

32nd ANNUAL GENERAL MEETING

Day : Tuesday
Date : 29th September, 2020
Time : 10-30 a.m.
Venue : Video Conferencing("VC")
Other Audio Visual Means ("OAVM")

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BHASKAR AGROCHEMICALS LIMITED.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. P. Pattabhi Rama Rao	Chairman & Managing Director	(DIN : 00353641)
Mr. P. Praveen Kumar	Joint Managing Director Cum CFO	(DIN : 00353720)
Dr. Aluri Naga Uma Maheswara Prasad	Non Executive Director	(DIN : 02970817)
Mrs. P. Rajyalakshmi	Non Executive Director	(DIN : 00353832)
Mr. S.V.Satyanarayana Chowdary	Independent Director	(DIN : 07522128)
Mr. Ch. Sudhakar	Independent Director	(DIN : 07522130)

COMPANY SECRETARY AND

COMPLIANCE OFFICER : Mr. Parasharam Ramchandra Adav.

REGISTERED OFFICE : Plot No.73, Western Homes, 3rd Floor,
Kavuri Hills, Phase II, Jubilee Hills, Hyderabad – 500 033
Telangana. Ph : 040 - 23119403
E.mail : bhaskaragro@yahoo.com

FACTORY : 94/1, Toophranpet,
Choutuppal Mandal,
Yadadri Bhuvangiri Dist - 508 252, Telangana

STATUTORY AUDITORS : **M/s S. Singhvi & Co.**
Chartered Accountants
Hyderabad.

SECRETARIAL AUDITORS : **Vivek Surana & Associates**
Practicing Company Secretaries
Hyderabad.

BANKERS : **Axis Bank Limited**

AUDIT COMMITTEE : Mr. S.V. Satyanarayana Chowdary - Chairman
Mr. Ch. Sudhakar - Member
Dr. Aluri Naga Uma Maheswara Prasad - Member

NOMINATION & REMUNERATION COMMITTEE : Mr. Ch. Sudhakar - Chairman
Mr. S.V. Satyanarayana Chowdary - Member
Mrs. P. Rajya Lakshmi - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE : Dr. Aluri Naga Uma Maheswara Prasad - Chairman
Mr. Ch. Sudhakar - Member

REGISTRAR & SHARE TRANSFER AGENT (RTA) : **XI Softech Systems Ltd.**
3, Sagar Society, Road No. 3
Banjara Hills, Hyderabad – 500 034, Telangana.
Ph : 040 - 23545913, E-mail : xlfield@gmail.com

LISTED AT : BSE Limited

ISIN : INE972C01018

WEBSITE : www.bhaskaragro.com

INVESTOR E-MAIL ID : bhaskaragro@yahoo.com

CORPORATE INDENTITY NUMER : L24219TG1988PLC008331

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the Shareholders of Bhaskar Agrochemicals Limited will be held on Tuesday, 29th day of September, 2020 at 10.30 A.M. through Video Conferencing ("VC") Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31st, 2020, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. P. Rajyalakshmi (DIN: 00353832) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. RE-APPOINTMENT OF AND REVISION IN REMUNERATION PAYABLE TO SRI. PATTABHI RAMA RAO (DIN: 00353641) AS CHAIRMAN AND MANAGING DIRECTOR.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and the applicable provisions of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Sri. P. Pattabhi Rama Rao, as Chairman and Managing Director of the Company for a period of three years effective April 1, 2020 to March 31, 2023 on the terms & conditions including the payment of remuneration, as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms & conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Sri. P. Pattabhi Rama Rao."

"RESOLVED FURTHER THAT the remuneration payable to Sri. P. Pattabhi Rama Rao, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197/Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

4. RE-APPOINTMENT OF AND REVISION IN REMUNERATION PAYABLE TO SRI. P. PRAVEEN KUMAR (DIN: 00353720) AS JOINT MANAGING DIRECTOR AND CFO.

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 recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and the applicable provisions of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Sri. P. Praveen Kumar, as Joint Managing Director & CFO of the Company for a period of three years effective April 1, 2020 to March 31, 2023 on the terms & conditions including the payment of remuneration, as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms & conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Sri. P. Praveen Kumar."

