO
Executive Director & CEO
(DIN: 02031367)

Sd/-
N JESVANTH REDDY
Executive Director (Technical)
(DIN: 03074131)



ANNEXURE “I” TO THE DIRECTORS’ REPORT

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (1) Role of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:

Median remuneration of all the employees of the Company for the Financial year 2020-21	Rs.29,257/-
The percentage increase in the median remuneration of employees in the Financial year 2020-21	7.5 %
The number of permanent employees on the rolls of the Company as on 31st March, 2021	1033

Name of Director / KMP	Ratio of remuneration to median remuneration of all employees
Non-Executive Directors	–
Independent Directors	
Sri G. Krishna Murthy	0.18
Sri P.N. Vedanarayanan	0.11
Dr M. Asha Reddy	0.19
Sri J. Nagabhushanam	0.21
Executive Directors	
Sri K. Karunakar Rao	6.18
Sri N. Jesvanth Reddy	5.89
Sri Gopal Krishan	7.18
Key Managerial Personnel	
Sri V. Radhakrishna Murthy	2.03
Sri C. Rajesh Khanna	4.10

Note: The ratio of remuneration to median remuneration is based on remuneration paid during the period 1st April, 2020 to 31st March, 2021.

- (2) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Factors influencing remuneration of managerial and non-managerial executives is different.

- (3) Affirmation that the remuneration is as per the remuneration policy of the Company.

It confirmed affirmatively that the remuneration to executives is as per remuneration policy of the Company.

Place : Hyderabad
Date : 26th August, 2021

Sd/-
CA K KARUNAKAR RAO
Executive Director & CEO
(DIN: 02031367)

For and on behalf of the Board
Sd/-
N JESVANTH REDDY
Executive Director (Technical)
(DIN: 03074131)



**ANNEXURE “J” TO THE DIRECTORS’ REPORT
FORM NO. MR-3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,

The Members,

M/s. TGV SRAAC Limited

(CIN : L24110AP1981PLC003077)

Kurnool – 518 004, (A.P.)

I have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. TGV SRAAC Limited (“the Company”), Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on my verification of M/s. TGV SRAAC Ltd., 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 authorised 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 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the M/s. TGV SRAAC Ltd., (“The Company”) for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and as amended upto date;
- (ii) The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made hereunder;
- (iii) The Depositories Act, 1996 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’)
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (to the extent it is applicable to the Company during the Audit period).
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (to the extent it is applicable to the Company during the Audit period);
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993



regarding the Companies Act and dealing with Client (to the extent it is applicable to the Company during the Audit period);

- f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (to the extent it is applicable to the Company during the Audit period) and ;
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (to the extent it is applicable to the Company during the Audit period).
- (vi) I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the company has complied with the following laws applicable specifically to the Company;
- (1) The Drugs and Cosmetic Act, 2002 and rules made thereunder; (b) The Environmental Protection Act, 1986 (c) The Indian Electricity Act, 2003 (d) The Indian Explosives Act, 1884 (e) The Indian Telegraph Act, 1885 (f) Factories Act, 1948 (g) Industrial Disputes Act, 1947 (h) The Payment of Wages Act, 1936 (i) The Minimum Wages Act, 1948 (j) Employees' State Insurance Act, 1948 (k) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (l) The Payment of Bonus Act, 1965 (m) The Payment of Gratuity Act, 1972 (n) The Contract Labour (Regulations & Abolition) Act, 1970 (o) The Child Labour (Prohibition & Regulation) Act, 1986 (p) The Industrial Employment (Standing Order) Act, 1946 (q) The Apprentices Act, 1961 (r) Equal Remuneration Act, 1976 (s) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959 (t) Air (Prevention and control of Pollution) Act, 1981.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) 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. as mentioned above.

I 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, Agenda and detailed notes on agenda were sent atleast seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision are carried through while the dissenting members' views are captured and recorded as part of the minutes of the Board and Committees of the Board.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had the following events/actions which have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

- 1) The Board Allotment Committee has allotted 53,54,490 Equity Shares of Rs.10/- each with a premium of Rs.27.01 per share on conversion of 53,54,490 fully paid convertible share warrants into equity shares in the ratio of 1:1. The Company has complied with all statutory requirements and obtained trading approval from BSE Ltd., subject to the condition of 3 years lock-in provision on these shares in pursuance to SEBI (ICDR) Regulations, 2018.



- (I) Public / Right / Preferential issue of shares / debentures / sweat Equity, etc. - to the extent mentioned above in point (1).
- (ii) Redemption / buy-back of securities — Nil
- (iii) Major decision taken by the members in pursuance to Section 180 of the Companies, 2013 - Not Applicable.
- (iv) Merger / amalgamation / reconstructions, etc., -- Not Applicable.
- (v) Foreign technical collaborations - N.A.

For N. Ramaswamy & Associates
Company Secretaries
Sd/-

N. Ramaswamy
Practicing Company Secretary
Sole Proprietor
PCS No. 5052
UDIN : F004408C000830178

Place : Hyderabad
Date : 26th August, 2021

Note : This is to be read with our letter of even date which is Annexed and form an integral part of this report.

ANNEXURE

To,

The Members

M/s. TGV SRAAC Limited

Kurnool—518 004, Andhra Pradesh

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process 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, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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 N. Ramaswamy & Associates
Company Secretaries
Sd/-

N. Ramaswamy
Practicing Company Secretary
Sole Proprietor
PCS No. 5052
UDIN : F004408C000830178

Place : Hyderabad
Date : 26th August, 2021



TGV SRAAC LIMITED

ANNEXURE “K” TO THE DIRECTORS’ REPORT CERTIFICATE ON 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

M/s TGV SRAAC Limited

Regd. Office : Gondiparla

Kurnool – 518 004 (A.P)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TGV SRAAC Limited and having CIN L24110AP1981PLC003077 and Registered Office at Gondiparla, Kurnool – 518 004 (A.P) (hereinafter referred to as ‘the Company’), produced before me 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Gowraswamy Krishna Murthy	00134828	30/11/1995
2	Pudugramam Neelakantan Vedanarayanan	00982697	01/04/1994
3	Karunakar Rao Kamisetty	02031367	07/08/2010
4	Jevanth Reddy Nalla	03074131	07/08/2010
5	Gopal Krishan	05342348	07/11/2014
6	Nagabhushanam Jagini	07217668	10/07/2015
7	Mora Asha Reddy	07328122	29/01/2016

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 my 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 N. Ramaswamy & Associates

Company Secretaries

Sd/-

N. Ramaswamy

Practicing Company Secretary

Sole Proprietor

PCS No. 5052

UDIN : F004408C000407525

Place : Hyderabad

Date : 1st June, 2021

**ANNEXURE “L” TO THE DIRECTORS’ REPORT****Particulars of Investments made under Section 186 of the Companies Act, 2013
during the year 2020-21.**

Sl. No.	No. of Shares	Name of Company	Amount in Rs. Crore
1	1,34,000	M/s. Andhra Pradesh Gas Power Corporation Ltd., (APGPCL)	2.00
2	1,34,000	M/s. Andhra Pradesh Gas Power Corporation Ltd., (APGPCL)	2.00
3	2,97,480	M/s. Andhra Pradesh Gas Power Corporation Ltd., (APGPCL)	4.44
4	64,32,000	M/s. Andhra Pradesh Gas Power Corporation Ltd., (APGPCL)	54.24
5	11,12,200	M/s. Andhra Pradesh Gas Power Corporation Ltd., (APGPCL)	9.34
6	3,59,120	M/s. Andhra Pradesh Gas Power Corporation Ltd., (APGPCL)	3.01
Total	84,68,800		75.03

On behalf of the Board of Directors

Sd/-

CA K. KARUNAKAR RAO
Executive Director & CEO
(DIN: 02031367)

Sd/-

N. JESVANTH REDDY
Executive Director (Technical)
(DIN: 03074131)

Place : Hyderabad
Date : 26th August, 2021



INDEPENDENT AUDITORS' REPORT

To
**The Members of
TGV SRAAC LIMITED**

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of TGV SRAAC Ltd ("the Company"), which comprise the balance sheet as at 31st March, 2021, the statement of profit and loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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



Key audit matters	How the matter was addressed in our audit
Allowance for credit losses There is significant judgement involved in the calculating of allowances for credit losses. So, we have identified this as a key audit matter. Considering the pandemic relating to COVID-19, the Company has, based on current available information determined the prudential estimate of provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company management has considered all available internal and external information including credit reports and economic forecasts up to the date of approval of these financial results. Accordingly, the Company has made prudential estimate of provision for expected credit loss on financial assets as at 31st March, 2021. The Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.	Performed process walkthrough and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. We tested the methodology for allowance of credit losses, completeness and accuracy of information used for estimating probability of default and computation of allowance for expected credit losses. Assessed the appropriateness of the disclosure in the financial statements.
Income tax Income tax is a key audit matter because of the judgments and estimates involved and the amount of income taxes is material to the financial statements as a whole. The Company makes judgements and estimates in connection with income taxes resulting in recognition of deferred tax assets and liabilities as well as tax provisions.	We performed audit procedures on the calculation and valuation of current tax and deferred tax. Procedures include inquiring with management on the tax issues raised by the tax authorities and assessing their impact to the financial statements. We evaluated the appropriateness of the recognition principles and the sufficiency of the given disclosures.



Emphasis of matter

We draw attention to Note 2(X) to the Ind AS financial statements, which describes the Company's assessment to reflect the adverse business impact and uncertainties arising from the COVID 19 pandemic. Based on these assessments, the management has concluded that the Company has determined the prudential estimate of provision for impairment of financial assets.

Such estimates or assessments are based on the current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the 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 financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, the Board of Director 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statement

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

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

- Identify and assess the risks of material misstatement of the 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
 - e) on the basis of the written representations received from the directors of the Company as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;



- g) with respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended: in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27 to the Ind AS financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts; as such there were no material foreseeable losses thereon;
 - iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund; therefore, delay in transferring such sums does not arise.

Place: Hyderabad
Date: 3rd June, 2021

for K S RAO & CO
Chartered Accountants
Firm's Regn. No. 003109S
Sd/-
CA P.GOVARDHANA REDDY
Partner
Membership No.029193
UDIN:21029193AAAAIJ4494



ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i) in respect of the Company’s fixed assets:
 - a) the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) the Company has a program of verification to cover all the items of fixed assets in a phased manner 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 fixed assets 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) according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all immovable properties are held in the name of the Company except the title to the property of 12.17 acres of land situated in Bellary amounting to Rs. 15.29 Lakhs acquired by the Company from Karnataka Industrial Area Development Board (KIADB) is in the process of being transferred in the Company's name.
- ii) in respect of Company’s inventory: the physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on physical verification and the small discrepancies, if any, have been properly dealt with in the books of account;
- iii) according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act;
- iv) in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable;
- v) the Company has not accepted deposits from public during the year and does not have any unclaimed deposits as at 31st March, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company;
- vi) the maintenance of cost records has been specified by the Central Government under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as 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 cost records have been made and maintained.

We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;



vii) according to the information and explanations given to us, in respect of statutory dues:

- a. the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax (GST), Customs Duty, Cess and other material statutory as applicable, with the appropriate authorities;
- b. there were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax (GST), Customs Duty, Cess and other material statutory dues in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable;
- c. details of dues of Sales Tax, Value Added Tax, Customs, PF, Electricity, Water which have not been deposited as at 31st March, 2021 on account of dispute are given below:

Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
AP VAT Act, 2005	Interest on delay payment of deferred sales tax	154.29*	2005-06 & 2006-07	High Court of Andhra Pradesh, Amaravati
Karnataka Tax on entry of goods Act, 1979	Entry tax on purchase of machinery items and interest	1.78*	2006-07 2007-08 2009-10	Dy. Commissioner of Commercial Taxes, Bellary
Andhra Pradesh entry tax act, 2001	Entry tax on purchase of Electrical Equipments	63.77*	2014-15 2015-16 2016-17 2017-18	High Court of Andhra Pradesh, Amaravati
Indian Customs Act, 1962	Customs Duty claimed on raw materials	1,036.14*	2000-2006	Commissioner of customs, Chennai
Indian Customs Act, 1962	Finalisation of assessed bill of entries pertaining to KCL	7.05	2006-07	Dy. Commissioner of Customs, Alibag division Raigad, Maharashtra
Indian Customs Act, 1962	Anti-dumping duty on import of Barium Carbonate	32.69	2010-11	Joint commissioner of Customs, Chennai



Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Indian Customs Act, 1962	Differential duty on classification of goods disputed (Lauric Acid)	9.63	2014-15	Customs, Excise and Service Tax Appellate Tribunal, Chennai
		10.51	2014-15	Assistant Commissioner Customs, Chennai
Employees Provident Fund and Miscellaneous Provisions Act, 1952	PF delay charges/ damages for belated payments	15.34	May, 2002 to Dec, 2007	Employees Provident Fund Appellate Tribunal, New Delhi.
The Electricity Act, 2003	Fuel Surcharge Adjustment(FSA)charges	871.93 651.87	2008-09 2009-10	Supreme Court of India
The Electricity Act, 2003	Interest on amount spending in court cases	1,437.14	From 2014-15 to March, 2018	High Court of Andhra Pradesh, Amaravati
The Electricity Act, 2003	Electricity Duty Demand	551.44	July, 2003- May, 2013	Supreme Court of India, Delhi
The Electricity Act, 2003	Fuel Surcharge Adjustment(FSA) charges	1,591.38	May & June 2010 and October, 2011 to March, 2012	High Court of Andhra Pradesh, Amaravati
	Levy of interest by APCPDCL on FSA Charges	598.17		
The Electricity Act, 2003	Wheeling charges on wind generation	24.21	August, 2002	Supreme court of India
The Electricity Act, 2003	Power supply made by APGPCL not credited fully in the power bills raised by APSPDCL	2,846.00	June 2020 to March 2021	High Court of Andhra Pradesh, Amaravati
IGST ACT, 2017	Error in GST E Way Bill, Levied IGST & Extra 100% of IGST	5.17	February, 2019	Joint Commissioner, Appeal IV, Uttarakhand



Name of the Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
AP VAT Act	Disallowance of VAT Input Tax Credit, supplier has not paid tax	1.48	June, 2017	Appellate Deputy Commissioner, Tirupathi
The Andhra Pradesh Irrigation Utilisation and Command Area Development Act, 1984	Increase in water rate made by Andhra Pradesh Government through GO for using river water	128.70	February, 2014 to March, 2021	High court of Andhra Pradesh, Amaravati

**Net of amounts paid under protest.*

- viii) in our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures;
- ix) in our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of public offer;
- x) to the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year;
- xi) in our opinion and according to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act;
- xii) the Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable;
- xiii) in our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc as required by the applicable accounting standards;
- xiv) in our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year under review. The company has made preferential



TGV SRAAC LIMITED

allotment of Share Warrants and allotment of shares by conversion of warrants during the year under review. The requirements of section 42 of the Act, have been complied with and the amounts raised have been used for the purpose for which the funds were raised;

- xv) in our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Act, are not applicable;
- xvi) the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

for K S RAO & CO
Chartered Accountants
Firm's Regn. No. 003109S

Sd/-

CA P.GOVARDHANA REDDY
Partner
Membership No.029193
UDIN:21029193AAAAIJ4494

Place: Hyderabad
Date: 3rd June, 2021

**ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

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

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 internal financial controls with reference to financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to financial statements.



Meaning of Internal Financial Controls Over Financial Statements

A company's internal financial control with reference to 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 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 Ind AS 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.

Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

for K S RAO & CO

Chartered Accountants
Firm's Regn. No. 003109S
Sd/-

CA P.GOVARDHANA REDDY

Partner

Membership No.029193

UDIN:21029193AAAAIJ4494

Place: Hyderabad
Date: 3rd June, 2021



TGV SRAAC LIMITED

Balance sheet as at 31st March, 2021

(₹ in lakhs)

Particulars	Note No	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	3	75,580.39	78,696.44
Right-to-use assets on lease	28	1,810.85	2,069.44
Capital work-in-progress	3	12,509.02	2,935.23
Investment properties	4	7.05	7.05
Financial assets			
- Investments	5(a)	8,861.34	769.28
- Other financial assets	5(b)	924.10	3,087.71
Other non-current assets	6	2,158.79	1,231.93
Total Non-current assets		1,01,851.54	88,797.08
Current assets			
Inventories	7	11,607.56	12,720.34
Financial assets			
- Trade receivables	8(a)	9,918.63	8,269.92
- Cash and cash equivalents	8(b)	3,246.95	672.24
- Bank balances other than Cash and cash equivalents	8(c)	7,394.48	6,223.10
- Other financial assets	8(d)	9,479.02	9,372.83
Other current assets	9	1,791.89	1,420.46
Total Current assets		43,438.53	38,678.89
TOTAL ASSETS		1,45,290.07	1,27,475.97
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	10(a)	10,713.26	10,177.81
Other equity	10(b)	50,307.90	43,478.83
Total Equity		61,021.16	53,656.64
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	11(a)	25,327.47	17,646.38
- Lease liability	28	1,847.28	2,005.98
- Other financial liabilities	11(b)	6,477.89	6,281.98
Deferred tax liabilities (Net)	12	8,363.39	9,762.94
Deferred Government grants	13	27.93	58.96
Total Non-current liabilities		42,043.96	35,756.24
Current liabilities			
Financial liabilities			
- Borrowings	11(c)	19,373.32	19,037.87
- Trade and other payables	11(d)		
(A) total outstanding dues of micro enterprises and small enterprises; and		703.75	961.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		6,909.66	4,588.83
- Lease liability	28	387.20	368.33
- Other financial liabilities	11(e)	10,073.97	7,352.05
Other current liabilities	14	4,422.93	4,863.69
Provisions	15	32.63	86.38
Current tax liability (Net)	16	321.49	804.94
Total Current liabilities		42,224.95	38,063.09
TOTAL LIABILITIES		84,268.91	73,819.33
TOTAL EQUITY AND LIABILITIES		1,45,290.07	1,27,475.97

General information 1.
Summary of significant accounting policies 2.
See accompanying notes forming part of financial statements

As per our attached report of even date

for **K S RAO & CO**

Chartered Accountants
Firm's Regn. No. 0031095

Sd/-
(CA P.GOVARDHANA REDDY)

Partner
Membership No.029193
Place: Hyderabad
Date : 3rd June,2021

For and on behalf of the Board

Sd/-
CA K KARUNAKAR RAO
Executive Director (Fin. & Comm.) & CEO

Sd/-
CS V. RADHAKRISHNA MURTHY
Company Secretary

Sd/-
N JESVANTH REDDY
Executive Director (Technical)

Sd/-
CA C. RAJESH KHANNA
Vice President (Fin. & Accts) & CFO



TGV SRAAC LIMITED

Statement of Profit and Loss for the Year ended 31st March, 2021

(₹ in lakhs)

Particulars	Note No	Year ended 31st March, 2021	Year ended 31st March, 2020
I Revenue from operations	17	1,00,871.99	1,04,026.19
II Other income	18	987.54	814.18
III Total revenue (I + II)		1,01,859.53	1,04,840.37
IV Expenses			
Cost of materials consumed	19(a)	36,152.99	30,963.37
Purchase of stock-in-trade		43.00	-
Changes in inventories of finished goods, work in progress and stock-in-trade	19(b)	158.53	(261.72)
Employee benefit expense	20	4,816.79	5,313.25
Finance cost	21	3,937.28	3,905.19
Depreciation and amortisation expense	3	6,318.03	5,628.62
Power and fuel		30,596.14	37,495.73
Other expenses	22	14,950.22	15,316.75
Total expenses (IV)		96,972.98	98,361.19
V Profit/ (loss) before exceptional items and tax (III-IV)		4,886.55	6,479.18
VI Exceptional items		-	-
VII Profit/ (loss) before tax (V-VI)		4,886.55	6,479.18
Current tax	23	900.00	1,190.00
Deferred tax	23	959.12	299.41
Earlier years Income Tax		55.68	186.62
VIII Tax expense		1,914.80	1,676.03
IX Profit/ (loss) for the period from continuing operations (VII-VIII)		2,971.75	4,803.15
X Profit/ (loss) from discontinuing operations	32	(76.51)	(75.70)
XI Tax expense of discontinuing operations		-	-
XII Profit/ (loss) from discontinuing operations (after tax) (X-XI)		(76.51)	(75.70)
XIII Profit/ (loss) for the period (IX+XII)		2,895.24	4,727.45
XIV Other comprehensive income	24		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/ (losses) on defined benefit plans		35.53	(29.19)
Tax effect		(12.42)	10.20
Net gains/(losses) on FVTOCI equity securities		588.81	(212.22)
XV Total comprehensive income for the period (XIII+XIV)		3,507.16	4,496.24
XVI Earnings per equity share (for continuing operations)	25		
a) Basic		2.79	4.96
b) Diluted		2.79	4.70
XVII Earnings per equity share (for discontinuing operations)	25		
a) Basic		(0.07)	(0.08)
b) Diluted		(0.07)	(0.07)
XVIII Earnings per equity share (for continuing & discontinuing operations)			
a) Basic		2.72	4.88
b) Diluted		2.72	4.62

General information 1.
Summary of significant accounting policies 2.
See accompanying notes forming part of financial statements

As per our attached report of even date

for **K S RAO & CO**

Chartered Accountants
Firm's Regn. No. 0031095

Sd/-
(CA P.GOVARDHANA REDDY)

Partner
Membership No.029193
Place: Hyderabad
Date : 3rd June,2021

For and on behalf of the Board

Sd/-
CA K KARUNAKAR RAO
Executive Director (Fin. & Comm.) & CEO

Sd/-
CS V. RADHAKRISHNA MURTHY
Company Secretary

Sd/-
N JESVANTH REDDY
Executive Director (Technical)

Sd/-
CA C. RAJESH KHANNA
Vice President (Fin. & Accts) & CFO



TGV SRAAC LIMITED

Cash flow statement for the year ended March 31, 2021

(₹ in lakhs)

Particulars	Year ended March 31, 2021	Year Ended march 31, 2020
Cash flow from operating activities		
Profit before tax from continuing operations	4,886.55	6,479.18
Profit/(loss) before tax from discontinued operations	(76.51)	(75.70)
Profit before tax	4,810.04	6,403.48
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	6,318.03	5,628.62
Interest income	(557.37)	(523.88)
Allowance for expected credit loss on trade receivables	-	23.00
Unrealized foreign exchange (gain)/loss	(260.64)	110.68
Dividend income on investments made	(6.12)	(4.89)
Interest expenses	3,626.09	3,559.50
Interest on lease liability	248.28	263.81
Interest expense due to amortisation of financial liability & deferred sales tax recognised	62.91	81.88
Income due to deferred sales tax recognised & capital subsidy recognised	(31.03)	(37.62)
Operating profit before working capital changes	14,210.19	15,504.57
Working capital adjustments:		
(Decrease)/Increase in trade payables	2,063.58	775.92
(Decrease)/Increase in current financial liabilities	(1,363.88)	(1,590.91)
(Decrease)/Increase in other current liabilities	(440.76)	1,155.77
(Decrease)/Increase in non-current financial liabilities	195.92	428.06
(Decrease)/Increase in short term provisions	(18.22)	(4.18)
(Increase)/Decrease in trade receivables	(1,647.27)	1,607.95
(Increase)/Decrease in inventories	1,112.79	(3,729.86)
(Increase)/Decrease in current financial assets	26.57	(25.36)
(Increase)/Decrease in other current assets	(371.43)	825.77
(Increase)/Decrease in non-current financial assets	1,758.10	(312.66)
(Increase)/Decrease in non-current assets	(926.86)	(550.86)
Cash generated from operating activities	14,598.73	14,084.22
Direct taxes paid (net)	(1,439.13)	(1,872.75)
Net cash flow from operating activities (A)	13,159.60	12,211.47
Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(12,517.19)	(15,708.16)
Sales/(Purchase) of investment	(3,487.60)	-
Interest received	424.62	416.96
Dividend received	6.12	4.89
Deposits matured/(placed) during the year	(881.76)	(145.34)
Redemption/(Investment) of margin money deposit	115.90	(3,343.33)
Net cash flow from/ (used in) investing activities (B)	(16,339.91)	(18,774.98)
Cash flows from financing activities		
Proceeds from equity (share warrant application/Call money)	1,486.27	1,411.96
Repayment of preference shares	(0.30)	(2.63)
Interest paid	(3,626.09)	(3,559.50)
(Repayment)/Proceeds of long term borrowings	7,688.62	5,283.60
(Repayment)/Proceeds from short term borrowings	594.65	3,751.30
Payment of lease liability	(388.11)	(368.72)
Net cash flow from/ (used in) in financing activities (C)	5,755.04	6,516.01
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2,574.72	(47.50)
Cash and cash equivalents at the beginning of the year	672.23	719.73
Cash and cash equivalents at the end of the year	3,246.95	672.23
Components of cash and cash equivalents		
Cash on hand	2.24	3.77
Cheques on hand	-	45.00
Balances with banks		
- in Current Account	557.83	231.13
Deposits with original maturity of less than three months	2,686.88	392.34
Total cash and cash equivalents	3,246.95	672.23

Note :

The Cash flow statement has been prepared under the "Indirect Method" set out in Ind AS-7 "Statement of Cash Flows"
Previous Year's figures have been regrouped /rearranged to confirm to the current year's presentation, wherever necessary.

