



BHAGERIA INDUSTRIES LIMITED

Annual Report 2020-21



UNLOCKING THE NEXT PHASE

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CORPORATE OVERVIEW

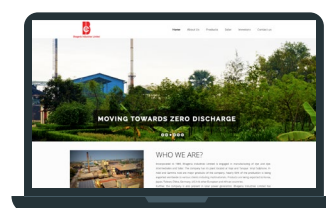
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For more additional information about the company log on to www.bhageriagroup.com

Forward looking statement

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

UNLOCKING THE NEXT PHASE

Over the years, we have fortified our position as a dynamic and agile player, constantly building strength through a diversified portfolio. We also understand the demands of an evolving industry. Through strategic efforts, planned investments and an ardent emphasis on R&D efforts, we are looking at the future – unlocking the next phase of growth.

At Bhageria Industries, our strength lies in the confidence of our valued patrons. It is their trust and support that aids our endeavours to expand our horizons and capitalise on growing opportunities. Today, more than ever before, we realise our responsibility to remain attuned to the demands of tomorrow. Valuing our inherent strengths and a clear roadmap to tackle the challenges on our path, we are identifying new trajectories lay the foundation for sustainable growth.

ABOUT BHAGERIA INDUSTRIES

Bhageria Industries Limited (BIL) is among the leading companies in manufacturing and marketing chemicals, dyes and dye intermediaries with more than 30 years of experience. We have a global presence with more than 30% of our production being exported worldwide to various multinational clients.

Incorporated in 1989, BIL has expanded over the years and now boasts of two state-of-the-art manufacturing establishments in Vapi (Gujarat) and Boisar (Maharashtra). Under the Chemical division, we manufacture Vinyl Sulphone, H-Acid and Gamma Acid key dye intermediate.

In our endeavour to build a sustainable business that promotes reduced carbon footprint, we have a 3.78 MWP rooftop capacity, 1.26 MWP solar power plant for captive consumption and 30 MW solar power plant located at Maharashtra.

We ensure consistent and timely delivery of our products to clients, catalysing our growth story beyond borders. This has helped us to diversify our geographical presence, improve our exports presence and widen our client base with some of the most reputed domestic and international companies.



Vision

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



Mission



A Customer Driven Company

We will continuously improve upon the services rendered to customers, meet customers' needs in the shortest lead time, develop new Dyes & intermediate for newer application areas. And will continue to enjoy privileged status as a preferred supplier.



A Shareholder Driven Company

We will remain focused in the areas of its Core Competency, Emphasis on the Quality of Business rather than the size of the business, Maintain Profit Related Growth Policy, Implement Corporate Governance, Regard Shareholder wealth Creation to be the key driver of all actions and policies of the Company and its people.



A Brand Driven Company

We will maintain and improve upon BHAGERIA Brand name, and will Create BHAGERIA Brand awareness in International Markets through export of Quality Products.



A People Driven Company

We will Train, Empower and create a superior pool of intellect, capable of leading its Innovation Drive.



An Environment Friendly Company

We will continue to adhere to environment friendly manufacturing process and set new standards in fighting pollution.

Key Company Highlights

~14,000 TPA

Leading Manufacturer of Dye Capacity

Among the Top

3

Manufacturers In India of H Acid and Gamma Acid

₹404 crore

Total Income

23 %

10 year CAGR growth in revenue

44 %

10 year CAGR growth in EBITDA

60 %

10 year CAGR growth in PAT

ZERO

Long-Term Debt

CARE A: Stable/CARE A1 (Single A; Outlook: Stable/A One)¹

Company Rating

Certifications



OHSAS 45001:2018



ISO 14001:2015



ISO 9001:2015



AEO

¹ https://archives.nseindia.com/corporate/BHAGERIA_02092020154825_CARELetter.pdf

OUR OFFERINGS

Chemicals

The Chemical Industry in India, owing to increase in urbanisation, advancement in technology and population growth, has become an increasingly important component.

Along with this development, the dyestuff industry has also become an important contributor to the economic growth.

