

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **16th Annual General Meeting** of the Members of Brahmani River Pellets Ltd. will be held on **27th July, 2022, Wednesday AT 12:00 PM (Indian Standard Time)**, in the Conference Hall of the Registered Office of the Company at **4th Floor, IPICOL House, Janpath, Bhubaneswar, Odisha-751022** through Video Conferencing / Other Audio Visual Means (“VC/OAVM”) Facility to transact following business:

ORDINARY BUSINESS:

Item No. 01: To receive, consider and adopt the financial statements of the Company and the Reports of the Board of Directors and Auditors for the financial year 2021-22

To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2022, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and Auditors thereon.

Item No. 02: To appoint a Director in place of Mr. J.Nagarajan (DIN: 08066275) who retires by rotation and is eligible for reappointment

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

“RESOLVED THAT under section 152(6) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mr. J. Nagarajan (DIN: 08066275), who retires by rotation and being eligible, offers himself for reappointment, be and is hereby reappointed as Director on the Board of Directors of the Company who would be liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 03: To ratify the remuneration payable to M/s. Asutosh & Associates, Cost Auditors for the financial year 2022-23 under section 148(3) of the Companies Act, 2013

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

“RESOLVED THAT under section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules issued by the Central Government there under, the reappointment made by the Board of Directors in its Meeting held on 13th May, 2022 of M/s. Asutosh & Associates, Cost Accountants in practice, Bhubaneswar, as Cost Auditors of the Company for the financial year 2022-23 in respect of “Ore and Mineral Products” at a remuneration of Rs.1,25,000/- (Rupees One Lakh & Twenty Five Thousand) plus applicable taxes and reimbursement of reasonable travelling and out of pocket expenses incurred in connection with the cost audit work be and is hereby ratified.”

By Order of the Board of Directors
Brahmani River Pellets Limited

Sd/-

(Suvendu K. Kar)
Company Secretary

Place: Bhubaneswar
Date: 4th July, 2022

To,

- 1) All the Members of the Company
- 2) All the Directors of the Company
- 3) Statutory Auditors - M/s. Deloitte Haskins & Sells LLP
- 4) Secretarial Auditors - M/s. S. Srinivasan & Co.
- 5) Cost Auditors - M/s. Ashutosh & Associates

IMPORTANT NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 3 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company in its meeting held on 13th May, 2022 considered that the special business under Item No. 3, being considered unavoidable, be transacted at the 16th AGM of the Company.

2. General instructions for accessing and participating in the 16th AGM through VC/OAVM Facility

a. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021 and 5th May, 2022 respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”) and in compliance with the provisions of the Companies Act, 2013 and Rules made thereunder the 16th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 16th AGM shall be the Registered Office of the Company.

b. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 16th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of participation in the 16th AGM through VC/OAVM Facility and Voting during the 16th AGM.

c. In line with the MCA Circulars, the Notice of the 16th AGM will be available on the website of the Company at www.brplind.com.

d. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.

e. Members may join the 16th AGM through VC/OAVM Facility, by joining through the Zoom link or any other VC / OAVM link as being sent, which shall be kept open for the Members from 11:45 AM. IST i.e. 15 minutes before the time scheduled to start the

16th AGM and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 16th AGM. In case of any difficulty in accessing the technology before or during the Meeting, Members can reach us on 0674-2543390.

f. Members may note that the VC/OAVM Facility by the Company allows participation of all the Members including the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, auditors, etc. who can attend the 16th AGM without any restriction.

g. Attendance of the Members participating in the 16th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

h. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting. Please note that Members connecting from mobile devices or tablets or through laptops etc. 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.

i. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 16th AGM, from their registered email address, mentioning their name, DP ID / Client ID number / folio number and mobile number, to reach the Company's email address suvenu.kar@brplind.com at least 48 hours in advance before the start of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

j. During the 16th AGM, the Chairman shall, after response to the questions raised by the Members in advance, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 16th AGM.

k. During the Meeting held through VC / OAVM facility, where a poll on any item is required, the members shall cast their vote on the resolutions only by sending e-mails through their registered e-mail address with the Company to the designated e-mail id suvenu.kar@brplind.com. The Chairman may decide to conduct a vote by show of hands where the presence of Members in the Meeting is less than 50.

l. Pursuant to the MCA Circulars and in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 16th AGM and the Annual Report including therein the Audited Financial Statements for financial year 2021-22, are being sent only by email to the Members.

m. The Notice of the 16th AGM and the Annual Report including therein the Audited Financial Statements for the financial year 2021-22, will be available on the website of the Company at www.brplpellets.com.

n. Electronic copy of all the documents referred to in the accompanying Notice of the 16th AGM and the Explanatory Statement shall be available for inspection in the website of the Company at www.brplpellets.com.

o. During the 16th AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act by e-mailing to suwendu.kar@brplind.com.

p. Details as required in Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking appointment / re-appointment at the 16th AGM, forms integral part of the Notice of the 16th AGM. Requisite declarations have been received from the Directors for seeking appointment / re-appointment.

ANNEXURE TO THE NOTICE FOR THE 16TH ANNUAL GENERAL MEETING DATED 27TH JULY, 2022 - EXPLANATORY STATEMENT TO THE SPECIAL BUSINESS

As required pursuant to section 102(1) of the Companies Act, 2013 (Act), the following Explanatory Statement sets out all the material facts relating to the items of business mentioned in the accompanying Notice, being Special Business.

Item No. 03: To ratify the remuneration payable to M/s. Asutosh & Associates, Cost Auditors for the financial year 2022-23 under section 148(3) of the Companies Act, 2013

In accordance with section 148(3) of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the appointment and remuneration payable to the Cost Auditors to audit the Cost Accounts maintained by your Company for the financial year 2022-23 is required to be approved by the Board of Directors on the recommendation of the Audit Committee and the remuneration payable to them be ratified subsequently by the Shareholders in the General Meeting.

In pursuance of the aforesaid provisions of the Companies Act, 2013 and Rules framed thereunder, your Board of Directors, has reappointed M/s. Asutosh & Associates, Cost Accountants in practice, Bhubaneswar as Cost Auditors for the financial year 2022-23 at a remuneration of Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand only) plus applicable taxes and reimbursement of reasonable traveling / out of pocket expenses incurred in connection with the cost audit work and has recommended the remuneration for ratification of the Shareholders in this Meeting.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested financially or otherwise, in the proposed Resolution. The Board recommends the Ordinary Resolution as set out at Item No. 03 of the Notice of 16th AGM for approval by the Members.

By Order of the Board of Directors
Brahmani River Pellets Limited

Sd/-
(Suvendu K. Kar)
Company Secretary

Place: Bhubaneswar
Date: 4th July, 2022

BOARD OF DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
Under Section 134(3) of the Companies Act, 2013

The Members,
Brahmani River Pellets Limited

Your Directors have immense pleasure in presenting the 16th Boards' Report on the business and operations of the Company together with the Audited Accounts and Auditors' Report for the financial year ended 31st March, 2022 containing the matters as required under section 134(3) of the Companies Act, 2013 (the Act) and Companies (Accounts) Rules, 2014 (the Rules).

1. Financial Results

(Rupees in Crores)

| Particulars | FY 2021-22 | FY 2020-21 |
|---|----------------|----------------|
| i. Revenue from operations | 3029.99 | 2282.78 |
| ii. Other Income | 19.39 | 13.91 |
| iii.Total Income | 3049.38 | 2296.69 |
| iv. Expenses | | |
| Cost of material consumed | 2174.55 | 1489.67 |
| Changes in inventories of finished goods, stock in trade and work in progress | (27.68) | 8.25 |
| Excise duty expenses | - | - |
| Employee benefit expenses | 30.55 | 31.60 |
| Finance costs | 10.20 | 12.10 |
| Depreciation and amortization expenses | 72.99 | 68.09 |
| Revaluation (Gain)/loss on PP & E | - | - |
| Other expenses | 682.52 | 603.93 |
| Total Expenses | 2943.13 | 2213.64 |
| v. Profit before tax(iii-iv) | 106.25 | 83.05 |
| vi. Tax expenses | | |
| Current tax | 16.53 | 9.14 |
| Less: MAT Credit entitlement | - | - |
| Adjustment of tax relating to earlier years | (0.22) | (2.78) |
| Deferred tax(credit)/charge | 12.70 | 13.01 |
| Total Tax Expenses | 29.01 | 19.37 |
| vii. Profit after tax(v-vi) | 77.24 | 63.68 |

2. Financial Highlights

Your Company has clocked a turnover of Rs.3029.99 crore for the year ended March 31, 2022, an increase of 32.73%, as compared to Rs.2282.78 crore during previous year. The Company reported net profit of Rs.77.25 crore for FY 2021-22 as compared to net profit of Rs.63.68 Crore for FY 2020-21. Increase in revenue is primarily on account of increase in price of pellet due to escalation in cost of raw material i.e. Iron ore fines.