As per our attached report of even date

for **K S RAO & CO**

Chartered Accountants
Firm's Regn. No. 0031095

Sd/-
(CA P.GOVARDHANA REDDY)

Partner
Membership No.029193

Place: Hyderabad

Date : 3rd June,2021

For and on behalf of the Board

Sd/-
CA K KARUNAKAR RAO
Executive Director (Fin. & Comm.) & CEO

Sd/-
CS V. RADHAKRISHNA MURTHY
Company Secretary

Sd/-
N JESVANTH REDDY
Executive Director (Technical)

Sd/-
CA C. RAJESH KHANNA
Vice President (Fin. & Accts) & CFO



TGV SRAAC LIMITED

Statement of changes in equity

(₹ in lakhs)

a. Equity share capital		Note	Amount					
As at 31st Mar 2019			9,669.13					
Changes in equity share capital during the year		10 (a)	508.68					
As at 31st Mar 2020			10,177.81					
Changes in equity share capital during the year		10 (a)	535.45					
As at 31st Mar 2021			10,713.26					

b. Other Equity		Reserves and Surplus			Items of Other Comprehensive income		Money received against share warrants	Total other equity
Particulars	Notes	Securities premium reserve	Retained earnings	Other reserve (see note 10(b))	FVOCI - equity instruments	OCI - Actuarial gain / loss on gratuity		
Balance at 31st March, 2019		4,513.04	8,446.10	23,500.07	810.31	-	966.08	38,235.60
Changes in equity for the period ended 31st, March 2020								
Exercise of share warrants	10(b)(i)	1,373.93	-	-	-	-	-	1,373.93
Transfer from retained earnings	10(b)(iii)	-	-	2,500.00	-	-	-	2,500.00
Transfer from OCI	10(b)(iv)	-	(18.99)	-	-	-	-	(18.99)
lease assets	10(b)(iv)	-	(156.29)	-	-	-	-	(156.29)
Profit for the year	10(b)(iv)	-	4,727.45	-	-	-	-	4,727.45
Transfer to general reserve	10(b)(iv)	-	(2,500.00)	-	-	-	-	(2,500.00)
Equity instruments through other comprehensive income	10(b)(v)	-	-	-	(212.22)	-	-	(212.22)
Gains/(losses) on arising from actuarial gain/loss on gratuity	10(b)(v)	-	-	-	-	(18.99)	-	(18.99)
Transfer to retained earnings	10(b)(v)	-	-	-	-	18.99	-	18.99
Share warrant application money received	10(b)(v)	-	-	-	-	-	1,411.96	1,411.96
Shares issued during the year	10(b)(v)	-	-	-	-	-	(1,882.62)	(1,882.62)
Balance at 31st March, 2020		5,886.97	10,498.27	26,000.07	598.09	-	495.42	43,478.82
Changes in equity for the period ended 31st, March 2021								
Exercise of share warrants	10(b)(i)	1,446.25	-	-	-	-	-	1,446.25
Transfer from retained earnings	10(b)(iii)	-	-	2,500.00	-	-	-	2,500.00
Transfer from OCI	10(b)(iv)	-	23.11	-	-	-	-	23.11
Profit for the year	10(b)(iv)	-	2,895.24	-	-	-	-	2,895.24
Transfer to general reserve	10(b)(iv)	-	(2,500.00)	-	-	-	-	(2,500.00)
MAT credit entitlement	2(W)	-	2,371.09	-	-	-	-	2,371.09
Equity instruments through other comprehensive income	10(b)(v)	-	-	-	588.81	-	-	588.81
Gains/(losses) on arising from actuarial gain/loss on gratuity	10(b)(v)	-	-	-	-	23.11	-	23.11
Transfer to retained earnings	10(b)(v)	-	-	-	-	(23.11)	-	(23.11)
Share warrant application money received	10(b)(v)	-	-	-	-	-	1,486.27	1,486.27
Shares issued during the year	10(b)(v)	-	-	-	-	-	(1,981.69)	(1,981.69)
Balance at 31st March, 2021		7,333.22	13,287.71	28,500.07	1,186.90	-	0.00	50,307.90

As per our attached report of even date

for **K S RAO & CO**

Chartered Accountants

Firm's Regn. No. 003109S

Sd/-

(CA P.GOVARDHANA REDDY)

Partner

Membership No.029193

Place: Hyderabad

Date : 3rd June,2021

For and on behalf of the Board

Sd/-

CA K KARUNAKAR RAO

Executive Director (Fin. & Comm.) & CEO

Sd/-

CS V. RADHAKRISHNA MURTHY

Company Secretary

Sd/-

N JESVANTH REDDY

Executive Director (Technical)

Sd/-

CA C. RAJESH KHANNA

Vice President (Fin. & Accts) & CFO

**Notes to financial statements for the year ended 31st March, 2021****Note 1: General Information**

TGV SRAAC LIMITED (formerly known as Sree Rayalaseema Alkalies and Allied Chemicals Limited) incorporated on 24th June, 1981 is the flagship company of the TGV Group. It is the leading producer of Chlor-Alkali products, Chloromethane and also manufactures Castor Derivatives and Fatty Acids.

The Company is a public limited company domiciled in India. The equity shares of the Company are listed on Bombay Stock Exchange (BSE).

The financial statements are approved for issue by the Company's Board of Director's on 3rd June, 2021.

Note 2: Significant Accounting Policies**A. Statement of Compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016, Companies (Indian Accounting Standards) Amendment Rules, 2017, Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

B. Basis of preparation and presentation of financial statements

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles on accrual basis of accounting and the historical cost convention basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

C. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or



- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

D. Use of estimates and judgements

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates.

Any revision to accounting estimates is recognised prospectively in current and future periods. The critical accounting judgements and key estimates followed by the Company for preparation of financial statements is described in Note 2(W).

E. Property, Plant and Equipment

Freehold Land is carried at historical cost. Other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 and the cost of the assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

F. Depreciation and amortisation

The Company depreciates property, plant and equipment over their estimated useful lives as specified in Schedule II to the Companies act, 2013 using the straight-line method in respect of plant and machinery and buildings and in respect of other assets on written down value method.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting



period, with the effect of any changes in estimate accounted for on a prospective basis. The useful life as prescribed under Schedule II of the Companies Act have been followed except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc:

- Continuous process plant – 18 years
- Thermal power plant – 13 years
- Chlorine cylinders – 5 years
- Membranes – 5 years
- Soap plant – 15 years

G. Investment properties

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

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation of the technical experts.

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

H. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale/ distribution will be made or that the decision to sell/ distribute will be withdrawn. Management must be committed to the sale/distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale/ distribution classification is regarded met only when the assets or disposal group is available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales/distribution of such assets (or disposal groups), its sale/ distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale/ distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),



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- An active programme to locate a buyer and complete the plan has been initiated,
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale/for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell/ distribute. Assets and liabilities classified as held for sale/distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in Note 32. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

I. Impairment of Tangible Assets

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

In such cases, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such assets are considered to be impaired, the impairment is recognized in the Statement of Profit and Loss and is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



J. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Financial assets at amortised cost
- Equity instruments at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables. For more information on receivables, refer to Note 8.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to



P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of Financial assets

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss.

The Company follows "Simplified approach" for recognition of impairment loss allowance on trade receivables.

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

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

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 analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.



- **Financial liabilities**

Initial recognition and measurement

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

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

Subsequent measurement

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

Loans and borrowings

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

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

This category generally applies to borrowings.

Derecognition

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

K. Investment in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Such investments in which the Company has no significant influence are accounted under Ind AS 109 at fair value and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.



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If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

L. Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

M. Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

N. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

- **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 or substantively 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 the 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 which those deductible temporary differences 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.

- **Current and Deferred Tax for the Year:**

Current and deferred tax are recognised in profit or 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.

O. Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Grants related to revenue items are presented as part of profit or loss under general heading such as other income or they are deducted in reporting the related expenses. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

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 recognized in profit or 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.

P. Provisions, Contingent liabilities and Commitments

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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

Contingent liability is disclosed in the case of;

- A present obligation arising from past events, when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote



TGV SRAAC LIMITED

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Contingent asset

Wherever there is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed when the inflow of economic benefit is probable.

Q. Revenue Recognition

Effective 1st April, 2018 the Company has applied Ind AS 115: Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Ind AS 115 replaces Ind AS 18 Revenue. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.

The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognized using the effective interest rate (EIR) method.

Dividend income on investments is recognised when the right to receive dividend is established.

R. Leases

Ind AS 116 'Leases' was notified on 30th March, 2019 and it replaces Ind AS 17 'Leases', including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-Balance Sheet model similar to the accounting for finance leases under Ind AS 17.



The standard includes two recognition exemptions for lessees – leases of ‘low-value’ assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lease is ‘a contract or part of a contract that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’. An underlying asset has been defined to mean an asset that is the subject of lease, for which the right to use that asset has been provided by a lessor or lessee.

Measurement of lease liability

On the date of transition lease liability is measured at present value of lease payments that are not paid as at the date of transition.

After the transition date lease liability is measured at amortised cost using the effective interest method.

Subsequently the company measures the lease liability by increasing the carrying the amount to reflect the interest on the lease liability; reducing the carrying amount of reflect the lease payments made; and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company uses the incremental borrowing rate which is the rate of interest that a lessee would have to pay over a similar term, and with a similar security, the funds necessary to obtain an asset of similar value of the right-to-use asset in a similar economic environment.

Right-of-use asset (ROU)

This is measured as lease liability adding any initial direct costs, prepaid lease payments, cost to dismantle or restore less lease incentives.

After the commencement date, the Company measures the ROU at cost:

- Less any accumulated depreciation and any accumulate impairment losses; and
- Adjusted for any re-measurement of the lease liability on subsequent to lease commencement date

A Company applies the depreciation requirement in Ind AS 16 while depreciating ROU asset. The said asset is depreciated over a period of lease term unless in case where ownership of underlying asset is transferred. In such case, the asset is depreciated over the useful life of underlying asset. Also, impairment requirements as per Ind AS 36 is applied by the Company.



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S. Foreign Currencies

(i) Functional Currency:

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs).

(ii) Transactions and translations:

In preparing the financial statements, 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.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

T. 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 profit or loss in the period in which they are incurred.

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

U. Employee Benefits

Short term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of Bonus, Ex-gratia, Leave Travel Allowance, Reimbursement of Medical Expenses, Personal Accident Policy, Deposit Linked Insurance Policy are recognised in the period in which the employee renders the related services.

Post-Employment Benefits:

(i) Defined Contribution Plan:



The Company's contribution paid / payable during the year to Provident Fund, Superannuation Fund and other welfare funds are considered as defined contribution plans.

The Contribution paid / payable under these plans are recognised in the Statement of Profit and Loss during the period in which the employee renders the services.

(ii) Defined Benefit Plans:

The Gratuity Scheme managed by Life Insurance Corporation of India through a Trust is considered as defined benefit plan. The present value of the obligation is determined based on actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss and Other Comprehensive Income.

The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

(iii) Long term Employee Benefits:

The obligation for long term employee benefits such as long term compensated absences, long service awards, etc. is recognised in the same manner as in the case of defined benefit plans as mentioned in (b) (ii) above except that the actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

V. Earnings per share

Basic earnings per share are computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company has made preferential allotment of Share Warrants convertible into equity shares. The warrants that are yet to be converted are treated as dilutive shares.

Estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Revenue recognition:

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement



consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

Useful lives and residual value of property, plant and equipment:

The Company reviews the useful life and residual value of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Allowance for expected credit losses:

Note 2(J) describes the use of practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix. The expected credit allowance is based on the aging of the days receivables which are past due and the rates derived based on past history of defaults in the provision matrix.

Fair value of investments:

The Company has invested in the equity instruments of various companies. However, the percentage of shareholding of the Company in such investee companies is very low and hence, it has not been provided with future projections including projected profit and loss account by those investee companies. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Contingent liability judgement:

Note 27 describes claims against the Company not acknowledged as debt. Contingencies may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum of contingencies inherently involve the exercise of significant judgement and the use of estimates regarding the outcome of future events.

W. Change in accounting policy:

During the previous years the Company has not recognised minimum alternate tax (MAT) credit as deferred tax asset as it was not probable that future taxable profit will be available against which the MAT credit will be utilised.

For the year ended 31st March, 2021 the Company has recognised the unused brought forward MAT credit pertaining to previous years, as deferred tax asset to the extent it is probable that future taxable profit will be



available against which the MAT credit will be utilised.

As it is a change in accounting policy and impracticable to determine the period of specific effects, the Company has resorted to increase opening retained earnings by Rs. 2,371.09 Lakhs and correspondingly decrease deferred tax liability by Rs.2,371.09 Lakhs (net of deferred tax asset) as per Ind AS 12- Income taxes and Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Current Tax expense for the quarter/year ended 31st March, 2021 has been recognised in the statement of profit and loss after utilising MAT credit of Rs.98 Lakhs.

X. COVID-19 impact:

The outbreak of COVID 19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian markets and slowdown in the economic activities.

The management in this regard, has carefully considered the circumstances and risk exposures arising from the COVID 19 situation for developing estimates on the basis of all available information in its assessment of impact thereof on its financial reporting.

The extent to which the COVID 19 pandemic will impact the Company's future results will depend on developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID 19 pandemic and any action to contain its spread or mitigate its impact by the government.

The Company will continue to closely monitor any material changes to future economic conditions.