We have a significant share in chemicals and dyes, contributed by rising needs of downstream industries. Backed by our innovative capabilities and operational efficiencies, we continue to widen our market presence and drive sustainable growth.

93%

Contribution of the chemical business to our overall revenues

80%

revenues derived from domestic

20%

revenues derived from international markets



The industries in which we contribute:



Electronics and IT

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



Paints & Coatings Industry

We supply dye for coloured liquids along with modern acrylic paints made with chemical dyes. We also deliver chemical ingredients for many colouring materials producers. Our dye ingredients also serve as pigment constituents in paints, coatings and inks.



Food

We develop products that help to improve preparation and composition of animal proteins, produce fertilizers and pesticides that result in superior harvesting results for farmers and raise their earning.



Construction & Infrastructure

We provide major dye intermediaries exports as industry growth continues all across the Asia-Pacific market.



Textile and Leather

We provide an extensive range of dyeing products in the categories of direct, reactive, acids and sulphur which is used by the textile and leather industry for the production of different materials and colours.



Healthcare

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

OUR OFFERINGS

Dyes and Dyes Intermediaries

At Bhageria, we continue to excel in manufacturing dyes and dyes intermediaries. As demand for the segment continues to rise with increasing downstream application, it forms an integral part of India's chemical sector. Our products are benchmarked at global standards, with continuous upgradation of our facilities and adopting newer technologies.

Our main products in this segments include important dye intermediates like the following

H-Acid

H-Acid is extracted from naphthalene and used in the manufacturing of large number of black dyes, Acid dyes which are then used to dye paper, textiles which also include applications in industrial, food, cosmetic and pharmaceutical industries.

Vinyl Sulphone

Vinyl sulphone is produced from Aniline and used as a key raw material for the manufacturing of reactive dyes, and used extensively in textiles.

Gamma Acid

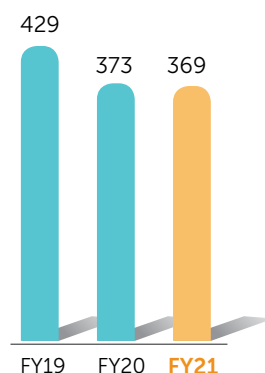
Gamma Acid is produced from beta naphthol by a combination of unit processes, and is used in the manufacturing of direct black dyes.

We always aim to meet the requirements of our clientele and adhere to the highest standards of quality. Over the years, we have gained the trust and commitment of customers in the domestic and international markets.

We have established two modern manufacturing facilities with a cumulative capacity of ~14,000 TPA in dyes and dye intermediates and have developed products for Textile, Leather, Paper and other sectors that require specialty chemicals.

Additionally, to further strengthen our foothold as a manufacturer of Pigments Intermediates, we have purchased 3.4 acres of land at GIDC, Vapi which is expected to operationalise in FY 2022-23.

Revenue Contribution from dyes and dyes intermediaries segment
(INR in crores)



Key highlights of FY2020-21

93%

Contribution of the dyes and dye Intermediaries business to our overall revenues

80%

revenues derived from domestic

20%

revenues derived from international markets

~30%

Gamma Acid – Market Share of total global capacity

~10%

H-Acid – Market Share of total capacity in India

85%

Capacity Utilization

One of the top three producers

Of H Acid & Gamma Acid in India

300 TPD Sulphuric Acid Capacity

Backward Integrated into acid manufacturing

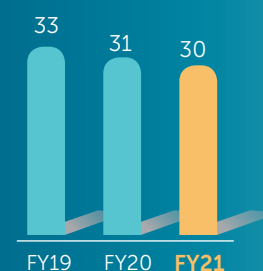
Solar Energy

Our journey into the Solar Energy business began in 2015 and since then we have come a long way. The main reason for covering so much ground has been our determination to optimize power consumption costs in one of the most energy intensive business. The Solar Energy Sector of India is ranked 4th in the World, and we continue to aggressively invest in this sunrise sector and capitalise on emerging opportunities with tax-free revenues. We produce and market the renewable energy under Power Purchase Agreements (PPA) as given below:

- 3.78 MW Solar Power Generation plant at Chennai – 25 year PPA with Asahi India Glass Ltd., TRIL Ltd, Lucas Ltd. & Kajaria Ceramics Ltd. @ approx. INR 6.61 per unit.
- 1.26 MW Solar Power Generation plant at Maharashtra for Captive Consumption.