3. Operations:

Your Company has achieved capacity utilization of Pellet Plant at 84% in the current year as against 86% in previous year. Due to limited availability of the high grade IOF in the market, the Company explored procurement of the medium grade and low grade IOF for optimum blending to produce the required quality of the Pellets. During the year the Company has executed Long Term Linkage agreement with Odisha Mining Corporation increasing the IOF lifting from 1.33 MTPA to 2.4 MTPA. The agreement ensures consistent supply of IOF reducing dependency on other Miners.

Wet Grinding Unit (WGU) with capacity of 120 TPH at Pellet Plant, Jajpur has been commissioned in June, 2021. Wet grinding concentrate of 2 lakh tonne was produced during the period from July, 2021 to March, 2022. The WGU process has stabilized and it has produced 42,129 tons and 50,539 tons (Total- 92,668 tons) during February-March, 2022. Going forward we plan to produce 50,000 tons/month.

To increase the reliability of pipeline, company undertook work of replacement of failure prone pipes and replaced 1 km pipe near Gonasika.

Company is weighing an option to inject a PIG called "Pathfinder", which would have sensors mounted inside the PIG, to record all pipe line Health data to assess the pipe line condition.

The Company procured 2 additional transformers of 20 MVA and 25 MVA for uninterrupted power supply from 132 KVA power line to the Beneficiation Plant and Pellet Plant. It would be erected and commissioned during this year.

The Company is exploring to sell the low grade iron ore tailings evacuated from the Nalda tailing storage facility in domestic and export market which would give additional space in future for storing the tailings from the Beneficiation Plant. The Company has applied various equipment for extraction of the tailings from the ponds. We are exploring its use for Pellet Plant on proportionate basis without affecting the quality of the Pellets.

In case of scheduled plant shutdown by Discom, the company has made arrangements which would ensure immediate power changeover for running of the pumping system and critical equipment without any forced shutdown.

4. Dividend

To maintain the liquidity of funds for meeting the future financial requirements of the Company, the Board of Directors has decided not to declare any dividend for the financial year 2021-22.

5. Amount which the Company proposes to carry to any reserves

The Board of Directors has not proposed to carry any amount to any reserve account during the year.

6. Projects and Expansion Plans

Pellet & Beneficiation Plant

Grinding circuit with capacity of 120 TPH at Pellet Plant, Jajpur has been commissioned in June, 2021. This has helped in augmenting production capacity by 50-55K tons on monthly basis to overcome the existing constraints of pipeline. This also helps us as top up for quality as we can mix and blend different quality IOF at Jajpur with pipe line material to change final composition up to some extent.

Online pigging launcher and receiver system has been commissioned in July, 2021 and we have successfully launched various types of pigs to clean the line. This system has made the pig launching and receiving as part of operation activity and needs no further interruption of pipe line for pigging.

Construction of Raw material yard with shed at Pellet Plant to store Lime, Coke Fines and Bentonite is completed. This has helped us to maintain similar production levels at Additive Grinding Unit during monsoon seasons by keeping raw material free from excess moisture. This has enabled continuous feed to plant during monsoon or unseasonal rainfall.

As part of continual improvement in operation practice, we have successfully blended Fuel Oil additive (Thermol) in our Furnace oil which has resulted in significant saving in oil consumption. It has given us a saving to the tune of 4-10% at different production levels of the plant.

We have also incorporated usage of Organic binder along with Bentonite to absorb additional moisture coming with Filter cake, this has helped us to do Proper Balling in the

discs even during the moisture levels at up to 11% in filter cake. Further tuning of the Organic binder addition is underway to reduce its consumption.

7. Change in the Nature of Business:

There were no changes in the nature of business during the period under review.

8. Disclosures under Section 134(3)(L) of the Companies Act, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

9. Revision of Financial Statement

There was no revision of the financial statements for the year under review.

10. Credit Rating

ICRA had initially rated the Company's term loan and long term fund based and non-fund based credit facility as A- (Stable). During the year, ICRA has upgraded the rating to A (Stable) on the above facilities.

11. Deposits

Your Company has not accepted or renewed any deposits within the meaning of section 73 of Companies Act, 2013, read with the Companies (Acceptance of Deposit) Rules, 2014.

12. Share Capital

The Authorised Share Capital of the Company is Rs.1000,00,00,000 divided into 100,00,00,000 equity shares of Rs. 10/- each. As on March 31, 2022, the issued, subscribed and paid-up share capital of your Company stood at Rs.911,41,96,340 comprising 91,14,19,634 equity shares of Rs. 10/- each.

As on 31st March, 2022, none of the Directors of the Company hold convertible instruments of the Company.

13. Board of Directors and Key Managerial Personnel

1. Board of Directors:

a) Composition & Constitution of Board of Directors:

During the year under review, there were following changes in the composition of the Board of Directors of the Company:

Brahmani River Pellets Ltd.

| Sl. No. | Name of the Directors | Details of Change | Date of Change |
|---------|-------------------------|--|----------------|
| 1 | Mr. P.K.Murugan | Cessation as Nominee Director | 30/06/2021 |
| 2 | Mr. P.K.Kedia | Appointment as Nominee Director | 01/07/2021 |
| 3 | Mr. Ashwini Vaishnaw | Cessation as Managing Director | 06/07/2021 |
| 4 | Mr. Ashok Kumar Bal | Appointment as Additional Director and Managing Director | 25/08/2021 |
| 5 | Mr. Ashok Kumar Bal | Change in designation from Additional Director to Director | 24/09/2021 |
| 6 | Mr. Ashok Kumar Bal | Cessation as Managing Director | 09/03/2022 |
| 7 | Mr. Priya Ranjan Prasad | Appointment as Additional Director and Managing Director | 10/03/2022 |
| 8 | Mr. Priya Ranjan Prasad | Change in designation from Additional Director to Director | 17/03/2022 |

In the opinion of the Board, all the Independent Directors of the Company meet the criteria of integrity, expertise and experience including that of the proficiency as ascertained from the online proficiency self-assessment test conducted by the Institute notified under sub-section (1) of section 150.

The Board of your Company currently comprises 8 Directors out of which 3 are Independent Directors including 1 Woman Director. The constitution of the Board of Directors of the Company as on 31st March, 2022 is as under:

| Sl. No. | Name of the Directors | Designation |
|---------|---------------------------|---|
| 1 | Mr. P. K. Kedia | Nominee Director of JTPML & Chairman of the Board |
| 2 | Mr. Priya Ranjan Prasad | Nominee Director of TPPL & Managing Director |
| 3 | Ms. Anuradha Bajpai | Independent Women Director |
| 4 | Mr. K. S. Anandan | Independent Director |
| 5 | Mr. Nagarajan Jambunathan | Nominee Director of JTPML |
| 6 | Mr. Nagesh Pinge | Independent Director |
| 7 | Mr. Naman Saraf | Nominee Director of TPPL |
| 8 | Mr. Santtosh Senapati | Nominee Director of TPPL |

Brahmani River Pellets Ltd.

According to Section 152(6) of the Companies Act, 2013 Mr. Nagarajan Jambunathan (DIN: 08066275) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for reappointment.

b) Board Meeting & Attendance:

During the year under review, the Board of your company met Five (5) times. The details of Board Meeting held and participation of Directors is enumerated below:

| Sl. No. | Date of the Meeting | Total no. of Directors on the Date of Meeting | No. of Directors attended | % of Attendance |
|---------|---------------------|---|---------------------------|-----------------|
| 1 | 30/06/2021 | 8 | 8 | 100 |
| 2 | 25/08/2021 | 8 | 8 | 100 |
| 3 | 27/10/2021 | 8 | 6 | 75 |
| 4 | 01/02/2022 | 8 | 8 | 100 |
| 5 | 10/03/2022 | 8 | 8 | 100 |

The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

c) Declaration by Independent Directors:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and they meet the criteria of integrity, expertise and experience including that of the proficiency as ascertained from the online proficiency self-assessment test conducted by the institute notified under sub-section (1) of section 150.

2. Key Managerial Personnel:

| 1st April, 2021 to 31st March, 2022 | |
|--|--|
| Mr. Ashwini Vaishnaw | Managing Director (up to 6 th July, 2021) |
| Mr. Ashok Kumar Bal | Managing Director (From 25 th August, 2021 up to 9 th March, 2022) |
| Mr. Priya Ranjan Prasad | Managing Director (From 10 th March, 2022) |
| Mr. Nitin Kale | Chief Financial-cum-Commercial Officer (up to 31 st March, 2022) |
| Mr. Suvendu Kar | Company Secretary |

14. Board Evaluation

During the year, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board. This exercise was carried out through a structured questionnaire prepared separately for Board, Committee and individual Directors.

The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as understanding of Board members of their roles and responsibilities, time devoted by the Board to Company's long term strategic issues, quality and transparency of Board discussions, quality, quantity and timeliness of the information flow between Board members and management, Board's effectiveness in disseminating information to shareholders and in representing shareholder interests, Board information on industry trends and regulatory developments and discharge of fiduciary duties by the Board. Committee performance was evaluated on the basis of their effectiveness in carrying out respective mandates.

The performance evaluation of the Non-Independent Directors, the Board as a whole and Chairman of the Company was carried out by the Independent Directors at a separate meeting of the Independent Directors.