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

Note 3: Property, plant and equipment

(₹ in lakhs)

Particulars	Freehold land*	Freehold buildings, roads & fencing	Furniture, fittings and equipment	Thermal Power Plants	Plant and machinery continuous process	Other Plant & Machinery	Office & Telephone Equipments	Lab, Workshop & Other Equipment	Computers	Vehicles	Total	Capital work-in-progress
Carrying amount												
Closing gross carrying amount as at 31st March, 2020	1,193.32	12,627.38	108.25	35,806.21	103,417.76	4,615.63	578.19	386.10	632.23	405.78	159,770.85	2,935.23
Additions	5.33	243.75	-	64.36	2,579.74	19.44	24.81	24.42	18.78	-	2,980.63	9,573.79
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31st March, 2021	1,198.65	12,871.13	108.25	35,870.57	105,997.50	4,635.07	603.00	410.52	651.01	405.78	162,751.48	12,509.02
Accumulated depreciation												
Closing Accumulated depreciation as at 31st March, 2020	-	4,000.17	98.96	27,395.59	43,526.93	4,313.28	497.14	324.37	582.94	335.03	81,074.41	-
Depreciation charge during the year	-	378.64	1.33	1,167.20	4,460.24	5.75	33.62	15.07	17.61	17.22	6,096.68	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Closing Accumulated depreciation as at 31st March, 2021	-	4,378.81	100.29	28,562.79	47,987.17	4,319.03	530.76	339.44	600.55	352.25	87,171.09	-
Net Carrying amount as at 31st March, 2020	1,193.32	8,627.21	9.29	8,410.62	59,890.83	302.35	81.05	61.73	49.29	70.75	78,696.44	-
Net Carrying amount as at 31st March, 2021	1,198.65	8,492.32	7.96	7,307.78	58,010.33	316.04	72.24	71.08	50.46	53.53	75,580.39	-

*Title to property of 12.17 acres situated in Bellary amounting to Rs. 15.29 Lakhs acquired by the Company from Karnataka Industrial Areas Development Board (KIADB) is in the process of being transferred in the Company's name.


Notes to financial statements for the year ended 31st March, 2021
Note 4: Investment property

Particulars	As at 31st March, 2021	As at 31st March, 2020
Gross carrying amount		
Opening gross carrying amount	7.05	7.05
Additions	-	-
Closing gross carrying amount	7.05	7.05
Accumulated depreciation		
Opening accumulated depreciation	-	-
Depreciation charge	-	-
Closing accumulated depreciation	-	-
Net carrying amount	7.05	7.05
Fair value	As at 31st March, 2021	As at 31st March, 2020
Investment properties	52.15	52.15

Estimation of fair value

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including:

Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

The main input used is the price per square metre as per state government's registration and stamps department rate for the property. All resulting fair value estimates for investment properties are included in level 2.

Note 5: Financial assets
5 (a) Non-current Investments

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in Other Companies		
Investment in equity instruments at fair value through other comprehensive income (fully paid)		
Quoted		
2,44,749(March 31, 2020: 2,44,749) equity shares of Sree Rayalaseema Hi-Strength Hypo Ltd	578.46	176.83
839(March 31, 2020: 839) equity shares of Indian Bank	0.98	0.36
Unquoted		
"98,62,400(March 31, 2020: 13,93,600) equity shares of Andhra Pradesh Gas Power Corporation Ltd (13,93,600 shares pledged with financial institutions)"	8,280.00	590.19
Total equity investments	8,859.44	767.38



(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Investment in government securities carried at amortised cost		
Unquoted		
National Saving Certificates	1.90	1.90
Total non-current investments	8,861.34	769.28
Aggregate amount of quoted investments and market value thereof	579.44	177.19
Aggregate amount of un-quoted investments	8,281.90	592.09
Aggregate amount of impairment in the value of investments	-	-

5(b) Other non-current financial assets

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Security Deposits with Power Distribution Corporation Ltd	899.84	2,658.36
Bank Deposits with more than 12 months maturity	16.91	422.42
Rent advance	7.35	6.93
Total	924.10	3,087.71

Note 6: Other non-current assets

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Advances	939.39	1,226.72
Amount paid under protest	5.00	5.21
Advances to related parties	1,214.40	-
Total	2,158.79	1,231.93

Note 7: Inventories

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials	3,425.95	1,793.09
Work-in-progress	650.54	459.51
Finished goods	1,021.89	1,410.62
Stores and spares, Chemicals, fuel and packing materials	5,047.88	4,933.40
Scrap and other disposals	56.96	17.78
Goods in transit		
Raw materials	544.30	432.80
Stores and spares	860.04	3,673.14
Total	11,607.56	12,720.34


Note 8 (a): Trade receivables

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured-considered good*	9,918.63	8,269.92
Unsecured-considered doubtful	120.00	120.00
Less: Bad debts written off	(27.43)	-
	10,011.20	8,389.92
Impairment Allowance (allowance for bad and doubtful debts after write off of bad debts)**	(92.57)	(120.00)
Total trade receivables	9,918.63	8,269.92

(*Refer note 30(b) for related party trade receivables).

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

No interest is charged on Trade Receivables for delay in payment beyond credit period from the due date of the Invoice.

The Company has used a practical expedient by computing the expected credit loss allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates are given in the provision matrix. The provision matrix at the end of the Reporting Period is as follows :

Aging:	As at 31st March, 2021
With credit period	0.25%
Upto 60 days past due	0.50%
61-90 days past due	1.00%
91-180 days past due	5.00%
more than 180 days past due	10.00%

Aging of receivables

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
With credit period	5,943.28	4,021.51
Upto 60 days past due	3,253.70	2,661.02
61-90 days past due	489.83	1,042.28
91-180 days past due	220.39	557.52
more than 180 days past due	104.00	107.59
Total trade receivables (before impairment allowance)	10,011.20	8,389.92



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Movement in Expected Credit Loss Allowance(ECL) :

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance at the beginning of the year	120.00	97.00
"Movement in Expected Credit Loss Allowance on trade receivables calculated at lifetime expected credit losses"	(27.43)	23.00
Balance at the end of the year	92.57	120.00

**The allowance for expected credit losses for the year includes additional provision for doubtful debts apart from provision made based on above matrix.

Note 8 (b): Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balances with banks in current account	557.83	231.13
Deposits with original maturity of less than three months	2,686.88	392.34
Cheques on hand	-	45.00
Cash on hand	2.24	3.77
Total	3,246.95	672.24

Note 8 (c): Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deposits with maturity of more than three months but less than 12 months	3,088.34	1,801.06
Margin money with banks	4,306.08	4,421.95
LC-Margin deposit with bank	0.06	0.09
Total	7,394.48	6,223.10

Note 8 (d): Other financial assets

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tender/Security/Telephone Deposits	77.98	129.17
Sales tax, Power and export Incentives Receivable	8,854.03	8,796.94
Interest receivable on deposits	339.92	207.17
Advances to related parties	207.09	207.75
Derivative asset	-	31.80
Total	9,479.02	9,372.83


Note 9: Other current assets

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advances to related parties	8.64	58.56
Advance to Suppliers	893.75	701.03
Advance to Employees	90.37	94.36
Advance to Contractors & Transporters	56.51	29.14
Prepaid Insurance and other Expenses	314.85	398.52
Advance Excise Duties/CENVAT/VAT/Service tax	29.46	29.28
Security deposit adjustable against power charges	345.32	-
Other Advances	52.99	109.57
Total	1,791.89	1,420.46

Break up of financial assets carried at amortised cost and at fair value through other comprehensive income

(₹ in lakhs)

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Financial assets carried at amortised cost				
- Trade receivables	-	-	9,918.63	8,269.92
- Cash and cash equivalents	-	-	3,246.95	672.24
- Bank balances other than Cash and cash equivalents	-	-	7,394.48	6,223.10
- Investments in government securities	1.90	1.90	-	-
- Other financial assets	924.10	3,087.71	9,479.02	9,372.83
(A)	926.00	3,089.61	30,039.08	24,538.09
Financial assets carried at fair value through other comprehensive income				
- Investments	8,859.44	767.38		
(B)	8,859.44	767.38		
Total financial assets	(A+B) 9,785.44	3,856.99	30,039.08	24,538.09



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Note 10: Equity share capital and other equity

10 (a) Equity share capital

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Authorised Share Capital :		
13,00,00,000 Equity Shares of Rs. 10/- each	13,000.00	11,100.00
(as at 31st march 2020- 11,10,00,000 Equity Shares of Rs.10/- each)		
NIL Cumulative Redeemable Preference Shares of Rs.10/- each		
(as at 31st march 2020- 1,90,00,000 Preference Shares of Rs.10/- each)	-	1,900.00
(b) Issued:		
10,72,69,886 Equity shares of Rs.10/- each issued	10,726.99	10,191.54
(as at 31st march 2020- 10,19,15,396 Equity Shares of Rs.10/- each)		
(c) Subscribed and fully paid		
10,70,89,800 Equity shares of Rs.10/- each fully paid	10,708.98	10,173.53
(as at 31st march 2020-10,17,35,310 Equity Shares of Rs.10/- each)		
(d) Subscribed & Not Fully Paid (forefeited)		
1,80,086 Equity shares of Rs.10/- each	4.28	4.28
(as at 31st march 2020- 1,80,086 Equity shares of Rs.10/- each)		
Total	10,713.26	10,177.81

Reconciliation of the number of equity shares outstanding

(Shares in Numbers)

Particulars	As at 31st March, 2021	As at 31st March, 2020
At the beginning of the year	10,17,35,310	9,66,48,545
Add: Issued during the year	53,54,490	50,86,765
Less: Bought back during the year		-
At the end of the year	10,70,89,800	10,17,35,310

Terms/ rights attached to equity shares

"The company has only one class of equity shares having face value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. 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."

**Note 10 (a) Equity share capital****Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No of shares	% of holding	No of shares	% of holding
Sree Rayalaseema Hi-Strength Hypo Limited	2,05,44,496	19.18%	2,05,44,496	20.19%
TGV Project & Investments Private Limited	1,16,94,248	10.92%	1,16,94,248	11.49%
Brilliant Industries Private Limited	2,65,14,230	24.76%	2,11,59,740	20.80%
Sri T G Venkatesh	53,90,613	5.03%	53,90,613	5.30%
Total	6,41,43,587	59.89%	5,87,89,097	57.78%

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents legal ownership of shares as at balance sheet date.

Out of Equity shares issued, subscribed and fully paid up 2,86,10,955 No. of equity shares of Rs.10/- each allotted on preferential allotment to Financial Institutions IDBI/IFCI by conversion of 15% Rupee/F.C loans and Debentures on 8th March, 2005. The company has allotted 1,45,80,000 number of equity shares of Rs.10/- each on 8th March, 2005 and 54,20,000 on 25th April, 2006 to promoters group on preferential allotment by conversion of 2,00,00,000 fully paid share warrants issued on 8th March, 2005.

The Company has allotted 39,36,042 number of equity shares of Rs.10/- each on 5th April, 2014 and 37,39,240 number of Equity shares on 27th April, 2013 and 35,52,278 number of Equity Share on 10th Dec, 2012 to promoters group by conversion of 1,12,27,560 ShareWarrants allotted on 19th Nov, 2012 on preferential basis.

The Company has allotted 45,90,805 equity shares of Rs.10/- each on 08th July, 2017, 43,61,265 number of equity share of Rs.10/- on 27th Jan, 2017 and 41,43,202 number of equity share of Rs.10/- each on 29th Jan, 2016 at a premium of Rs.7.02 to promoters group by conversion of 1,30,95,272 share warrants allotted on 13th Jan, 2016 on preferential basis.

The Company has allotted 48,32,427 equity shares of Rs.10/- each on 14th March, 2019 at a premium of Rs.27.01 to promoters group by conversion out of 1,52,73,682 share warrants allotted on 27th January, 2019 on preferential basis.

The Company has allotted 50,86,765 equity shares of Rs.10/- each on 14th March, 2020 at a premium of Rs.27.01 to promoters group by conversion out of 1,52,73,682 share warrants allotted on 27th January, 2019 on preferential basis.

During the year the Company has allotted 53,54,490 equity shares of Rs.10/- each on 20th May, 2020 at a premium of Rs.27.01 to promoters group by conversion out of 1,52,73,682 share warrants allotted on 27th January, 2019 on preferential basis.



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10 (b) Other Equity

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Share premium	7,333.22	5,886.97
(ii) General reserve	28,500.07	26,000.07
(iii) Retained earnings	13,287.71	10,498.27
(iv) Reserve for other comprehensive income items	1,186.90	598.09
(v) Money received against share warrants	-	495.42
Total	50,307.90	43,478.82

Reserves and Surplus

(i) Share premium

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	5,886.97	4,513.04
Issue of equity shares by exercise of share warrants	1,446.25	1,373.93
Closing balance	7,333.22	5,886.97

(ii) General Reserve

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	26,000.07	23,500.07
Transfer from Surplus in Statement of Profit & Loss	2,500.00	2,500.00
Closing balance	28,500.07	26,000.07

(iii) Retained earnings

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	10,498.27	8,446.10
MAT credit entitlement (refer note 2(W))	2,371.09	-
Lease assets	-	(156.29)
Net profit for the period	2,895.24	4,727.45
Transfer to General Reserve	(2,500.00)	(2,500.00)
Transfer from Reserve for other comprehensive Income	23.11	(18.99)
Closing balance	13,287.71	10,498.27

**(iv) Reserve for items of Other Comprehensive income**

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Change in fair value of FVOCI - equity instruments (Net of taxes)		
- Opening balance	598.09	810.31
- Net gains/(losses) on FVTOCI equity securities during the year	588.81	(212.22)
- Closing balance	1,186.90	598.09
" Other Comprehensive income arising from actuarial gain/loss on defined benefit obligation (Net of taxes) "		
- Opening balance	-	-
- Gains/(losses) on arising from actuarial gain/loss on gratuity	23.11	(18.99)
- Transfer to retained earnings	(23.11)	18.99
- Closing balance	-	-
Total Closing balance	1,186.90	598.09

(v) Money received against share warrants

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	495.42	966.08
Share warrant application money received	1,486.27	1,411.96
Shares issued during the year	(1,981.69)	(1,882.62)
Closing balance	-	495.42

Nature and purpose of reserves**Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Fair value of Equity Instruments through Other Comprehensive Income (FVOCI)

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

General Reserve

The General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purpose. As General Reserve is created by a transfer from one component of Equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to profit or loss.