- 30 MW Solar Power Plant at Ahmednagar – 25 year PPA with Solar Energy Corporation of India (SECI) @ INR 4.41/unit.

Revenue Contribution from Solar Energy segment (INR in crores)



7%

Contribution of the Solar Energy business to our overall revenues



₹27 crore

FY2021 revenue

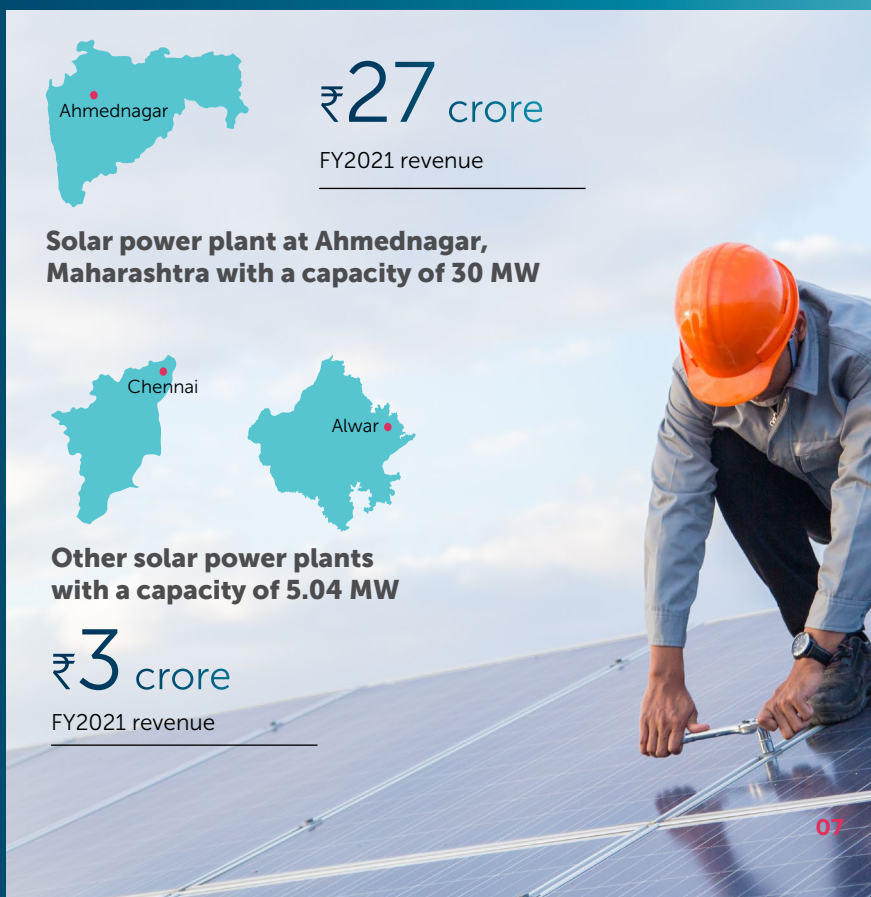
Solar power plant at Ahmednagar, Maharashtra with a capacity of 30 MW



Other solar power plants with a capacity of 5.04 MW

₹3 crore

FY2021 revenue



OUR REACH

We have a global presence expanding across 13 countries.

With our strong commitment to R&D activities, we develop quality products and supply them to our clients in different parts of the globe.

20 %

Chemicals Revenue contribution through exports

36 %

South Korea

17 %

Taiwan

13 %

China

11 %

Indonesia

9 %

Europe

7 %

Latin America

5 %

Thailand

2 %

Japan