15. Committees of Board

In accordance with the provisions of the Companies Act, 2013 read with the rules framed thereunder, the following committees of the Board are in place:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Corporate Social Responsibility Committee
- d) Securities Allotment Committee
- e) Finance Committee

a) Audit Committee:

The composition of the Audit Committee is in conformity with the provisions of the Section 177 of the Companies Act, 2013 and the Rules made thereunder. The Audit Committee currently comprises of the following members:

1. Ms. Anuradha Bajpai, Chairperson
2. Mr. K.S. Anandan, Member
3. Mr. N. Jambunathan, Member
4. Mr. Nagesh Pinge, Member
5. Mr. Santtosh Senapati, Member

The roles and responsibilities of the Audit Committee are as enumerated in the terms of reference approved by the Board of Directors and as stated in the Companies Act, 2013. The Committee apart from other things is inter-alia responsible for the internal control system and vigil mechanism system of the Company and the policy framed thereunder.

During the year under review, the Committee met five times on 30/06/2021, 25/08/2021, 27/10/2021, 01/02/2022 and 10/03/2022.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

b) Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee is in conformity with the provisions of the Section 178 of the Companies Act, 2013 and Rules made thereunder. The Nomination and Remuneration Committee comprises of:

1. Mr. K. S. Anandan, Chairman
2. Ms. Anuradha Bajpai, Member
3. Mr. Naman Saraf, Member
4. Mr. P. K. Kedia, Member

The roles and responsibilities of the Nomination & Remuneration Committee are as enumerated in the terms of reference approved by the Board of Directors and as stated under Section 178 of the Companies Act, 2013.

Your Company has devised the Nomination and Remuneration Policy for the appointment of persons to serve as Directors on the Board of your Company and for the appointment of Key Managerial Personnel (KMP) of the Company, who have the capacity and ability to lead the Company towards achieving sustainable development.

Your Company has also devised a Policy for Performance Evaluation of Independent Directors, Board, Committees and other Individual Directors which includes criteria for Performance Evaluation of the Non-Executive Directors and Executive Directors. On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

During the year under review, the Committee met three times on 26/06/2021, 25/08/2021 and 10/03/2022.

c) Corporate Social Responsibility (CSR) Committee:

The composition of the Corporate Social Responsibility Committee is in conformity with the provisions of the Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Committee currently comprises of following members:

1. Mr. Santtosh Senapati, Chairman
2. Ms. Anuradha Bajpai, Member
3. Mr. Priya Ranjan Prasad, Member
4. Mr. N. Jambunathan, Member

The roles and responsibilities of the Corporate Social Responsibility Committee are as enumerated in the terms of reference approved by the Board and as stated in the Companies Act, 2013. The Corporate Social Responsibility Policy of the Company and the details of the development of the CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year are appended separately as '**Annexure – A**' to this Board Report.

During the year under review, the Committee met three times on 26/06/2021, 27/10/2021 and 10/03/2022.

In addition to the above referred Committees, which are constituted pursuant to the provisions of the Companies Act, 2013, the Board has constituted the following major Committees of the Board and delegated thereto powers and responsibilities with respect to specific purposes. Time schedule for holding the meetings of these Committees are finalized in consultation with the Committee Members:

d) Securities Allotment Committee:

The Securities Allotment Committee presently comprises of the following Directors as its members:

- 1) Mr. Priya Ranjan Prasad - Chairman
- 2) Mr. Santtosh Senapati -Member
- 3) Mr. Nagarajan Jambunathan -Member

The roles and responsibilities of the Securities Allotment Committee are as enumerated in the terms of reference approved by the Board.

There was no Committee meeting held during the year under review.

e) **Finance Committee:**

The Finance Committee comprised of the following members during the year:

- 1) Mr. Nagarajan Jambunathan –Chairman
- 2) Mr. Santtosh Senapati -Member
- 3) Mr. Nitin Kale -Member

The roles and responsibilities of the Finance Committee are as enumerated in the terms of reference approved by the Board.

During the year under review, the Committee met four times on 23/08/2021, 25/08/2021, 27/01/2022 and 10/03/2022.

16. Internal Control System:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its business.

The Company has appointed M/s. Lodha & Co., Chartered Accountants as Internal Auditors of the Company for Financial Year 2021-22 pursuant to the provisions of Section 138 of the Companies Act, 2013 read along with the rules framed thereunder and it reports to the Audit Committee of the Company. The Internal Auditors and the Audit Committee are responsible for monitoring and evaluating the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the evaluation and the reports submitted by the Internal Auditors, corrective actions in the respective areas are taken thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Internal Financial Controls:

The Company has in place adequate Internal Financial Controls with reference to financial statements. During the year under consideration, no reportable material weakness in the design or operation was observed.

17. Development and Implementation of Risk Management Policy for the Company:

The Board has developed and implemented a Risk Management Policy for the Company. The Policy includes, inter alia, the elements of risks which, in the opinion of

the Board, may threaten the existence of the Company and their mitigation plans. The implementation of the Policy is being monitored by the Board from time to time.

18. Vigil Mechanism:

The Board has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Whistle Blower Policy and Vigil Mechanism" ("the Policy"). Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

This Policy has been framed with a view to inter alia provide a mechanism inter alia enabling stakeholders, including Directors, individual employees of the Company and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievance as also to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for access to the Chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee.

Mr. Priya Ranjan Prasad, Managing Director is designated as the Ethics Counsellor.

19. Auditors and Auditors' Report:

A. Statutory Auditors:

Under section 139 of the Act and Rules made thereunder, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm registration number 117366W / W100018 with the Institute of Chartered Accountants of India) were appointed as Auditors of the Company for a period of five years commencing from the financial year 2018-19 up to 2022-23 who hold office from the conclusion of the 12th Annual General Meeting (AGM) of the Company until the conclusion of the 17th AGM. The Auditors' Report for the year 2021-22 does not contain any qualifications, reservations, adverse remark or disclaimer by the Auditors and hence do not call for any explanation or comments by the Board under section 134(3)(f) of the Act.

B. Cost Auditors:

Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit), Amendment Rules 2014, the Board on the recommendation of the Audit Committee, had reappointed M/s. Asutosh & Associates, Cost Accountants to conduct the audit of the cost accounting records of the Company for the Financial Year 2021-22.

The cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is required to be maintained by the Company and accordingly such accounts and records are made and maintained.

C. Secretarial Auditors:

As required under section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had reappointed M/s. S. Srinivasan & Co., Practising Company Secretaries as Secretarial Auditors for the Financial Year 2021-22, who have submitted their Report which is annexed hereto as **Annexure – B** and forms part of this Report. The report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

20. Environmental and Safety Initiatives:

Our company has undertaken various measures to address safety and environmental concerns at its plant locations, those includes the below:

- 51st National Safety Week celebrations were held at Plant locations of the company with various activities like, Safety Quiz, Safety Poster, Safety Essay & Safety Slogan competitions. Winners & other employees with best performances were awarded to keep up the motivation.
- 33rd National Road Safety Week was celebrated at Plant locations with awareness sessions of truck drivers and company employees on use of crash helmets while riding two wheelers, use of seat belts while driving four wheelers & heavy vehicles, defensive driving & other road safety aspects.
- 2nd National Electrical Safety Week 2021 has been celebrated at Plant location in June, 2021 with electrical safety training programs, electrical safety inspections & onsite sessions on electrical safety.
- Regular training sessions & demonstrations conducted for employees and associates. Mock drills have been conducted along with firefighting trainings.

Brahmani River Pellets Ltd.

- Regular Safety awareness to our employees and contractual persons on Covid-19. Mock drills are being conducted along with first aid training to ensure the emergency preparedness.
- Maintained log of safety observations with severity wise classification (on 1 to 5 scale) & reviewing the timely compliance of the observations.
- 3-Day First Aid Certification Training has been conducted for 25 participants from different departments during December, 2021 by Certified First Aider.
- Load test of EOT cranes / pressure vessels & Chain blocks etc. completed.
- Load test of lifting machines, tools, tackles & passenger lift and external test of pressure vessels has been conducted at Pellet Plant, Jajpur.
- Water Sprinkling system for the transportation road installed and commissioned for dust suppression.
- Maintenance of Greenery & Land Scape developed inside Beneficiation Plant premises and plantation of seasonal flowers. New greenery and land scape developed over an area of 15000 sq.ft.
- Plantation of saplings done on the occasion of World Environment Day and saplings trees distributed amongst the local villagers.

21. Related Party Transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year 2021-22 were in the ordinary course of business and approved by the Board of Directors and Members of the Company. The disclosure of material Related Party Transactions required pursuant to provisions of the Section 134(3)(h) read with section 188(2) of the Companies Act, 2013 is given in '**Annexure-C**' to this report.

Suitable disclosure on related party transactions, as required by the Indian Accounting Standards has been made in the notes to the Financial Statements.

22. Particulars of Loans, Guarantees or Investments u/s 186 of the Companies Act, 2013:

During the year under review, your Company has not given any loans or provided guarantees or made any investment in terms of the provisions of Section 186 of the Companies Act, 2013.

23. Significant and Material Orders Passed by the Regulators:

During the year under review, no orders were passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations.

24. Annual Return:

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of Annual Return is available at <http://www.brplpellets.com/>.