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Note 11 (a): Long Term Borrowings

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-current borrowings		
Secured		
Term Loans		
From institutions		
IFCI Ltd*	187.07	1,308.89
From Banks **	4,900.83	-
Working capital Term Loans		
From banks***	4,843.31	3,217.43
LC payable to banks for capital good recieved	15,103.59	12,684.71
	25,034.80	17,211.03
UnSecured		
" Deferred Payment liabilities (Sales Tax deferrment/loan sanctioned as per State Incentive Schemes) (Repayable from the year 2018-19 to 2023-24) "	292.67	435.35
	292.67	435.35
Total	25,327.47	17,646.38

There is no default as at 31st March, 2021 and 31st March 2020, in repayment of loans and interest payments on Term Loans.

Terms of repayment

"*IFCI Ltd. Corporate Term Loan (Rs. 10000 Lakhs Loan is repayable in 48 monthly Instalments from Oct, 2016 and Rs. 4500 Lakhs loan is repayable in 48 monthly Instalments from December, 2017 and both loans carries interest rate of Base rate + 1.50%p.a).

** Indian Bank Term Loan (Rs. 10000 Lakhs sanctioned for Chloromethanes expansion is repayable in 20 quarterly instalment from June 2022 at interest rate of 1 Year MCLR+0.70%) but disbursement is made for Rs. 5000 Lakhs."

***Working Capital term loans availed from IDBI Bank Ltd. (Rs. 629 lakhs repayable in 36 monthly instalments from April, 2015 and Rs.1571 Lakhs loan repayable in 20 Quarterly instalments from October, 2015 and both loans carries interest rate of Base rate + 3.80%p.a),

Punjab Natiuna Bank (earlier United Bank of India) (Rs. 479 lakhs repayable in 36 monthly instalments from July, 2015 and Rs. 1198 lakhs repayable in 20 quarterly instalments from January, 2016 and both loans carries interest rate of Base rate + 4.50%p.a),

The Federal Bank Ltd. (Rs. 122 lakhs repayable in 36 monthly instalments from August, 2015 and Rs. 305 lakhs repayable in 20 quarterly instalments from April, 2016 and both loans carries interest rate of Base rate + 3.80%p.a) and

The Indian Bank (Rs. 5000 lakhs repayable in 60 monthly instalments from February, 2019 at interest rate of MCLR 1year + Spread 3.15%p.a)."

"COVID working capital term loans availed from Indian Bank Rs 867 lakhs is repayable in 30 monthly instalments starting from April 2021 at interest rate of 1 Year MCLR., South Indian Bank Limited Rs. 75 lakhs is repayable in 12 monthly instalments starting from Dec 2020 at interest rate of MCLR +1.85. GECLs working capital term loans availed from Indian Bank Rs. 953 lakhs are repayable in 48 monthly instalments starting from Feb 2022 at interest rate of 1 Year MCLR+1%, IDBI Bank Ltd. Rs. 957 lakhs is repayable in 48 monthly instalments starting from Jan 2022 at interest rate of MCLR + 1%, Punjab National Bank Rs. 225 lakhs is repayable in 48 monthly instalments starting from Jan 2022 at interest rate of MCLR +1%, and South Indian Bank Limited Rs. 86 lakhs is repayable in 48 monthly instalments starting from March 22 at interest rate of MCLR +1%."

Security

Term loans : "The above Corporate Term Loan from IFCI Ltd is secured by first pari passu charge on immovable / movable assets of the company both present and future (excluding the project assets of Chloromethanes Project which are exclusively charged to Banks)



and further guaranteed by Shri.T.G.Venkatesh.The above Term Loan from Banks i.e., Indian Bank is secured by first pari passu charge on all fixed assets of the company including fixed assets of Chlorometahnes expansion project (excluding specific LC charges). "

Working capital Term loans : "The above Working capital term loans from banks by IDBI Bank Ltd., The Federal Bank Ltd. and Punjab National Bank are secured by first pari passu charge on current assets i.e., specific lien on incentives and first pari passu charge on entire fixed assets of the company excluding assets pertaining to Chloromethanes Project, Fatty Acid & Potassium Hydroxide Plant and personal guarantee of Shri. T.G.Venkatesh.For Indian Bank working capital term loan pari passu first charge on existing fixed assets of the Company and specific lien on government incentives receivable and personal guarantee of Shri. T.G.Venkatesh.For COVID / GECLs term loans from Banks India Bank, IDBI Bank, Punjab National Bank and South Indian Bank shall rank 2nd charge with existing credit facilities."

Letter of credit : Letters of credit for capital goods secured by exclusive charge on specific asset procured and guaranteed by Shri T.G.Venkatesh.

Note 11 (b): Other non-current financial liabilities

	(₹ in lakhs)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Deposits from Dealers/customers	560.00	803.50
" Liabilities for future outcome of disputed dues considering present obligation and probable future outflows: "		
Customs duty payable recognised as Exceptional item	1,097.12	1,097.12
Fuel surcharge adjustment(FSA) and Electricity duty payable	2,142.83	2,142.83
Surcharges/Interest payable on power charges,excise duty, Sales tax and other dues	2,677.94	2,238.53
Total	6,477.89	6,281.98

Note 11 (c) Current borrowings

	(₹ in lakhs)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Secured		
From banks		
Working capital demand loans	538.84	549.24
Cash Credits	1,234.88	1,288.59
Bill Discounting	68.57	1,496.51
" Letters of Credit issued by Banks to Creditors (Payable to Banks on due dates of Letters of Credit) "	13,625.60	13,136.01
Un-Secured		
Finance from TReDS (reverse factoring)	1,436.55	1,530.46
Un secured loan from NBFC	1,400.00	-
From Others		
" Sale/Purchase Bills Discounted with Can Bank Factors Ltd (Payable on due dates of Bills/factors) "	1,068.88	1,037.06
Total	19,373.32	19,037.87



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There is no default as at 31st March, 2021, 31st March 2020, in repayment of loans and interest payments on Working capital Loans, Letters of Credit issued and Bills discounted with Banks and others.

Security

- a) Short Term Loans from Banks: The above Working Capital Demand Loans and Cash Credits are with various banks at interest rate of MCLR plus Spread. Spread varies from 2.30% to 4.55%. The Working Capital Demand Loans, Cash Credits and Bills discounted by Banks are secured by 1st pari passu charge by way of hypothecation of inventories and receivable of the Company and further secured by 2nd pari passu charge on land, building and Plant and machinery and guaranteed by Shri T.G.Venkatesh.
- b) Letters of Credit from Banks: The above Letter of credit facility availed from Banks were secured by 1st pari passu by way of hypothecation of inventories and receivable of the Company and further secured by 2nd pari passu charge on land, building and Plant and machinery and Letters of credit for capital goods secured by exclusive charge on specific asset procured and guaranteed by Shri T.G.Venkatesh.
- c) Bills discounted with Can Bank Factors Ltd: The above Sale Bill discounting facility from Can Bank Factors Ltd is secured by second charge on respective fixed assets of the Company ranking pari passu with charges already created/ to be created by the Company and further guaranteed by Shri T.G.Venkatesh and purchase bill discounting facility sanctioned by Can Bank Factors Ltd are secured by 2nd pari passu charge on fixed assets of the company."

Note 11 (d): Trade payables

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
For Suppliers*	5,748.51	2,837.98
For Services*	1,864.90	2,711.85
Total	7,613.41	5,549.83

*(Refer Notes 35 for details of Dues to Micro, Small & Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") (Refer Note 30(b) for related party trade payables).


Note 11 (e): Other current financial liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current maturities of long term debt*		
Secured		
Term Loans from IFCI	1,125.00	1,812.64
Term Loans from Banks	1,510.59	840.71
Interest accrued but not due on term loans	12.56	13.62
UnSecured		
Deferred Payment liabilities* (Sales Tax deferrment/loan sanctioned as per State Incentive Schemes)	190.57	120.13
Un-claimed Preference shares redemption warrants	135.48	135.78
Others		
Dues to Banks (Cheques issued in current accounts)	-	37.80
Employees Salaries, Bonus and P F/ ESI recoveries and contributions to Superannuation Fund	502.72	496.06
Payable for capital goods	559.52	595.88
Power charges and other expenses payable	2,021.88	3,299.43
Amount payable for purchase of APGAS shares	4,015.65	-
Total	10,073.97	7,352.04

There were no current maturities of Finance Lease Obligations, Interest accrued and due on borrowings, unpaid Dividends, unpaid matured Debentures or Deposits and interest accrued thereon, Income received in advance and Application money received for allotment of securities and due for refund.

*Represents repayments falling due in next twelve months.

Note 12: Deferred tax liability

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
The balance comprises temporary differences attributable to:		
Deferred tax liabilities		
Property, plant and equipment	12,241.28	11,230.44
Less:		
Deferred tax assets		
Unabsorbed depreciation/losses and expenses allowable U/s 43B of IT Act	(1,545.44)	(1,390.43)
Borrowing costs measured at amortised cost	(4.71)	(9.96)
Provision for Expected Credit Loss (ECL)	(41.61)	(41.61)
Employee benefits - Gratuity	(13.08)	(25.50)
MAT Credit Entitlement (refer Note 2(W))	(2,273.05)	-
Net deferred tax liability	8,363.39	9,762.94



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Reconciliation of net deferred tax liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance as at the beginning of the year	9,762.94	9,473.73
Recognised in statement of profit and loss during the period	959.12	299.41
Recognised in other comprehensive income (OCI) during the period	12.42	(10.20)
Recognised in retained earnings (refer note 2(W))	(2,371.09)	-
Closing balance as at end of the year	8,363.39	9,762.94

Note 13: Government grants

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred sales tax loan	23.54	52.33
Capital subsidy	4.39	6.63
Closing balance	27.93	58.96

Note 14: Other current liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Statutory Dues towards GST, VAT, TDS etc	816.80	1,931.68
Advances from customers	3,606.13	2,932.01
Total	4,422.93	4,863.69

Note 15: Provisions

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Leave obligations	19.15	17.87
Provision for Gratuity	13.48	68.51
Total	32.63	86.38

Note 16: Current tax liability (Net)

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current tax liability		
Provision for income tax	900.00	1,197.56
Current tax asset		
Tax deducted at source	68.51	57.62
Advance tax	510.00	335.00
Closing balance	321.49	804.94


Break up of financial liabilities carried at amortised cost

(₹ in lakhs)

Particulars	Non-Current		Current	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Financial liabilities carried at amortised cost				
- Borrowings	25,327.47	17,646.38	19,373.32	19,037.87
- Lease liabilities	1,847.28	2,005.98	387.20	368.33
- Trade and other payables		-	7,613.41	5,549.83
- Other financial liabilities	6,477.89	6,281.98	10,073.97	7,352.05
Total financial liabilities	33,652.64	25,934.34	37,447.90	32,308.08

Note 17: Revenue from operations

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Sale of products	99,825.44	103,051.62
Other operating revenue		
Process charges	151.39	169.13
Export Incentives	156.02	152.12
Freight/handling charges Receipts	708.11	615.70
Amortisation of sales tax loan	31.03	37.62
Total	100,871.99	104,026.19

Note 18: Other income

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Interest on Bank and other deposits and customers	557.37	523.88
Dividend Income	6.12	4.89
Net gain on Foreign exchange	364.41	-
Rent Receipts	12.42	11.52
Creditors written back	24.63	51.71
Vivad se viswas scheme benefit	-	190.48
Other Receipts	22.59	31.70
Total	987.54	814.18

Note 19 (a): Cost of materials consumed

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Consumption of raw materials	33,390.52	28,137.51
Consumption of chemicals	1,765.54	1,912.51
Consumption of packing materials	996.93	913.35
Total	36,152.99	30,963.37



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Note 19 (b): Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Opening Stock		
Finished Goods	1,410.62	1,070.91
Stock-in-process	459.51	543.04
Scrap & Disposables	17.78	12.24
Total Opening Stock	1,887.91	1,626.19
Closing Stock		
Finished goods	1,021.88	1,410.62
Stock-in-process	650.54	459.51
Scrap & Disposables	56.96	17.78
Total Closing Stock	1,729.38	1,887.91
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	158.53	(261.72)

Note 20: Employee Benefit Expense

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Salaries, Wages, Bonus and Allowances	4,069.47	4,394.50
Contribution to ESI & Provident Fund	119.91	128.32
Contribution to Gratuity & Superannuation Schemes	92.09	89.51
Staff Welfare expenses	535.32	700.92
Total	4,816.79	5,313.25