"RESOLVED FURTHER THAT the remuneration payable to Sri. P. Praveen Kumar, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

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“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

BY ORDER OF THE BOARD
BHASKAR AGROCHEMICALS LIMITED

Place: Hyderabad
Date : 05.09.2020

PARASHARAM RAMCHANDRA ADAV
COMPANY SECRETARY

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. 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 AGM will be provided by CDSL.
4. 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 at least 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.
5. 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.
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.bhaskaragro.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. 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. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business in the Notice is annexed hereto and forms part of this Notice.
8. The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
9. Corporate Members are requested to send to the Company’s Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

10. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2020 to 29.09.2020 (both days inclusive) for the purpose of AGM.
11. Shareholders holding shares in physical form may write to the company/company's R&T agents for any change in their address; shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. XI Softech Systems Ltd.)
13. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Further The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to **M/s. XI Softech Systems Ltd.**, Share Transfer Agents of the Company for their doing the needful.
14. As per SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.
15. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
16. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission / transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
17. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
18. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories.
19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. Instructions for e-voting and joining the AGM are as follows:

A. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL) on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

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- II. The remote e-voting period commences on Saturday, September 26th, 2020 (9:00 a.m. IST) and ends on Monday, September 28th, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, September 22, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast 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 during the AGM.
- III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- V. The details of the process and manner for remote e-voting are explained herein below:
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders tab.
 - (iii) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <input type="checkbox"/> Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. <input type="checkbox"/> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RAO0000001 in the PAN field.
Date of Birth (DOB)	Enter the Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <input type="checkbox"/> If both the details are not recorded with the depository or Company please enter the member id / folio number as mentioned in instruction (iii).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.

- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

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

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

C. NOTE FOR NON-INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (iii) 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.
- (iv) 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.
- (v) 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.
- (vi) 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 at the email address viveksurana24@gmail.com and to the Company at the email address viz; bhaskaragro@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

D. PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING:

- (i) 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 e-mail to Company/RTA e-mail id.
- (ii) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA e-mail id.

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(iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

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

- (i) Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
 - (ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 - (iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - (iv) 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.
 - (v) 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 at least 5 days prior to meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at company e-mail id viz; bhaskaragro@yahoo.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, e-mail id, mobile number at (company e-mail id). These queries will be replied to by the company suitably by e-mail.
 - (vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.
22. Mr. Vivek Surana, Practicing Company Secretary, bearing C.P. Number 12901 has been appointed as the Scrutinizer to scrutinize the e-voting process. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bhaskaragro.com and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated BSE Limited.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IS GIVEN BELOW.

ITEM NO. 3:

Sri. P. Pattabhi Rama Rao is a graduate with 48 years of experience in Business Management of Agro Chemicals and he is one of the promoter Director of the Company and he is on the Board from the inception of the Company.

The Board of Directors of the Company in its meeting held on 13 February, 2020, on recommendation of Nomination & Remuneration Committee, re-appointed Sri. P. Pattabhi Rama Rao as Managing Director for a period of three years with effect from April 1, 2020 on the terms and conditions approved by the Nomination & Remuneration Committee as given herein below, subject to approval of the shareholders at this Annual General Meeting. Again the Board in its meeting held on 5th September, 2020, on recommendation of Nomination & Remuneration Committee, approved the change in the designation of Sri P. Pattabhi Rama Rao from Managing Director to Chairman & Managing Director of the Company and also increased the remuneration w.e.f. 01.04.2020.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of the remuneration payable to Sri. P. Pattabhi Rama Rao and the terms & conditions of his re-appointment are given below:

1. Period of Appointment: The appointment is for a period of 3 years commencing from 1st April, 2020.
2. Salary: The monthly remuneration payable shall be Rs. 3,25,000 (Rupees Three Lakhs and Twenty Five Thousand) per month.
3. Performance Related Pay and Annual Bonus: Performance Incentive/Bonus/Commission based on the performance parameters as may be decided by the Nomination & Remuneration Committee of the Board.
4. Perquisites: Benefits/Perquisites/Allowances as will be determined by the Nomination & Remuneration Committee and Board from time to time.
5. Other Benefits: Company's contribution to Provident Fund/Superannuation Fund, Gratuity and encashment of leaves at the end of the tenure as per the rules prevailing in the Company shall not be included in computation of limits for perquisites as defined under Schedule – V of the Companies Act, 2013. The total remuneration paid to Sri. P. Pattabhi Rama Rao excluding items specifically exempted under Schedule V of the Companies Act, 2013, shall not at any time during the tenure exceed the limits prescribed under Schedule –V except with the permission of Central Government.

In the event of absence or inadequacy of profits in any financial year during his tenure as Chairman and Managing Director, the salary and perquisites payable to him shall be subject to the limits stipulated under Schedule-V read with Section 196 and 197 of the Companies Act, 2013.