25. Particulars of Employees:

The Disclosures pertaining to particulars of employees as required in terms of the Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as '**Annexure-D**'.

26. Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An internal Complaints Committee (ICC) has been set up at Company level to redress complaints received regarding sexual harassment. All employees of the Company are covered under this policy.

27. Secretarial Standards:

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, have been duly followed by the Company.

28. Directors' Responsibility Statement:

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

- c) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;
- d) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- e) The directors had prepared the annual accounts on a going concern basis; and
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information required pursuant to the provisions of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and Foreign Exchange earnings and outgo is annexed hereto marked as '**Annexure-E**' and forms part of this report.

30. Appreciation:

Your Directors would like to express their appreciation for co-operation and assistance received from Government Authorities, Financial Institutions, Banks, Vendors, Customers, Shareholders and other business associates during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

For and on behalf of the Board of Directors

Sd/-

**(P. R. Prasad)
Managing Director
DIN: 07623862**

Sd/-

**(P. K. Kedia)
Chairman
DIN: 00020570**

**Date: 13th May, 2022
Place: Bhubaneswar**

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE
FINANCIAL YEAR 2021-22**

(Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company- The CSR Policy is attached.
2. Composition of CSR Committee:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------|--------------------------------------|--|--|
| 1 | Mr. Santtosh Senapati | Chairman (Director) | 3 | 1 |
| 2 | Ms. Anuradha Bajpai | Member (Independent Director) | 3 | 3 |
| 3 | Mr. Priya Ranjan Prasad | Member (Managing Director) | 3 | Not Applicable |
| 4 | Mr. Nagarajan Jambunathan | Member (Director) | 3 | 3 |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. – www.brplpellets.com
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable.
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- Not Applicable

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set-off for the financial year, if any (in Rs) |
|--------------|----------------|---|--|
| 1 | - | - | - |
| 2 | - | - | - |
| TOTAL | | - | - |

6. Average net profit of the company as per section 135(5) - **Rs.364.74 crore**
7. (a) Two percent of average net profit of the company as per section 135(5) - **Rs.7.30 crore**
 - (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- **NIL**
 - (c) Amount required to be set off for the financial year, if any- **NIL**
 - (d) Total CSR obligation for the financial year (7a+7b-7c). – **Rs.7.30 crore**

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| Rs.2,20,08,867 | Rs.5,09,91,133 | 30/04/2022 | Not Applicable | NIL | NIL |

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---------|--|---|---------------------|-------------------------|----------|------------------|---|---|---|--|--|----------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs.) | Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (in Rs.) | Mode of Implementation Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | CSR Registration number |
| | | | | State | District | | | | | | Name | |
| 1 | Provision of Solar Pumps with piping at village-Brahmanasahi of Khurunti | (i) | Yes | Odisha | Jajpur | 4 years | 30,00,901 | 19,15,901 | 10,85,000 | Yes | Not Applicable | Not Applicable |
| 2 | Sarangpur School Extension work in ongoing projects of FY21 | (ii) | Yes | Odisha | Jajpur | 4 years | 21,66,764 | - | 21,66,764 | Yes | Not Applicable | Not Applicable |
| 3 | Renovation of Mangovindpur High School | (ii) | Yes | Odisha | Jajpur | 4 years | 64,72,713 | - | 64,72,713 | Yes | Not Applicable | Not Applicable |
| 4 | Providing street light at Sarangpur village | (x) | Yes | Odisha | Jajpur | 4 years | 58,11,916 | 50,81,120 | 7,30,796 | Yes | Not Applicable | Not Applicable |
| 5 | Cultural Mandap at Khurunti Village | (x) | Yes | Odisha | Jajpur | 4 years | 36,15,177 | 4,87,599 | 31,27,578 | Yes | Not Applicable | Not Applicable |
| 6 | Extention of Kasia Road | (x) | Yes | Odisha | Jajpur | 4 years | 1,45,58,800 | - | 1,45,58,800 | Yes | Not Applicable | Not Applicable |
| 7 | Livelihood projects in DIZ & Pipeline route | (ii) | Yes | Odisha | Jajpur | 4 years | 1,78,49,482 | - | 1,78,49,482 | Yes | Not Applicable | Not Applicable |
| 8 | Cluster development for production of aromatic oils such of Lemon grass and mint | (ii) | Yes | Odisha | Jajpur | 4 years | 50,00,000 | - | 50,00,000 | No | Back To Village Utkal Bipanna Sahayta Samiti | CSR00006854 CSR00003291 |
| | Total | - | - | - | - | - | 5,84,75,753 | 74,84,620 | 5,09,91,133 | - | - | - |

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|---------|--|---|----------------------|--------------------------|-----------|---------------------------------------|---|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project. | | Amount spent for the project (in Rs.) | Mode of implementation on Direct (Yes / No) | Mode of implementation - Through implementing agency | |
| | | | | State | District | | | Name | CSR Registration number |
| 1. | Education | (ii) | Yes | Odisha | Keonjhar | 9,49,250 | Yes | - | - |
| 2. | Drinking water | (i) | Yes | Odisha | Keonjhar | 4,36,493 | Yes | - | - |
| 3. | Drinking water | (i) | Yes | Odisha | Keonjhar | 2,23,200 | Yes | - | - |
| 4 | Education | (ii) | Yes | Odisha | Keonjhar | 3,60,000 | Yes | - | - |
| 5 | Education | (ii) | Yes | Odisha | Keonjhar | 60,00,000 | No | Adivasi Vikash Samity | CSR00020164 |
| 6 | Social Security to differently abled Persons | (ii) | Yes | Odisha | Keonjhar | 6,00,000 | No | Sadbhabana | CSR00010243 |
| 7 | Eradication of Hunger and Malnutrition | (i) | Yes | Odisha | Keonjhar | 2,63,000 | Yes | - | - |
| 8 | Ensuring environmental sustainability | (iv) | Yes | Odisha | Jajpur | 63,000 | Yes | - | - |
| 9 | Education | (ii) | Yes | Odisha | Jajpur | 1,20,000 | Yes | - | - |
| 10 | Health | (i) | Yes | Odisha | Jajpur | 6,70,000 | Yes | - | - |
| 11 | Health | (i) | Yes | Odisha | Jajpur | 9,68,800 | Yes | - | - |
| 12 | Health | (i) | No | Odisha | Sambalpur | 2,13,580 | Yes | - | - |
| 13 | Drinking water | (i) | Yes | Odisha | Jajpur | 79,766 | Yes | - | - |
| 14 | Rural Development | (x) | Yes | Odisha | Keonjhar | 77,158 | Yes | - | - |
| 15 | Livelihood / Skill development | (ii) | Yes | Odisha | Jajpur | 15,00,000 | No | Back To Village | CSR00006854 |
| 16 | Livelihood / Skill development | (ii) | Yes | Odisha | Jajpur | 20,00,000 | No | Saunta Gaunta Foundation | CSR00015338 |
| | TOTAL | - | - | - | - | 1,45,24,247 | - | - | - |

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable - Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs.2,20,08,867/-

(g) Excess amount for set off, if any - Not Applicable

| Sl. No. | Particular | Amount (in Rs.) |
|---------|---|-----------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 7,30,00,000 |
| (ii) | Total amount spent for the Financial Year | 2,20,08,867 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | - |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | - |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years (in Rs.) |
|---------|--------------------------|--|---|--|-----------------|------------------|---|
| | | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| 1. | 2020-21 | 5,36,93,750 | 4,68,68,868 | - | - | - | 68,24,882 |
| | TOTAL | 5,36,93,750 | 4,68,68,868 | - | - | - | 68,24,882 |

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---------|-------------|--|--|------------------|--|---|--|---|
| Sl. No. | Project ID. | Name of the Project. | Financial Year in which the project was commenced. | Project duration | Total amount allocated for the project (in Rs.). | Amount spent on the project in the reporting Financial Year (in Rs.). | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project - Completed /Ongoing. |
| 1. | 2020-21/1 | Providing of Drinking water facility | 2020-21 | 4 years | 8,94,680 | 8,61,025 | 8,61,025 | Ongoing |
| 2. | 2020-21/2 | Covid-19 related Projects | 2020-21 | 4 years | 16,44,484 | - | - | Ongoing |
| 3. | 2020-21/3 | Dialysis unit at GIMSAR | 2020-21 | 3 years | 50,00,000 | 50,00,000 | 50,00,000 | Completed |
| 4 | 2020-21/4 | Supply of EzeCheck devices | 2020-21 | 3 years | 74,97,785 | 74,97,785 | 74,97,785 | Completed |
| 5 | 2020-21/5 | Mobile Hospital | 2020-21 | 4 years | 33,87,221 | 31,05,716 | 31,05,716 | Ongoing |
| 6 | 2020-21/6 | Renovation of School Building, Construction of Toilets | 2020-21 | 4 years | 1,20,32,200 | 83,88,260 | 83,88,260 | Ongoing |
| 7 | 2020-21/7 | Construction of Community Shed | 2020-21 | 4 years | 7,64,704 | 6,42,687 | 6,42,687 | Ongoing |
| 8 | 2020-21/8 | Construction of Community Shed | 2020-21 | 4 years | 8,46,506 | 5,78,085 | 5,78,085 | Ongoing |
| 9 | 2020-21/9 | Construction of Community Shed | 2020-21 | 4 years | 6,52,783 | 5,36,540 | 5,36,540 | Ongoing |
| 10 | 2020-21/10 | Construction of Pala Manadap | 2020-21 | 4 years | 29,19,284 | 28,91,916 | 28,91,916 | Ongoing |
| 11 | 2020-21/11 | Renovation of Kalyan Mandap | 2020-21 | 4 years | 12,50,000 | 5,62,751 | 5,62,751 | Ongoing |
| 12 | 2020-21/12 | Renovation of Youth Centre | 2020-21 | 3 years | 4,72,000 | 4,72,000 | 4,72,000 | Completed |
| 13 | 2020-21/13 | Rural infrastructure – building of Road | 2020-21 | 3 years | 1,63,32,103 | 1,63,32,103 | 1,63,32,103 | Completed |
| | TOTAL | - | - | - | 5,36,93,750 | 4,68,68,868 | 4,68,68,868 | - |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