Note 21: Finance cost

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Interest expenses		
On Term loans	869.08	1,221.58
On Working capital loans/Cash credits/NBFC loan	361.69	239.17
On Purchase/ Sale bills discounting	1,215.93	1,258.88
Interest on Trade deposits	137.50	98.31
Interest on power bills	129.49	133.81
Interest /Surcharge payable to APSPDCL	434.25	354.78
On Others	286.53	135.41
Other borrowing cost		
Working capital renewal and loan processing charges	254.53	199.44
Interest on lease liability	248.28	263.81
Total	3,937.28	3,905.19


Note 22: Other Expenses

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Consumption of stores and spares	2,397.54	2,980.71
Rent including Lease Rents	334.68	334.48
Insurance	269.51	138.21
Repairs & Maintenance		
a) Buildings	531.72	421.11
b) Plant & Machinery	2,668.23	2,531.87
c) Others	521.34	507.48
Rates & Taxes	7.94	18.02
Processing Charges	10.12	14.18
Travelling and conveyance	296.03	447.03
Printing and stationery	29.97	44.46
Postage Telegrams and Telephones	29.15	35.28
Directors sitting fee	2.40	2.49
Directors Travelling	2.35	40.61
Remuneration to Auditors		
Audit -Fee	16.00	16.00
Fee for Certifications	0.70	-
Cost Audit Fee	1.50	1.50
Freight Inward & Material handling charges	1,136.52	1,048.17
Freight outward & Ocean freight	3,899.63	2,988.71
Commission on sales	316.82	1,066.99
Other Selling expenses	276.86	366.08
Advertisement	6.60	60.78
Fee and Expenses	77.92	65.71
Bank Charges	837.76	540.98
Service Charges	595.77	676.42
Legal Expenses	25.93	38.63
Research and Development /Lab Expenses	23.25	13.95
Water Charges	52.07	59.41
Provision for Bad Debts/Expected credit loss	-	23.00
Net Loss(Gain) on Exchange fluctuations	-	225.32
Other Expenses	361.67	438.35
Corporate Social Responsibility expenses	201.61	65.04
Donations	11.90	6.88
Amounts charge off	6.73	98.90
Total	14,950.22	15,316.75



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Note 23: Tax Expenses

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
a) Income tax expense		
Current tax on profits for the year	900.00	1,190.00
Adjustments for current tax of prior periods	55.68	186.62
Total current tax expenses	955.68	1,376.62
Deferred tax		
Decrease/(Increase) in deferred tax assets	(149.76)	(753.12)
(Decrease)/Increase in deferred tax liabilities	1,010.84	1,052.53
MAT credit availed during the year	98.04	-
Total Deferred tax expense/(benefit)	959.12	299.41
Income tax expenses	1,914.80	1,676.03

The income tax expense for the year can be reconciled to the accounting profit as follows : (₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Profit/(loss) before tax from continuing operations	4,886.55	6,479.18
Profit/(loss) before tax from a discontinued operation	(76.51)	(75.70)
Total profit/(loss) before taxes	4,810.04	6,403.48
Increase/decrease in net profit before taxes on account of:		
Exempt income		(4.89)
Depreciation as per books	6,096.68	5,412.36
Depreciation as per income tax act, 1961	(8,989.43)	(8,424.45)
Expenses not allowed under income tax act, 1961	209.86	76.51
Expenses that are allowed on payment basis as per Sec.43B	439.42	251.06
Ind AS adjustments	150.63	192.84
Investment allowance as per income tax act, 1961	-	-
Profit/(Loss) under income from business	2,717.20	3,906.91
Applicable tax rate under normal Provisions	34.94%	34.94%
Tax under normal Provisions of Income tax act, 1961 (A)	949.50	1,365.23

Tax under MAT Provisions of Income tax act, 1961 (B) (₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Profit/(loss) before tax from continuing operations	4,886.55	6,479.18
Profit/(loss) before tax from a discontinued operation	(76.51)	(75.70)
Total profit/(loss) before taxes	4,810.04	6,403.48
Applicable tax rate under MAT Provisions	17.47%	17.47%
Tax payable under MAT Provisions as per applicable tax rate	840.41	1118.82
Increase/(decrease) in tax on account of		
Exempt income	-	(0.86)
Ind AS adjustments	11.05	13.96
Taxable under MAT Provisions (B)	851.46	1,131.92



Tax payable (higher of (A), (B) as computed above)	949.50	1,365.23
MAT Credit availed (A) - (B)	(98.04)	(233.31)
Interest provided for	48.54	58.08
Total tax payable normal Provisions of Income tax act, 1961	900.00	1,190.00
Earlier Year tax liability	55.68	186.62
Income tax expense recognised in statement of profit and loss	955.68	1,376.62

Note 24: Other Comprehensive Income (OCI)

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Re-measurement gains/(losses) on defined benefit plan	35.53	(29.19)
Tax effect on gains/(losses) on defined benefit plan	(12.42)	10.20
Net gains/(losses) on FVTOCI equity securities	588.81	(212.22)
Total	611.92	(231.21)

Note 25: Earning Per Share (EPS)

(₹ in lakhs)

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
EPS from continuing operations		
Net Profit After Tax available for Equity Shareholders	2,971.75	4,803.15
Weighted Average Number of Equity Shares of Rs.10/- each	10,63,70,978	9,68,98,714
Basic Earning per Share	2.79	4.96
Diluted Earning per Share	2.79	4.70
EPS from discontinuing operations		
Net Profit After Tax available for Equity Shareholders	(76.51)	(75.70)
Weighted Average Number of Equity Shares of Rs.10/- each	10,63,70,978	9,68,98,714
Basic Earning per Share	(0.07)	(0.08)
Diluted Earning per Share	(0.07)	(0.07)
EPS from continuing & discontinuing operations		
Net Profit After Tax available for Equity Shareholders	2,895.24	4,727.44
Weighted Average Number of Equity Shares of Rs.10/- each	10,63,70,978	9,68,98,714
Basic Earning per Share	2.72	4.88
Diluted Earning per Share	2.72	4.62



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26. Employee Benefits:

A) Defined Contribution Plans

The Company makes Provident Fund and Superannuation Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs.103.05 Lakhs (Previous year Rs.107.88 Lakhs) for Provident Fund contributions and Rs.41.32 Lakhs (Previous year Rs.40.94 Lakhs) for Superannuation Fund contributions in the Statement of Profit and Loss. The contribution payable to these plans by the Company is at rates specified in the rules of the schemes.

B) Defined Benefit Plan

The Company's obligation towards the Gratuity Fund is a defined benefit plan and is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefits scheme and the amount recognized in financial statement as per Actuarial Valuation:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
1. Changes in present value of Obligations		
Present value at the beginning of the year	680.81	587.83
Interest cost	47.66	41.14
Current Service Cost	44.45	45.23
Benefits paid	(40.32)	(30.50)
Actuarial (gain)/loss on obligations	(33.94)	37.11
Present value at the end of the year	698.66	680.81
2. Changes in fair value of planned assets		
Fair value of plan assets at the beginning of the year	612.30	542.04
Expected return on plan assets	42.86	37.94
Contributions	68.74	54.89
Benefits paid	(40.32)	(30.50)
Actuarial gain/(loss) on plan assets	1.59	7.91
Fair value of plan assets at the end of the year	685.18	612.30
3. Amount recognized in the balance sheet		
Present value of obligations as at the end of year	698.66	680.81
Fair value of plan assets as at the end of year	685.18	612.30
Net asset/(liability) recognized in balance sheet	(13.48)	(68.51)



(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
4. Expenses recognized in Statement of Profit & Loss		
Current service cost	44.45	45.23
Interest cost	47.66	41.14
Expected return on plan assets	(42.86)	(37.94)
Expenses recognized in statement of profit & loss	49.24	48.43
5. Amount recognized in Other Comprehensive Income		
Actuarial (gain)/ loss on obligations	(33.93)	37.11
Actuarial (gain)/loss – plan assets	(1.59)	(7.92)
Actuarial (gain)/loss recognized in the year	(35.53)	29.19
6. Assumptions		
Discount rate	7.00%	7.00%
Salary escalation	7.00%	7.00%
Expected rate of return	7.00%	7.00%

Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumption would occur in isolation of one another as some of the assumptions may be correlated. The result of the sensitivity analysis are given below:

Period	As at 31st March, 2021	As at 31st March, 2020
Defined benefit obligation (base)	6,98,66,183 @ salary increase rate: 7% and discount rate: 7.00%	6,80,81,155 @ salary increase rate: 7% and discount rate: 7.00%
Liability with x% increase in discount rate	655.44; x=1.00%	636.98; x=1.00%
Liability with x% decrease in discount rate	747.12; x=1.00%	730.05; x=1.00%
Liability with x% increase in salary growth rate	746.64; x=1.00%	729.56; x=1.00%
Liability with x% decrease in salary growth rate	655.06; x=1.00%	636.59; x=1.00%



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Particulars	As at 31st March, 2021	As at 31st March, 2020
Liability with x% increase in withdrawal rate	698.47; x=1.00%	680.48; x=1.00%
Liability with x% decrease in withdrawal rate	698.86; x=1.00%	681.15; x=1.00%

27. Contingent Liabilities and Commitments: (to the extent not provided for)

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) Cheques / Bills Discounted with Banks	22.57	42.87
b) Unexpired Bank guarantees (net of margin money paid)	566.63	634.90
c) Capital Commitments: Estimated amount of contracts remaining to be executed on Capital Account (Net of advances)	5,693.67	9,610.17
d) Claims against the company not acknowledged as debts and not provided for being disputed and pending in appeals/ Assessments in respect of:		
i) The Fuel Surcharge Adjustment (FSA) charges for the year 2008-09 and 2009-10 payable to APCPDCL was contested by the Industrial units including the company before Hon'ble High Court of AP and obtained favorable order for 2008-09 and the matter was referred to Supreme Court and the same is pending.	1,523.80	1,523.80
ii) Increase in water rate made by Andhra Pradesh Government through GO for using river water protested before Hon'ble High Court from February, 2014 to March, 2021.	128.70	110.84
iii) Claim made by one MSME supplier for additional compensation for supply / service rendered to the company.	146.90	0.00



(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
iv) Power supply made by APGPCL not credited fully in the power bills raised during the year by APSPDCL resulting in same power being billed by both the entities i.e., double billing of the power supplied by APGPCL. Having fully paid for the bills of APGPCL, company contested against excess billing by APSPDCL. However, the Company believes possible obligation of outflow of resources shall not exceed Rs.916.00 Lakhs being the cost difference between the two entities i.e., (disputed amount with APSPDCL – amount paid to APGPCL).	2,846.00	0.00
v) Company has executed Letter of Undertakings to pay customs duty, central excise duty, levies payable, if any, in respect of imported and indigenous capital goods, Raw Materials and stores and spares consumed duty free, in the event that certain terms and conditions are not fulfilled as per guidelines issued by the Customs Authorities under EPCG and Advance Licenses.	392.00	0.00

Note: Amounts shown in the above table are net of amounts paid under protest.

28. Leases:

The Company records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The borrowing rate that is applied to lease liabilities as on 1st April, 2020 is 12.50%



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The changes in the carrying value of ROU assets for the year ended 31st March, 2021 are as follows:

(₹ in lakhs)

Particulars	Category of ROU Assets		TOTAL
	Buildings	Equipments	
Balance as at 1st April, 2020	1,934.60	134.84	2,069.44
Additions	-	-	-
Deletions	-	-	-
Depreciation	206.23	52.35	258.58
Balance as at 31st March, 2021	1,728.37	82.49	1,810.86

The break-up of current and non-current lease liabilities as at 31st March, 2021 is as follows

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non - Current lease liabilities	1,847.28	2,005.98
Current lease liabilities	387.20	368.33
Total	2,234.48	2,374.31

The movement in lease liabilities during the year ended 31st March, 2021 is as follows:

(₹ in lakhs)

Particulars	Category of ROU Assets		TOTAL
	Buildings	Equipments	
Balance as at 1st April, 2020	2,214.46	159.85	2,374.31
Additions	-	-	-
Deletions	-	-	-
Finance cost during the year	236.87	11.40	248.27
Payment of lease	319.46	68.64	388.10
Balance as at 31st March, 2021	2,131.87	102.61	2,234.48



The details of the contractual maturities of lease liabilities as at 31st March, 2021 on an un discounted basis are as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Less than one year	387.20	388.11
(ii) One to five years	1,983.78	1,949.83
(iii) More than five years	1,335.80	1,756.96

29. Segment Reporting:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Segment Revenue		
a) Chemicals	91,511	95,986
b) Oils & Fats	13,805	11,307
TOTAL	1,05,316	1,07,293
Less: Inter segment revenue	(4,444)	(3,267)
Net Sales/Income from Operations	1,00,872	1,04,026
Segment Results Profit/(Loss) Before tax and interest:		
a) Chemicals	9,005	10,690
b) Oils & Fats	(738)	(830)
TOTAL	8,267	9,860
Less: I) a) Interest Expenses	3,937	3,905
b) Interest Income	(557)	(524)
II) Loss from discontinuing operations of power Plant	(77)	(76)
Total Profit before Tax	4,810	6,403



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(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Segment Assets		
a) Chemicals	1,25,479	1,11,666
b) Oils & Fats	9,946	6,983
c) Others	8,950	7,873
d) Power Plant (Discontinued operations)	915	954
TOTAL	1,45,290	1,27,476
Segment Liabilities		
a) Chemicals	75,527	64,610
b) Oils & Fats	5,590	4,986
c) Others	3,152	4,223
d) Power Plant (Discontinued operations)	-	-
TOTAL	84,269	73,819
Depreciation and amortisation expense		
a) Chemicals	5,849	5,123
b) Oils & Fats	469	506
TOTAL	6,318	5,629
Additional information by geographic		
Revenue by Geographical Market		
India	94,782.62	97,543.67
Outside India	6,089.38	6,482.33
TOTAL	1,00,872.00	1,04,026.00

Revenue from major customers

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.