Sri. P. Pattabhi Rama Rao has crossed the age of 70 years and he has rich and varied experience in the industry and has been involved in the operations of the Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Sri. P. Pattabhi Rama Rao as a Chairman and Managing Director. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Sri. P. Pattabhi Rama Rao as a Chairman and Managing Director, as set out in Part-I of Schedule-V to the Act and also under sub-section (3) of Section 196 of the Act.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the Director's Report.

Keeping in view the rich and varied experience of Sri. P. Pattabhi Rama Rao, it would be in the interests of the Company to continue his employment as Chairman and Managing Director.

None of the Directors or KMPs of the Company or their relatives except Sri. P. Praveen Kumar, Sri. P. Pattabhi Rama Rao and Smt. P. Rajya Lakshmi are concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no. 3 for your consideration and approval by way of Special Resolution.

ITEM NO. 4:

Sri. P. Praveen Kumar is a B.Tech (Chemical), MBA (Finance & Operations Management) with 18 years of experience in Agro based industry business management and inducted in the Board during November, 2005.

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The Board of Directors of the Company in its meeting held on 13 February, 2020, on recommendation of Nomination & Remuneration Committee, re-appointed Sri. P. Praveen Kumar as Whole time Director for a period of three years with effect from April 1, 2020 on the terms and conditions approved by the Nomination & Remuneration Committee as given herein below, subject to approval of the shareholders at this Annual General Meeting. Again the Board in its meeting held on 5th September, 2020, on recommendation of Nomination & Remuneration Committee, approved the change in the designation of Sri P. Praveen Kumar from Wholetime Director and CFO to Joint Managing Director and CFO of the Company and also increased the remuneration w.e.f. 01.04.2020.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of the remuneration payable to Sri. P. Praveen Kumar and the terms & conditions of his re-appointment are given below:

1. Period of Appointment: The appointment is for a period of 3 years commencing from 1st April, 2020.
2. Salary: The monthly remuneration payable shall be Rs. 3,25,000 (Rupees Three Lakhs and Twenty Five Thousand) per month.
3. Performance Related Pay and Annual Bonus: Performance Incentive/Bonus/Commission based on the performance parameters as may be decided by the Nomination & Remuneration Committee of the Board.
4. Perquisites: Benefits/Perquisites/Allowances as will be determined by the Nomination & Remuneration Committee and Board from time to time.
5. Other Benefits: Company's contribution to Provident Fund/Superannuation Fund, Gratuity and encashment of leaves at the end of the tenure as per the rules prevailing in the Company shall not be included in computation of limits for perquisites as defined under Schedule – V of the Companies Act, 2013. The total remuneration paid to Sri. P. Praveen Kumar excluding items specifically exempted under Schedule-V of the Companies Act, 2013, shall not at any time during the tenure exceed the limits prescribed under Schedule –V except with the permission of Central Government.

In the event of absence or inadequacy of profits in any financial year during his tenure as Joint Managing Director and CFO, the salary and perquisites payable to him shall be subject to the limits stipulated under Schedule-V read with Section 196 and 197 of the Companies Act, 2013.

The disclosure under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is provided in the Director's Report.

Keeping in view the rich and varied experience of Sri. P. Praveen Kumar, it would be in the interests of the Company to continue his employment as Joint Managing Director and CFO.

None of the Directors or KMPs of the Company or their relatives except Sri. P. Praveen Kumar, Sri. P. Pattabhi Rama Rao and Smt. P. Rajya Lakshmi are concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no. 4 for your consideration and approval by way of Ordinary Resolution.

Statement containing the information as required pursuant to Section II of Part II of Schedule V of Companies Act, 2013 in respect of re-appointment/fixing of Remuneration of Sri. P. Pattabhi Rama Rao and Sri. P. Praveen Kumar:

I. GENERAL INFORMATION

1.	Nature of Industry: Agrochemicals.			
2.	Date or expected date of commencement of commercial: 1988.			
3.	In case of new companies, expected date of commencement of business activities as per project approved by financial institutions appearing in the prospects: Not Applicable.			
4.	Financial performance based on given indications:			
	Particulars	2019-20 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)	2017-18 (Rs. In Lakhs)
	Turnover	5,183.78	5,166.71	5,219.72
	Net Profit after Tax	60.93	71.70	38.93
5.	Foreign investments or collaborations, if any: Not Applicable.			