(Asset-wise details)

- Date of creation or acquisition of the capital asset(s). – Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset. – Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the

capital asset). – Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).- During the year the Company has spent Rs.2,20,08,867/- on CSR activities and an amount of Rs.5,09,91,133/- relating to approved ongoing projects remained unspent due to the nature of Projects being of multi-year and Covid-19 pandemic. Therefore, the Company has transferred the unspent amount to an account maintained with scheduled bank as per section 135(6) of the Companies Act, 2013.

**For and on behalf of the Board of Directors of
Brahmani River Pellets Limited**

Sd/-

**Priya Ranjan Prasad
Managing Director
DIN: 07623862**

Sd/-

**Santtosh Senapati
Chairman of CSR Committee
DIN: 00076219**

**Place: Bhubaneswar
Date: 13th May, 2022**

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preface

Brahmani River Pellets Limited is engaged in the business of Manufacturing and Selling of Iron Ore Pellets within and outside India. The company is having Beneficiation plant, strategically located in Iron Ore mine area at Barbil in Keonjhar district and Pellet Plant at Kalinganagar in Jajpur district of Odisha. Beneficiation plant and pellet plant are connected with state of art Slurry Pipe line which run through 230 kms.

The Company is committed to creating more smiles at every step of the journey and is in constant pursuit of making life better for communities with its various initiatives in the fields of health, education, livelihood and sports along with art and culture.

The Company believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement of society around.

*The Company firmly believes in strengthening the social capital. It has adopted a **Corporate Social Responsibility Policy** where it strives to address the social issues in and around its plants.*

Brahmani River Pellets Limited (BRPL) is committed to:

- ***Allocate at least 2% of its average Net Profits made during the three immediately preceding financial years towards Corporate Social Responsibility, as per the categories mentioned in Schedule VII of the Companies Act 2013,***
- ***Transparent and accountable system for social development and conducting periodic assessments,***
- ***Concentrate on community needs and perceptions through social processes and related infrastructure development,***
- ***Provide special thrust towards empowerment of women through a process of social inclusion,***
- ***Spread the culture of volunteerism through the process of social engagement.***

FOCUS:

BRPL has decided to focus on the complete life cycle approach with specific interventions are recommended as below:

- Efficient maternal and child health care services

- Enhance access to improved nutrition services
- Access to safe drinking water at remote areas
- Early childhood education/ pre-primary education
- Completion of primary and secondary education
- Enhancing the output of present occupation
- Skill Development, Employability and vocational education
- Support various CSR initiatives as per guidelines of IMCO, Govt of Odisha.

STRATEGY:

BRPL allocates at least 2% of its average Net Profits made during the three immediately preceding financial years for the planning and implementation of CSR. All the CSR initiatives are approved by the committee and the same are reviewed periodically.

Taking a note of the importance of synergy and interdependence at various levels, BRPL would adopt a strategy for working directly or in partnership, wherever appropriate.

- Priority to be given to the areas in the immediate vicinity of the plant locations defined as Direct Influence Zone (DIZ). The policy enables plants to define their own DIZ with the provision that this could be expanded as per the size of operations. However, certain programs might be expanded beyond this geographical purview and upscaled. This context is defined as Indirect Influence Zone (IIZ)
- All the interventions would be formulated based on need assessment using different quantitative and qualitative methods
- All the interventions would be adopted based on concurrent evaluation and knowledge management through process documentation
- Social Mobilization, advocacy at various levels, and/or appropriate policy changes would form part of the interventions in each sector

INTERVENTIONS:

In line with the approach and strategy, BRPL plans interventions in the field of health, education, livelihood, skill development, vocational education, women empowerment, environment sustainability and responsible citizenship. The key thematic interventions as per the Schedule VII of the Companies Act 2013 include:

1. ERADICATING HUNGER, POVERTY, MALNUTRITION, ETC.:

BRPL as per its commitment to the local development and nation building shall initiate various projects. Major projects planned under this theme over next three years include:

- a. Soil and water conservation
- b. Provision of Safe drinking water in remote areas.
- c. Complimenting government schemes such as ICDS- *Integrated Child Development Scheme* and NRHM – *National Rural Health Mission (ANC, PNC, Immunization)*
- d. Entitlements- *Facilitating access to government schemes*
- e. Linkages with the existing government schemes/ programs such as MNRAREGA, PURA Model - *Providing Urban Amenities in Rural Area model*
- f. Screening for disease such as TB, cancer, hypothyroidism, bone density, etc.
- g. Improvement of the infrastructure of Primary Health Centre
- h. Awareness generation at the community level
- i. Preventive measure to reduce the incidences of disease.

2. PROMOTING EDUCATION, SKILL DEVELOPMENT, LIVELIHOOD ENHANCEMENT ETC:

Education is the basis for improving the quality of life of people. Taking a note of this, BRPL both independently and in partnership with local government and civil societies wants to undertake various programs. Along with this, enhancing the productivity of available workforce through engaging the youth with appropriate employability skills and assuring sustainable livelihoods continues as one of the top priority. The activities planned under this theme include:

- a. Improving the infrastructure of local schools
- b. Financial Support to Gram Panchayat Schools for Teachers
- c. Transportation facility for School Children
- d. Training of teachers
- e. Complimenting Mid-day meal program
- f. Remedial classes for children with slow learning
- g. Life skill education, leadership and motivation of children
- h. Support for adult / children with different abilities
- i. Create opportunities for access to higher education

3. PROMOTING GENDER EQUALITY, WOMEN EMPOWERMENT, ETC:

Women are the primary focus for development of the communities and the nation. BRPL strongly believes in this philosophy. Major projects planned to substantiate this include:

- a. Skill building (vocational skills and employment)
- b. Economic empowerment (SHGs and entrepreneurship)
- c. Facilitating linkages for destitute and widow

4. ENSURING ENVIRONMENTAL SUSTAINABILITY:

Nurturing the nature and adopting processes to enhance its sustainability remains a major goal of the BRPL. As vigilant and responsible corporate, the major interventions include:

- a. Solid waste management
- b. Sanitation and personal hygiene
- c. Aforestation
- d. Rainwater harvesting
- e. Harnessing science and technology
- f. Fostering Local innovations

5. PROMOTION OF RURAL SPORTS / TRAINING:

Sports training / Competition facilitation for following nationally recognized sports for promoting and strengthening the sports in India:

- a. Football
- b. Volleyball
- c. Cricket
- d. Kabaddi

6. RURAL DEVELOPMENT PROJECTS:

Infrastructure development in rural area including road, toilets, lighting, community centre, etc.

IMPLEMENTATION:

A. Implementing Agency:

The CSR activities would be implemented by:

- a. BRPL when the activities are related to civil works involving construction of buildings, roads, and other infrastructure related projects, direct financial support etc.
- b. Recognized NGO or in participation with Government, Foundations or any other institution with relevant expertise and experience in the sector

B. Annual plan would be prepared with clear quarterly milestones.

C. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company.

Corporate Social Responsibility (CSR) Committee:

- The Board constituted CSR Committee, along with the CSR team, shall be responsible for the decision making with respect to the Company's CSR policy.
- CSR Committee shall recommend the CSR policy to the Board of the Company, and Board of Directors shall approve the Company's CSR policy.
- The CSR Committee shall formulate and recommend to the Board, an annual action plan consisting of the following:
 - a. The list of CSR programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b. The manner of execution of such programs;
 - c. The modalities of utilization of funds and implementation schedules for the programs;
 - d. Monitoring and reporting mechanism for the programs; &
 - e. Details of need and impact assessment, if any, for the programs undertaken by the Company Provided that Board may alter the Annual Action plan at any time during the financial year, as per the recommendation of its CSR Committee.
- The CSR Committee shall meet regularly to review the implementation of CSR programs/ programs and give suitable direction

In case of an ongoing program, the Board of the Company shall monitor the implementation of the program with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the program within the overall permissible time period. "Ongoing Program" here means a multi-year program undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such program that was initially not approved as a multi-year program but whose duration has been extended beyond one year by the board based on reasonable justification.