30. Related Party Disclosures:

a) Names of related parties and description of relationship:

Description of relationship	Name of related party
Enterprises where significant influence of key managerial personnel or their relatives exists & with whom transactions have taken place	Sree Rayalaseema Hi-Strength Hypo Limited.
	TGV Projects and Investments Private Limited
	Brilliant Bio Pharma Private Limited
	Sree Maruthi Marine Industries Limited
	Sree Maruthi Agro Tech Limited
	Gowri Gopal Hospitals Private Limited
	Sree Rayalaseema Galaxy Projects Private Limited
	Nector Laboratories Private Limited
	S.K.Salts Private Limited
	M.V. Salts & Chemicals Private Limited
	Brilliant Industries Private Limited
	Sree Rayalaseema Dutch Kassenbouw Private Limited
	Roopa Industries Limited
	TGV Securities Private Limited
	JSM International Limited
	The Mourya Inn
	TGV Industries Private Limited
	Gowri Gopal Intensive Care Unit LLP
Key Managerial Personnel	Shri. T.G. Venkatesh – Chairman (till 15th May, 2020)
	Shri. K.Karunakar Rao – C.E.O. & E.D. (F&C)
	Shri. N. Jeswanth Reddy – E.D. (Tech.,)
	Shri. GopalaKishan Agarwal – E.D. (Tech.,)
	Shri. C.Rajesh Khanna – C.F.O.
	Shri. V.Radha Krishna Murthy – Company Secretary
Directors	Shri. T. G. Venkatesh, Non-whole time Director (till 15th May, 2020)
	Shri. K.Karunakar Rao, Executive Director
	Shri. N. Jeswanth Reddy, Executive Director
	Shri. Gopal Kishan Agarwal, Executive Director
	Shri. G Krishna Murthy, Independent Director
	Shri. P N Vedanarayanan, Independent Director
	Shri. J Nagabhushanam, Independent Director
	Smt. M Asha Reddy, Independent Woman Director
Close members of key managerial personnel's family	Smt. T.G. Rajya Lakshmi
	Smt. O. Sarada Reddy
	Smt. Uma Agarwal



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b) Summary of transactions with the above related parties is as follows:

(₹ in lakhs)

Name of the party		Nature of Transaction	For the year ended 31.03.2021	For the year ended 31.03.2020	Balance outstanding as on 31.03.2021	Balance outstanding as on 31.03.2020
Enterprises where significant influence of key managerial personnel or their relatives exists:						
Sree Rayalaseema Hi- Strength Hypo Limited	Sales		12,557.81	13,291.21	2181.20 (Cr)	1,154.27(Cr)
	Purchases		9,510.80	6,314.48	1540.18 (Cr)	-
	Services availed		568.84	87.82	-	-
	Rents Received		7.47	6.56	-	-
Gowri Gopal Hospitals Private Limited	Sales		0.27	0.26	-	-
	Purchases		14.95	2.84	-	-
	Services availed		60.68	47.79	19.79 (Cr)	31.72(Cr)
Roopa Industries Limited	Sales		10.04	73.11	8.58 (Dr)	14.00 (Dr)
Sree Rayalaseema Galaxy Projects Private Limited	Sales		8.20	13.71	-	-
	Purchases		71.79	86.66	6.23 (Cr)	81.62 (Cr)
Sree Maruthi Marine Industries Limited	Purchases		169.26	276.64	231.19 (Cr)	11.92 (Cr)
	Land purchase		-	131.67	-	-
Sree Maruthi Agro Tech Private Limited	Purchases		32.03	63.03	7.97 (Dr)	26.00 (Dr)
M.V. Salts & Chemicals Private Limited	Purchases		-	47.98	-	31.48 (Dr)
TGV Industries Private Ltd.,	Purchases		0.52	-	0.15 (Cr)	-
Sri T.G. Venkatesh	Advance for land purchase		1214.40	-	1214.40 (Dr)	-
	Lease Rentals Paid		63.14	63.14	4.01 (Cr)	4.82 (Cr)
	Equity Shares allotted including premium		-	1,882.62	-	-
	Share Application Money Received		-	1,411.96	-	-
	Rent advance paid		-	-	107.00 (Dr)	107.00 (Dr)
TGV Projects and Investments Private Limited	Lease Rentals Paid		313.83	298.88	-	19.65 (Cr)
	Rent deposit		-	-	100.09 (Dr)	100.75(Dr)
The Mourya Inn	Services availed		98.87	192.21	10.43 (Cr)	-
Nectar Laboratories PVT. LTD.	Services availed		-	-	-	2.04 (Dr)
Gowri Gopal Intensive Care Unit	Services availed		12.12	7.37	-	7.37 (Cr)
Brilliant Industries Private Limited	Share Warrants Application Money Received		1,486.27	495.43	-	495.43 (Cr.)



(₹ in lakhs)

Name of the party	Nature of Transaction	For the year ended 31.03.2021	For the year ended 31.03.2020	Balance outstanding as on 31.03.2021	Balance outstanding as on 31.03.2020
Brilliant Industries Private Limited	Equity Shares allotted including premium	1,981.70	-	-	-
SreeRayalaseema Hi- Strength Hypo Limited	Investment in Equity	-	-	24.48 (Dr)	24.48 (Dr)
	Dividend received	6.12	4.89	-	-
Shri K.Karunakar Rao ED (F&C)	Remuneration	25.22	23.83	-	-
Shri. N.Jesvanth Reddy, ED (Tech)	Remuneration	24.80	23.28	-	-
Shri. G.K.Agarwal, ED (Tech)	Remuneration	26.16	26.16	-	-
Shri. V. Radha Krishna Murthy, Company Secretary	Remuneration	9.78	9.58	-	-
Shri. C.Rajesh Khanna, CFO	Remuneration	16.51	15.90	-	-
	Loan	-	-	0.67 (Dr)	1.07 (Dr)
Relatives to Key Managerial Personnel					
Smt. O Sarada Reddy	Interest & Consultancy	-	13.62	-	-
Smt. T.G. Rajya Lakshmi	Rent Paid	2.05	1.86	-	-
Smt. Uma Agarwal	Services	0.42	1.50	-	-

Note: Cr indicates Credit balance & Dr. indicates Debit balance



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Note 31: Fair value measurements

a) Financial instruments by category

The carrying value of financial instruments by categories as of March 31, 2021 is as follows :

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised cost	TOTAL
Financial assets	-			
Investments	-			
Equity instruments	-	8,859.44	-	8,859.44
Government securities	-	-	1.90	1.90
Trade receivables	-	-	9,918.63	9,918.63
Cash and cash equivalents	-	-	3,246.95	3,246.95
Bank balances other than Cash and cash equivalents	-	-	7,394.48	7,394.48
Other financial assets	-	-	10,403.12	10,403.12
Total Financial assets	-	8,859.44	30,965.08	39,824.52
Financial liabilities	-			
Borrowings	-	-	44,700.79	44,700.79
Trade and other payables	-	-	7,613.41	7,613.41
Other financial liabilities	-	-	16,551.86	16,551.86
Total Financial liabilities	-	-	68,866.06	68,866.06

The carrying value of financial instruments by categories as of March 31, 2020 is as follows :

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised cost	TOTAL
Financial assets	-			
Investments	-			
Equity instruments	-	767.38	-	767.38
Government securities	-	-	1.90	1.90
Trade receivables	-	-	8,269.92	8,269.92
Cash and cash equivalents	-	-	672.24	672.24
Bank balances other than Cash and cash equivalents	-	-	6,223.10	6,223.10
Other financial assets	-	-	12,460.54	12,460.54
Total Financial assets	-	767.38	27,627.71	28,395.08
Financial liabilities	-			
Borrowings	-	-	36,684.25	36,684.25
Trade and other payables	-	-	5,549.83	5,549.83
Other financial liabilities	-	-	13,634.03	13,634.03
Total Financial liabilities	-	-	55,868.11	55,868.11


b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:

(₹ in lakhs)

Particulars	Fair value measurement using			
	Level 1	Level 2	Level 3	TOTAL
Financial assets				
Financial instruments at FVTOCI				
Investments in Quoted equity instruments				
equity shares of Sree Rayalaseema Hi-Strength Hypo Ltd	578.46	-	-	578.46
equity shares of Indian Bank	0.98	-	-	0.98
Investments in Un-Quoted equity instruments				
equity shares of Andhra Pradesh Gas Power Corporation Ltd*	-	-	8,280.00	8,280.00
Total Financial assets	579.44	-	8,280.00	8,859.44

*the percentage of shareholding of the Company in Andhra Pradesh Gas Power Corporation Ltd companies is low and hence, it has not been provided with future projections including projected profit and loss account. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain. During the current year as purchases were made through bidding process and the last purchase prices is taken as fair value measurement.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2020:

(₹ in lakhs)

Particulars	Fair value measurement using			
	Level 1	Level 2	Level 3	TOTAL
Financial assets				
Financial instruments at FVTOCI				
Investments in Quoted equity instruments				
equity shares of Sree Rayalaseema Hi-Strength Hypo Ltd	176.83	-	-	176.83
equity shares of Indian Bank	0.36	-	-	0.36
Investments in Un-Quoted equity instruments				
equity shares of Andhra Pradesh Gas Power Corporation Ltd*	-	-	590.19	590.19
Total Financial assets	177.19	-	590.19	767.38

*the percentage of shareholding of the Company in Andhra Pradesh Gas Power Corporation Ltd companies is low and hence, it has not been provided with future projections including projected profit and loss account. Hence, the valuation exercise carried out by the Company with the help of available historical annual reports and other information in the public domain.



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Reconciliation of Level 3 fair value measurements

Investment in unquoted shares irrevocably designated as FVTOCI

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	590.19	561.93
Purchases	7,503.25	-
Total gains/losses in other comprehensive income	186.56	28.26
Closing balance	8,280.00	590.19

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. 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 is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

There are no transfers between levels 1 and 2 during the year.



32. Discontinued Operations

Description: The Power Purchase Agreement with Karnataka Electricity Board (Power Distribution Companies) pertaining to Bellary power plant was expired on 31st August, 2012 and the agreement was not renewed and generation of power was stopped from September, 2012. The company has discontinued the operations of this segment from the year 2013-14 and exploring the possibilities for disposal of its Plant.

The results of discontinued operations are presented below:

(₹ in lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Expenses	39.27	38.46
Depreciation	37.24	37.24
Loss from discontinued operations for the year before tax	76.51	75.70
Tax (expense)/income	-	-
Loss from discontinued operations for the year after tax	76.51	75.70
Assets		
Fixed Assets	900.48	937.72
Current Assets	14.69	16.47
Total Assets	915.17	954.19
Liabilities	-	-
Net Assets	915.17	954.19
Cash flow as follows		
Operating activities		
Sale of fixed assets	-	-
Expenses	(39.27)	(38.46)
Change in working capital	1.78	2.29
Net cash (outflow)	(37.49)	(36.17)



Note 33: Capital Management & Risk management

Capital management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity. The Company's capital requirement is mainly to fund its capacity expansion, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings. The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and align maturity profile of its debt commensurate with life of the assets, and closely monitors its judicious allocation amongst competing capital expansion projects and strategic acquisitions, to capture market opportunities at minimum risk.

Gearing ratio

The Company monitors its capital using gearing ratio, The Company's strategy is to maintain gearing ratio below 1, which is total debt divided to total equity as given below:

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
Total Debt*	27,670.39	19,864.38
Equity share capital	10,713.26	10,177.81
Other equity	50,307.90	43,478.83
Total equity	61,021.16	53,656.64
Total debt to Total equity ratio	0.45	0.37

*Total Debt is defined as secured long-term including current maturities of borrowings excluding cumulative redeemable preference shares.

Financial risk management and objectives and policies

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements.

A Special Team with Senior Executives having exposure in various fields has been formed to assist Executive Director and CEO in (a) Overseeing and approving the Company's enterprise wide risk management framework, and (b) Overseeing that all the risks that the organisation faces such as market risk (including currency risk, interest rate risk and other price risk), Credit risk and liquidity risk have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Executive Director and CEO, monitors and reports on the principal risks and uncertainties that can impact the Company and its ability to achieve strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the Management and business of the Company.

**A. Market risk**

The Company is exposed to market risk through changes in foreign currency exchange rates and changes in interest rates. Financial assets/liabilities affected by this risk are borrowings, letter of credits and trade receivables.

The Company's investments in listed and non-listed equity securities are susceptible to price risk arising from uncertainties about future value of the investment Securities. The Company's non-current investment in equity shares are strategic investments and hence are considered as Fair Value through Other Comprehensive Income. The company's Board of Directors reviews and approves all equity investment decisions.