Treatment with respect to unspent CSR amount

- a. If the Company fails to spend prescribed CSR amount, the Board shall, in its report specify the reasons for not spending the amount unless the unspent amount relates to any ongoing project and transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
- b. Any prescribed CSR amount remaining unspent pursuant to any ongoing project, undertaken by a Company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date

of such transfer, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

MONITORING MECHANISM:

A combination of various mechanisms would be adopted for the monitoring of the CSR programs:

- c. Monthly meeting by the CSR In-Charge to monitor the progress.
- d. Quarterly monitoring by the Managing Directors and CFCO.
- e. Half-yearly monitoring by the Board.



S. Srinivasan & Co.,
Company Secretaries

Office No. 5, 5th floor,
AC Market Building CHS Ltd.,
Tardeo Road, Mumbai- 400 034
Tel no.: 022- 2351 7505
Mobile: +91 93210 25730
E-mail: mumbaissandco@yahoo.com

FORM NO. MR- 3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

*[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,
BRAHMANI RIVER PELLETS LIMITED
4TH FLOOR, IPICOL HOUSE,
JANPATH BHUBANESWAR KHORDHA,
ODISHA- 751 022

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BRAHMANI RIVER PELLETS LIMITED** bearing (CIN: U27106OR2006PLC008914 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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, 2022 appears to have 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:

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

- i. The Companies Act, 2013, (the Act) and the rules made there under.
- ii. The Securities Contracts (Regulation) Act, 1956, ('SCRA') and the rules made there under **(Not Applicable to the Company during the period under review).**

- iii. The Depositories Act, 1996, and the Regulations and Byelaws framed there under.
(Not Applicable to the Company during the period under review).
- iv. Foreign Exchange Management Act, 1999, and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
(Not Applicable to the Company during the period under review).
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992; ('SEBI Act') are not applicable to the Company during the period under review as the Company is an unlisted company.
- vi. All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws.

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

The Secretarial Standards issued and notified by the Institute of Company Secretaries of India SS- 1 & SS- 2 has been complied with by the Company during the financial year under review.

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or such other shorter period which is permitted under the act, 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.
- Decisions at the meetings of the Board of Directors were carried through based on majority and there were no dissenting views by any Member of the Board during the year under review.

We further report that,

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

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, during the audit period, there are no specific events/ actions occurred which had any major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and standards etc.

For *S. Srinivasan & Co.*,
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: **F002286D000221846**

Place: Mumbai
Date: 27-04-2022

Annexure A

To,

The Members,
BRAHMANI RIVER PELLETS LIMITED
4TH FLOOR, IPICOL HOUSE,
JANPATH BHUBANESWAR KHORDHA,
ODISHA- 751 022

Our Secretarial Audit report of even date is to be read along with this letter.

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

For *S. Srinivasan & Co.,*
Company Secretaries

S. Srinivasan
Practicing Company Secretary
FCS: 2286 | CP. No.: 748
UDIN: **F002286D000221846**

Place: Mumbai
Date: 27-04-2022

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 section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of material contracts or arrangement or transactions not at arm's length basis:

| Sl. No. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions / Justification of transaction | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board | Amount paid as advances, if any |
|---------|---|--|---|--|----------------------------------|---------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) |
| 1 | JSW Techno Projects Management Ltd. (Joint Venturer) | Pellet Offtake agreement | Perpetual | Sale of Pellet to shareholders in their shareholding ratio at cost + fixed margin as per Pellet Offtake Agreement. | 16/03/2021 | Nil |
| 2 | Thrivani Pellets Pvt. Ltd. (Holding Company) | Pellet Offtake agreement | Perpetual | | 16/03/2021 | Nil |

2. Details of material contracts or arrangement or transactions at arm's length basis:

| No. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions / Justification of transaction | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board | Amount paid as advances, if any |
|-----|---|--|---|--|----------------------------------|---------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) |
| | - | - | - | - | - | - |

For and on behalf of the Board of Directors

**Date: 13th May, 2022
Place: Bhubaneswar**

**Sd/-
(P. R. Prasad)
Managing Director
DIN: 07623862**

**Sd/-
(P. K. Kedia)
Chairman
DIN: 00020570**

ANNEXURE 'D' TO THE BOARD'S REPORT FOR THE FINANCIAL YEAR 2021-22

Statement of the Employees covered under Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

(a) Employed throughout the financial year 2021-22 and in receipt of remuneration aggregating Rs.1,02,00,000/- or more - During the year the following employee of the Company was in receipt of remuneration aggregating to Rs.1,02,00,000/- or more under the said provisions:

| Sl. No. | Name of the employee | Personnel No. | Designation | Remuneration received (Rs.) | Qualifications | Experience (years) | Date of commencement of employment | Age (years) | Last employment held | |
|---------|----------------------|---------------|--|-----------------------------|----------------|--------------------|------------------------------------|-------------|--------------------------------|-----------|
| | | | | | | | | | Employer's name | Post held |
| 1 | Mr. Nitin Kale | 1379 | Chief Financial-cum-Commercial Officer | 1,29,16,329 | CMA and CS | 31 | 23/02/2018 | 55 | JSW Steel Coated Products Ltd. | AVP (F&A) |

(b) Employed for a part of the financial year 2021-22 and in receipt of remuneration aggregating Rs.8,50,000/- per month or more

| Sl. No. | Name of the employee | Personnel No. | Designation | Remuneration received (Rs. in lakh) | Qualifications | Experience (years) | Date of commencement of employment | Age (years) | Last employment held | |
|---------|----------------------|---------------|-------------|-------------------------------------|----------------|--------------------|------------------------------------|-------------|----------------------|-----------|
| | | | | | | | | | Employer's name | Post held |
| 1 | - | - | - | - | - | - | - | - | - | - |

- (1) In accordance with the clarification given by the Ministry of Corporate Affairs, remuneration has been computed on the basis of the actual expenditure incurred by the Company.
- (2) None of the above employees was a relative of any Director or Manager of the Company.
- (3) None of the above employees was in receipt of remuneration during the year which, in the aggregate, was in excess of that drawn by the Managing Director or Whole-Time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

For and on behalf of the Board of Directors

**Sd/-
(P. R. Prasad)
Managing Director
DIN: 07623862**

**Sd/-
(P. K. Kedia)
Chairman
DIN: 00020570**

**Date:13th May, 2022
Place: Bhubaneswar**

ANNEXURE E

**Particulars Regarding Conservation of Energy, Technology Absorption,
Foreign Exchange Earnings and Outgo**

| | |
|--|---|
| A. Conservation of Energy:- | |
| (i) the steps taken or impact on conservation of energy | 1.Two nos of slurry tank agitator are now converted to Variable Frequency drives. This helps in conservation of power and also reduces load on Generator during Power Outage time. 2.All plant conventional light fittings (HPSV) / CFL have been replaced by LED fittings at Beneficiation Plant and Pellet Plant. |
| (ii) the steps taken by the company for utilising alternate sources of energy | - |
| (iii) the capital investment on energy conservation equipment | - |
| B. Technology absorption:- | |
| (i) the efforts made towards technology absorption; | 1.Blending of combustion catalyst-THERMOL in Furnace oil in 1:2000 ratio has given us considerable saving in Furnace oil consumption. 2. We have also started using Organic Binder along with Bentonite which helps in processing higher moisture material resulting improvement in quality of green balls and reduction in recycle percentage |
| (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; | - |
| (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- | Not Applicable. |
| (a) the details of technology imported; | - |
| (b) the year of import; | - |
| (c) whether the technology been fully absorbed; | - |
| (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | - |
| (iv) the expenditure incurred on Research and Development. | NIL |
| C. Foreign exchange earnings and Outgo- | |
| The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows. | Actual inflow: Rs.37.79 crore Actual outgo: Rs.11.08 crore |

For and on behalf of the Board of Directors

**Date:13th May, 2022
Place: Bhubaneswar**

**Sd/-
(P. R. Prasad)
Managing Director
DIN: 07623862**

**Sd/-
(P. K. Kedia)
Chairman
DIN: 00020570**

INDEPENDENT AUDITOR'S REPORT

To The Members of Brahmani River Pellets Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Brahmani River Pellets Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's 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 during the course of our 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.



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Management's Responsibility 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



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- 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in



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"Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and 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.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(vi) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 43(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



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2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in blue ink that reads "Krishna Prakash E".

Krishna Prakash E
(Partner)
(Membership No. 216015)
(UDIN: 22216015AK(FPD2638))

Place: Coimbatore
Date: May 13, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements'
section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Brahmani River Pellets Limited (the "Company") as of 31 March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Deloitte Haskins & Sells LLP

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in blue ink that reads "Krishna Prakash E".

Krishna Prakash E
(Partner)
(Membership No. 216015)
(UDIN: 22216015AKIFPD2636)

Place: Coimbatore
Date: May 13, 2022

Deloitte Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and capital work-in-progress.

B. The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

(i)(c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, are held in the name of the Company based on the confirmations directly received by us from lenders.

(i)(d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

(i)(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The inventories except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(ii)(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(ii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited



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Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iii)(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 for ores and mineral products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2022 on account of disputes are given below:

| Name of statute | Nature of dues | Amount involved (Rs. Crore) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|----------------|-----------------------------|------------------------------------|--------------------------------|
| Central Excise Act, 1944 | CENVAT credit | 0.42* | 2012-2013 | CESTAT |
| Central Excise Act, 1944 | CENVAT credit | 1.21* | 2012-2017 | CESTAT |
| Central Excise Act, 1944 | CENVAT credit | 0.08 | 2017 | Commissioner Appeals |
| Customs Act, 1962 | Customs Duty | 22.23^ | 2008-2010 | CESTAT |



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| Name of statute | Nature of dues | Amount involved (Rs. Crore) | Period to which the amount relates | Forum where dispute is pending |
|-----------------------------------|-----------------|-----------------------------|------------------------------------|--------------------------------|
| Odisha, Value added Tax Act, 2004 | Value added Tax | 0.02~ | October 2015 to June 2017 | Commissioner Appeals |
| Income Tax Act, 1961 | Income Tax | 5.43 | FY 2013-14 | CIT Appeals |
| Income Tax Act, 1961 | Income Tax | 0.42 | FY 2016-17 | CIT Appeals |

Excluding penalty of Rs. 0.47 crore and net of Rs. 0.05 crore paid under protest

* Excluding penalty of Rs. 3.36 crore and net of Rs. 2.15 crore paid under protest

^ Net of Rs. 1.80 crore paid under protest

~ Excluding penalty of Rs. 0.03 crore and net of Rs. 0.01 crore paid under protest

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(ix)(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix)(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x)(a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(x)(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi)(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi)(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.



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(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 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)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xiv)(b) We have considered, the internal audit reports issued to the Company during the year and covering the period from 01 April 2021 to 31 March 2022, for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(xvi) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xvii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx)(a) According to the information and explanation given to us, in respect of other than ongoing projects, there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.



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(xx)(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For **Deloitte Haskins and Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A handwritten signature in blue ink that reads "Krishna Prakash E".







Krishna Prakash E
(Partner)
(Membership No. 216015)
(UDIN: 22216015AKIFPD2638)

Place: Coimbatore
Date: May 13, 2022



Brahmani River Pellets Limited

Ind AS Financial Statements for the year ended
31st March 2022

| Brahmani River Pellets Limited | | | |
|---|---|--|---|
| Balance sheet as at March 31, 2022 | | | |
| (All amounts in Rupee, unless otherwise stated) | | | |
| Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
| I ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 1 | 984.78 | 998.91 |
| (b) Capital work-in-progress | 3 | 48.97 | 54.67 |
| (c) Right-of-use assets | 4 | 30.36 | 30.65 |
| (d) Other intangible assets | 5 | 0.19 | 0.25 |
| (e) Other financial assets | 6 | 40.41 | 71.35 |
| (f) Other non-current assets | 8 | 12.51 | 14.88 |
| Total non-current assets | | 1,107.48 | 1,120.35 |
| Current assets | | | |
| (a) Inventories | 9 | 362.76 | 275.54 |
| (b) Financial assets | | | |
| (i) Trade receivables | 10 | 305.94 | 247.21 |
| (ii) Cash and cash equivalents | 11 | 45.25 | 57.84 |
| (iii) Bank balances other than (i) above | 12 | 27.92 | 10.43 |
| (iv) Other financial assets | 13 | 1.83 | 1.71 |
| (c) Current tax assets (net) | 14 | 1.25 | 0.51 |
| (d) Other current assets | 15 | 71.48 | 90.65 |
| Total current assets | | 817.45 | 665.09 |
| Total assets | | 1,924.93 | 1,805.44 |
| II EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 16 | 911.42 | 911.42 |
| (b) Other equity | 17 | 156.44 | 278.53 |
| Total equity | | 1,067.86 | 1,190.10 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 18(a) | 48.34 | 70.53 |
| (b) Provisions | 19 | 6.51 | 7.27 |
| (c) Deferred tax liabilities (net) | 7 | 73.75 | 50.87 |
| Total non-current liabilities | | 128.20 | 138.64 |
| Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 18(b) | 57.47 | 21.26 |
| (ii) Trade payables | | | |
| - total outstanding dues of micro enterprises and small enterprises | 20 | 7.51 | 2.17 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 20 | 57.33 | 97.79 |
| (iii) Other financial liabilities | 21 | 25.08 | 22.26 |
| (b) Other current liabilities | 22 | 344.74 | 332.00 |
| (c) Provisions | 22 | 0.63 | 0.22 |
| Total current liabilities | | 527.87 | 476.70 |
| Total liabilities | | 657.07 | 615.34 |
| Total equity and liabilities | | 1,924.93 | 1,805.44 |
| The accompanying notes form an integral part of the financial statements. | | | |
| As per our report of even date attached | | | |
| For Deloitte Haskins & Sells LLP Chartered Accountants Firm's Registration No. 117369W/W-100016 | | For and on behalf of the Board of Directors | |
|  |  |  |  |
| Krishna Prakash E Partner Membership No. 215015 | | Pripa Ranjan Prasad Managing Director DIN: 07623852 | Nagarajan J Director CIN: D8366175 |
| | |  |  |
| | | Chandri Prakash Tated Chief Financial Officer Commercial Officer | Suvendu Kar Company Secretary |
| Place: Bhubaneswar Date: May 13, 2022 | | Place: Bhubaneswar Date: May 13, 2022 | |

Brahmani River Pellets Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts in ₹ crore, unless otherwise stated)

| Particulars | Note No. | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|----------|-----------------------------------|-----------------------------------|
| I Revenue from operations | 24 | 3,029.99 | 2,782.78 |
| II Other income | 25 | 19.39 | 13.91 |
| III Total Income (I + II) | | <u>3,049.38</u> | <u>2,296.69</u> |
| IV Expenses | | | |
| Cost of materials consumed | 26 | 2,174.55 | 1,439.67 |
| Changes in inventories of finished goods and work-in-progress | 27 | (27.68) | 8.25 |
| Employee benefits expense | 28 | 30.55 | 31.80 |
| Finance costs | 29 | 10.20 | 12.10 |
| Depreciation and amortisation expenses | 30 | 72.99 | 68.79 |
| Other expenses | 31 | 682.52 | 603.93 |
| Total expenses | | <u>2,943.13</u> | <u>2,213.64</u> |
| V Profit before tax (III - IV) | | 106.25 | 83.05 |
| VI Tax expense | 7 | | |
| Current tax | | 16.53 | 9.14 |
| Adjustment of tax relating to earlier years | | (0.22) | (2.78) |
| Deferred tax charge | | 12.70 | 13.01 |
| Total tax expense | | <u>29.01</u> | <u>19.37</u> |
| VII Profit for the year (V - VI) | | 77.24 | 63.68 |
| VIII Other comprehensive Income | | | |
| - Items that will not be reclassified subsequently to profit or loss | | | |
| Remeasurements of net defined benefit liability | | 0.70 | 0.08 |
| Income tax relating to items that will not be reclassified to profit or loss | | (0.18) | (0.02) |
| Total other comprehensive income | | <u>0.52</u> | <u>0.06</u> |
| IX Total comprehensive income for the year (VII + VIII) | | <u>77.76</u> | <u>63.74</u> |
| X Earnings per equity share of face value ₹ 10/- each | 32 | | |
| Basic (₹) | | 0.85 | 0.70 |
| Diluted (₹) | | 0.85 | 0.70 |

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No: 117366W/W-100018


Krishna Prakash E
Partner
Membership No: 216015



For and on behalf of the Board of Directors


Priya Ranjan Prasad
Managing Director
DIN: 07623852


Nagarajan J
Director
DIN: 08066275


Chandra Prakash Yated
Chief Financial cum
Commercial officer


Suwendu Kar
Company Secretary

Place: Bengaluru
Date: May 13, 2022

Place: Bhubaneswar
Date: May 13, 2022

Brahmani River Pellets Limited
Statement of Changes in Equity for the year ended March 31, 2022
(All amounts in ₹ Lacs, unless otherwise stated)

a. Equity share capital

| | |
|---|---------------|
| Balance at April 01, 2020 | 911.42 |
| Changes in equity share capital during the year | - |
| Balance at March 31, 2021 | 911.42 |
| Changes in equity share capital during the year | - |
| Balance at March 31, 2022 | 911.42 |

b. Other equity

| Particulars | Reserves & Surplus | | | Other comprehensive income | Total other equity |
|---|--------------------|--------------------|-------------------|--------------------------------|--------------------|
| | General reserve | Securities premium | Retained earnings | Employee Defined benefits plan | |
| Balance at April 01, 2020 | 26.48 | 30.25 | 159.99 | (1.78) | 214.94 |
| Profit for the year | - | - | 63.63 | - | 63.63 |
| Other comprehensive income for the year, net of tax | - | - | - | 0.06 | 0.06 |
| Balance at March 31, 2021 | 26.48 | 30.25 | 223.67 | (1.72) | 278.68 |
| Profit for the year | - | - | 77.24 | - | 77.24 |
| Other comprehensive income for the year, net of tax | - | - | - | 0.52 | 0.52 |
| Balance at March 31, 2022 | 26.48 | 30.25 | 300.91 | (1.20) | 356.44 |