Foreign Currency risk management

The Company operates internationally and is exposed to foreign currency risk arising from foreign currency transactions, primarily with respect to the US\$, EUR, JPY. Foreign exchange risk arises from import as well as exports of goods. The risk is measured through a forecast of highly probable foreign currency cash flows.

The special team as mentioned above analysis the options for hedging. Based on the analysis the management takes decision regarding hedging of foreign currency exposures. Currently, the Company has not hedged any of the foreign currency transactions in the view of the natural hedging. The natural hedging is sufficient to manage the current foreign currency risk management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities are restated at the end of each quarter. The same at the end of the reporting period are as follows :

(FC in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Currency	Amount in FC	Currency	Amount in FC
Receivables for export	USD	1.98	USD	0.21
Payables for imports				
LC's issued to creditors/direct supplies	USD	168.55	USD	101.45
LC's issued to creditors	EURO	12.35	EURO	12.35
LC's issued to creditors	JPY	3,678.92	JPY	3,678.92
LC's issued to creditors	CHF	35.17	CHF	34.71

Foreign Currency Sensitivity Analysis

The Company is mainly exposed to US Dollar, EUR, JPY, CHF.

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, JPY exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.



(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	Impact on profit before tax	
USD Sensitivity		
Impact due to increase by 5%	(611.57)	(148.25)
Impact due to decrease by 5%	611.57	148.25
EURO Sensitivity		
Impact due to increase by 5%	(52.97)	(0.22)
Impact due to decrease by 5%	52.97	0.22
JPY Sensitivity		
Impact due to increase by 5%	(121.61)	(0.56)
Impact due to decrease by 5%	121.61	0.56
CHF Sensitivity		
Impact due to increase by 5%	(136.39)	(0.59)
Impact due to decrease by 5%	136.39	0.59

Interest Rate Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating base interest rates. Based on the interest rate sensitivity the Company decides on the management of interest rate risk.

Interest Rate Sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating base rate borrowings, as follows:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
	Impact on profit before tax	
Increase/decrease in base points		
50 base points higher	(71.70)	(36.05)
50 base points lower	71.70	36.05



B. Credit risk

"Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is operating through network of dealers based at different locations. Regular monitoring of the receivables is undertaken by the marketing department and in case the limits are exceeded, steps will be taken by the marketing departments and after discussing with the management the Company will decide whether to stop or not further supplies to the concerned dealer till the amount outstanding is recovered. For the export made by the Company, the sales are backed by ECGC Coverage or advance receipts. The internal risk management committee of the Company meets regularly to discuss the dealers and credit risks, measures taken to address them and the status and level of risk after the measures taken. Export sales are fully secured through ECGC Coverage or against advance receipts. (refer Note No.8(a) for Trade Receivables outstanding)."

C. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The table below provides details regarding the remaining contractual maturities of financial liabilities as at reporting date:

(₹ in lakhs)

Particulars	On demand	< 1 year	1 - 5 years	5 + years	TOTAL
As at 31st March, 2021					
Bank borrowings	-	-	25,034.80	-	25,034.80
Deferred sales tax loan	-	-	292.67	-	292.67
Provided for disputed dues	-	-	-	-	-
Trade Deposits from Dealers/customers	-	-	560.00	-	560.00
Total non-current financial liabilities	-	-	25,887.47	-	25,887.47
Current borrowings	19,373.32	-	-	-	19,373.32
Trade payables	7,613.41	-	-	-	7,613.41
Other current financial liabilities	10,073.97	-	-	-	10,073.97
Total current financial liabilities	37,060.70	-	-	-	37,060.70
Total	37,060.70	-	25,887.47	-	62,948.17



(₹ in lakhs)

Particulars	On demand	< 1 year	1 - 5 years	5 + years	TOTAL
As at 31st March, 2020					
Bank borrowings	-	-	17,211.03	-	17,211.03
Deferred sales tax loan	-	-	435.35	-	435.35
Provided for disputed dues	-	-	-	-	-
Trade Deposits from Dealers/customers	-	-	803.50	-	803.50
Total non-current financial liabilities	-	-	18,449.88	-	18,449.88
Current borrowings	19,037.87	-	-	-	19,037.87
Trade payables	5,549.83	-	-	-	5,549.83
Other current financial liabilities	7,352.05	-	-	-	7,352.05
Total current financial liabilities	31,939.75	-	-	-	31,939.75
Total	31,939.75	-	18,449.88	-	50,389.63

The following table shows summary of the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements:

Exposure arising from	Risk	Measurement	Management
Foreign currency transactions	Market risk - foreign	Cash flow forecasting	Natural hedging
Borrowings with floating interest rates	Market risk - interest rate	Sensitivity analysis	Credit ratings
Cash and cash equivalents, trade receivables, financial instruments, financial assets measured at amortised cost.	Credit risk	Aging analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Borrowings and Financial liabilities	Liquidity risk	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities


34. Income and expenditure in foreign currency and Foreign Currency Exposures
Earnings in Foreign Currency

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) FOB value of exports	5,825.82	5,358.12
ii) Others	4.05	3.89

Expenditure in Foreign Currency

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Travelling	-	33.74
ii) Fees and charges	2.28	3.78
iii) Commission paid	65.36	18.80
iv) Interest & Bank charges	225.94	168.25
v) Other expenses	3.69	-
vi) Technical service charges	-	63.380

Foreign Currency Exposures

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Recognised amount (Rs.)	Amount in FC (in lakhs)	Recognised amount (Rs.)	Amount in FC (in lakhs)
Receivables for export	144.38	\$ 1.98	15.75	\$ 0.21
Payables for imports towards LC's/direct supplies:	12,322.95	\$ 168.55	7,647.82	\$ 101.45
	1,059.32	EUR 12.35	1,025.96	EUR 12.35
	2,727.80	CHF 35.17	2,720.63	CHF 34.71
	2,432.13	JYP 3,678.92	2,562.36	JPY 3,678.92

Value of Imports (Calculated on C.I.F basis):

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
i) Raw Materials	8,832.39	6,476.40
ii) Coal	4,341.31	1,163.18
iii) Chemicals & Spares & Stores	1,082.15	3,162.64
iv) Capital Goods / Services	4,445.42	4,208.67



TGV SRAAC LIMITED

35. Under the Micro, Small and Medium Enterprises Development Act, 2006 and in accordance with the notification issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined in the said Act. The company is in the process of compiling the relevant information from its suppliers about their coverage under the said Act and hence required disclosures made to the extent available.

The following are outstanding balances as at 31.03.2021:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Principal amount remaining unpaid to any supplier as at the end of the accounting year (All are within agreed period not due for payment)	1,778.38	1,085.32
The amount of interest paid by the buyer in terms of section 16, along with the amounts of payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act;	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

36. Contingent assets:

Legal cases filed by the company for recovery of dues/advances and pending in Courts for disposal:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Against Debtors, Contractors and Suppliers	807.34	662.35


37. Revenue from contracts with customers:

- The Company is producer of Chloro-Alkali & Chloromethane products and also manufactures Castor Derivatives and Fatty Acids.
- Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.
- Revenue from sale of goods is recognized when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations.
- The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.
- Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.
- Interest income is recognized using the effective interest rate (EIR) method.
- Dividend income on investments is recognized when the right to receive dividend is established.

(₹ in lakhs)

Sl. No.	Revenue by Offerings	As at 31st March, 2021	As at 31st March, 2020
A	MANUFACTURED GOODS		
1	Caustic Soda Lye / Flakes	45,062.56	60,158.34
2	Liquid Chlorine	7,894.60	4,519.03
3	Hydrochloric Acid	3,516.29	2,482.39
4	Hydrogen Gas	1,116.87	1,117.79
5	Bleach Liquor	1,506.43	1,828.28
6	Caustic Potash Lye/Flakes	22,482.54	18,603.86
7	Potassium Carbonate	1,922.12	1,203.34
8	Hydrogenated Castor Oil	392.04	598.22
9	12 Hydroxy Stearic Acid	1,697.52	1,571.78
10	Refined Glycerin	443.09	308.74
11	Stearic Acid	6,690.31	5,392.47
12	Soap Noodles.	5,306.72	3,466.09
13	Toilet Soaps	142.35	185.89
14	Methylene Chloride	12,024.53	11,484.97
15	Chloroform	3,465.88	4,686.65
16	Others less than 1% of Total Turnover (Balancing figure)	3,157.96	2,980.29
	TOTAL	116,821.81	1,20,588.13
	Less: Indirect taxes	16,996.37	17,536.51
	Net Revenue from products	99,825.44	1,03,051.62

The Company represents revenue net of indirect taxes in its Statement of Profit and Loss.



TGV SRAAC LIMITED

A. Disaggregate Revenue Information

The disaggregated revenue from contracts with the customers for the year ended 31st March, 2021 by offerings and contract type.

(₹ in lakhs)

Revenue by contract type	Year ended 31st March, 2021	Year ended 31st March, 2020
Fixed time frame	99,825.44	1,03,051.62
Time and material	1,046.55	974.57

B. Remaining Performance Obligations

The remaining performance obligation disclosure provides the aggregate amount of transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of entity's performance completed to date.

The aggregate amount of transaction price allocated to remaining performance obligations as per the requirements of Ind AS 115 is Rs.6,716.69 Lakhs (Previous year Rs. 8,446.84 Lakhs) out of which, approximately 99.90% (Previous year 99.85%) is expected to be recognized as revenues within one year and the balance beyond one year.

38. Cost of raw materials consumed:

(₹ in lakhs)

Sl. No.	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
1	SALT	7,706.49	7,169.28
2	CASTOR OIL	2,029.54	2,450.59
3	ACID OILS & OTHER OILS	8,371.77	5,793.40
4	POTASSIUM CHLORIDE	11,409.61	9,277.32
5	RAW MATERIALS-SOAPS	9.62	17.59
6	HYDROCHLORIC ACID NORMAL GRADE	123.31	49.23
7	METHANOL	3,740.18	3,380.09
	TOTAL	33,390.52	28,137.50


39. Raw material consumed

(₹ in lakhs)

Particulars	Year ended 31st March, 2021			Year ended 31st March, 2020		
	Qty., MT/KL	Rs. in lakhs	%	Qty., MT/KL	Rs. in lakhs	%
i) Salt						
-Imported	-	-	-	-	-	-
-Indigenous	2,91,445	7,706.49	100	2,83,041	7,169.28	100
ii) Potassium chloride						
-Imported	46,408	11,409.61	100	36,033	9,277.32	100
-Indigenous	-	-	-	-	-	-
iii) Castor Oil						
-Imported	-	-	-	-	-	-
-Indigenous	2,374	2,029.54	100	2,590	2,450.59	100
iv) Lauric Acid						
-Imported	62	40.36	67.11	65	41.83	100
-Indigenous	25	19.78	32.89	-	-	-
v) Palm fatty acid distillate						
-Imported	-	-	-	-	-	-
-Indigenous	13,262	7,272.69	100	13,344	5,096.48	100
vi) Palm Kernel oil/Distilled fatty acid						
-Imported	285	136.73	16.66	500	211.00	46.80
-Indigenous	1,053	683.88	83.34	568	273.77	53.20
vii) Crude Glycerin						
-Imported	96	21.26	11.49	174	48.54	100
-Indigenous	294	163.82	88.51	-	-	-
viii) Methanol						
-Imported	14,030	3,740.18	100	13,709	3,380.09	100
-Indigenous	-	-	-	-	-	-
ix) Other Raw Materials						
-Imported	-	-	-	-	-	-
-Indigenous	-	166.18	100	-	188.61	100
Total:						
-Imported		15,348.14			12,958.78	
-Indigenous		18,042.38			15,178.73	
		33,390.52			28,137.51	



TGV SRAAC LIMITED

40. Value of Chemicals, Packing and Stores consumed (other than used for repairs)

(₹ in lakhs)

Particulars	Year ended 31st March, 2021		Year ended 31st March, 2020	
	Rs. in Lakhs	%	Rs. in Lakhs	%
a) Imported	302.97	5.87	174.44	3.00
b) Indigenous	4,857.05	94.13	5,632.13	97.00
Total	5,160.02	100	5,806.57	100.00

41. Figures have been rounded off to the nearest decimal of lakhs as required under Schedule - III.

42. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our attached report of even date

For and on behalf of the Board

for **K S RAO & CO**

Chartered Accountants

Firm's Regn. No. 003109S

Sd/-

(CA P. GOVARDHANA REDDY)

Partner

Membership No.029193

Sd/-

CA K KARUNAKAR RAO

Executive Director (Fin. & Comm.) & CEO

Sd/-

N JESVANTH REDDY

Executive Director (Technical)

Sd/-

CS V. RADHAKRISHNA MURTHY

Company Secretary

Sd/-

CA C. RAJESH KHANNA

Vice President (Fin. & Accts) & CFO

Place: Hyderabad

Date : 3rd June, 2021

[illegible]



If undelivered, please return to:

TGV SRAAC LIMITED

(Formerly Sree Rayalaseema Alkalies & Allied Chemicals Ltd.)

(CIN : L24110AP1981PLC003077)

6-2-1012, 2nd Floor, TGV Mansion
Khairatabad, Hyderabad - 500 004, Telangana

T : +91 40 2331 3842

E-mail : sralkalies@tgvmail.com

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