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No. 117566W/W 000018



Krishna Prakash C

Partner

Membership No. 216015



For and on behalf of the Board of Directors



Priya Ranjan Prasad

Managing Director


CIN: 07623062



Nagarajan J

Director

CIN: 08066275



Chandra Prakash Tated

Chief Financial cum

Commercial Officer



Suvendu Kjar

Company Secretary

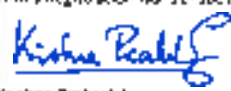

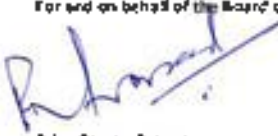

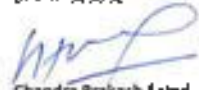

Place: Bengaluru

Date: May 13, 2022

Place: Anubandwar

Date: May 13, 2022



| Brahmani River Pellets Limited | | |
|---|---|---|
| Cash Flow Statement for the year ended March 31, 2022 | | |
| (All amounts in Rupee, unless otherwise stated) | | |
| Particulars | for the year ended March 31, | for the year ended March 31, |
| | 2022 | 2021 |
| A. Cash flow from operating activities | | |
| Profit for the year | 77.24 | 63.64 |
| Adjustments for: | | |
| Depreciation and amortisation expenses | 72.91 | 68.29 |
| Tax expense | 29.01 | 29.37 |
| Finance costs | 10.70 | 22.00 |
| Amount written-off from non-financial assets | 0.24 | - |
| Unrealised foreign exchange fluctuations | 1.54 | 1.41 |
| Provision for doubtful trade receivables | 1.04 | - |
| Loss on sale / write-off of property, plant and equipment | 2.07 | - |
| Interest income | 13.80 | 16.64 |
| Provision / liabilities no longer required written back | (13.22) | (0.24) |
| Operating cash flows before movements in working capital | 176.26 | 157.98 |
| Movements in working capital: | | |
| Decrease/increase in trade receivables | (34.74) | (133.54) |
| Decrease/increase in inventories | (85.22) | 50.26 |
| Decrease/increase in other non-current financial assets | (0.05) | (3.11) |
| Decrease/increase in other current financial assets | 0.40 | 0.47 |
| Decrease/increase in other current assets | 19.12 | 102.24 |
| Decrease/increase in other non-current assets | 0.76 | (3.13) |
| Increase/(decrease) in non-current and current provision | 0.51 | 2.48 |
| Increase/(decrease) in trade payables | 11.42 | 14.73 |
| Increase/(decrease) in other current liabilities | 15.28 | (12.85) |
| Cash generated by operations | 76.57 | 191.77 |
| Income taxes paid / refunds received (net) | (17.05) | 9.89 |
| Net cash generated from operating activities | 59.48 | 201.66 |
| B. Cash flow from investing activities | | |
| Expenditure on property, plant and equipment & tangible assets (including capital advances and capital credits) | (17.80) | (14.52) |
| Proceeds from the sale of property, plant & equipment | 1.74 | - |
| Interest received | 3.23 | 8.87 |
| Fixed deposits matured / realised | (26.52) | 86.94 |
| Net cash from / (used in) investing activities | (17.85) | 54.43 |
| C. Cash flow from financing activities | | |
| Proceeds from non-current borrowings | - | 100.00 |
| Proceeds from current borrowings (net) | 35.05 | 0.22 |
| Repayment of non-current borrowings | (21.56) | (35.72) |
| Interest paid | (20.88) | (22.20) |
| Net cash from / (used in) financing activities | 3.29 | (169.34) |
| Net decrease in cash & cash equivalents (A+B+C) | (11.58) | 19.15 |
| Cash & cash equivalents at the beginning of the year (Refer Note L1) | 27.84 | 57.09 |
| Cash & cash equivalents at the end of the year (Refer Note L1) | 46.26 | 57.84 |
| The accompanying notes form an integral part of the financial statements. | | |
| <p>As per our report of even date attached, For Deloitte Haskins & Sells LLP (Chartered Accountants) Firm's Registration No. 1113664/W/20018</p> | | |
| <p>For and on behalf of the Board of Directors</p> | | |
|  Krishna Prakash Partner Member's No. 216215 |  |  Praga Rangan Prasad Managing Director DIN: 07543652 |
| | |  Nagarajan I Director DIN: 08066275 |
| | |  Chandra Prakash Iyengar Chief Financial Officer Commercial Officer |
| | |  Suvendu Kar Company Secretary |
| Page: Benga / 4 Date: May 13, 2022 | | Page: Bh. Baleswar Date: May 13, 2022 |

Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

1. General information

Brahmani River Pellets Limited ("the Company") is a Company incorporated and domiciled in India, with its registered office situated in Bhubaneswar, Odisha. The Company has two plants located in Odisha. The Company has commenced its commercial production of iron ore pellets on July 01, 2013 and is one of the leading manufacturers of iron ore pellets in India.

The financial statements of Brahmani River Pellets Limited as at March 31, 2022 were approved and authorised for issue by the Board of Directors on May 13, 2022

2. Significant accounting policies

2.1 Statement of compliance and basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements under the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules 2015, as amended. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, (including other Comprehensive Income), the Statement of Changes in Equity and Cash Flow Statement for the year ended March 31, 2022 and significant accounting policies and other explanatory information (together herein after referred to as "Financial Statements").

The financial statements have been prepared on historical cost basis, except for the following assets and liabilities:

- Net defined benefit (asset) / liability which are measured at net of fair value of plan assets less present value of defined benefit obligation
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

Comparative Financial information has been regrouped, wherever necessary, to correspond to the figures of the current year.

2.2 Summary of Significant accounting policies

a. Current vs 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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires Management to make judgment, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and disclosures relating to contingent liabilities. Examples of such estimates include impairment of financial assets, future obligations under employee retirement benefit plans, income taxes, lease classification, post-sales customer support, recognition of deferred tax assets; availability of future taxable profit against which tax losses carried forward can be used and the useful lives of property, plant and equipment, investment property and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

c. Revenue recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the

revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Sale of goods

Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest Income

For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future receipts over the expected life of the financial assets or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d. Property, Plant & Equipment

Freehold land is carried at historical cost. Freehold land is not depreciated. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the



difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Spares having useful life of more than one year and having value of Rs 0.10 Crore or more in each case, are capitalised under the respective heads as and when available for use.

Depreciation on Capital Spares is provided over the useful life of the spare or remaining useful life of the mother asset whichever is lower.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Property, plant and equipment | Useful lives (Years) |
|-------------------------------|----------------------|
| Office Building | 60 |
| Factory Building | 30 |
| Plant & Machinery (CPP) | 25 |
| Computers & Accessories | 3 |
| Furniture & fixtures | 10 |
| Electrical Installations | 10 |
| Air Conditioners | 15 |
| Office Equipments | 5 |
| Motor Vehicles | 8 |
| Plant & Machinery (Others) | 15 |
| Tower Line | 25 |

Capital Work-in-Progress (CWIP)

Capital Work-in-progress includes cost of assets at site, construction expenditure and other expenditure made for acquisition of capital assets. In the case of consultancy payments for erection and commissioning the said CWIP is stated excluding of service tax and cess and GST for which tax credit is allowed under applicable indirect tax laws.



Treatment of expenditure during construction period

Expenditure during construction period net of revenue are included under expenditure during Construction less any recognised impairment loss, which is shown as Capital work-in-progress, and the same is allocated to the appropriate capital head of accounts on the commissioning of the project. Expenditure includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

e. Intangible Assets

Intangible assets are stated at cost of acquisition less accumulated amortization.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| Intangible assets | Useful lives (Years) |
|-------------------|----------------------|
| Software's | 6 |

f. Impairment of Non-Financial Assets

The Company assess, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely

independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in the statement of profit and loss.

g. Inventory

Raw materials, Stores and spares are valued at lower of cost and fair value, computed on weighted average basis. Cost of raw materials comprises cost of purchases which are determined after deducting rebates and discounts and other costs in bringing the raw materials, stores and spares to their present location and condition. Scrap is valued at net realizable value, which is less than cost. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale

Work in progress and finished goods is valued at lower of cost price or net realizable value. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

h. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessee

Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment test.

Lease liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any



lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below Rs 5,00,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options:

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

i. Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present (legal/constructive) obligation as a result of a past event, for which it is probable that cash out flow may be required and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.



J. Retirement and Other Employee benefits

Short Term employee benefits

All short-term employee benefits such as salaries, incentives, special awards, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits and non-accumulating compensated absences (such as sick leave) are recognized on an undiscounted basis and charged to the profit and loss account.

Defined Contribution Plan

Contributions to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner are charged to the profit and loss account on an accrual basis.

Defined Benefit Plan

Employee gratuity is defined benefit plan for qualifying employees. The gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination from employment, of an amount based on employee's salary and tenure of employment. Liabilities with regard to the gratuity plan are determined at each Balance Sheet Date by actuarial valuation using projected unit credit method.

Leave salary cost, which is a defined benefit, is provided for in respect of the non-availed balance of leave to the credit of the employees as at the year-end. The same is provided on the basis of actuarial valuation using the projected unit credit method and is debited to the statement of profit and loss on an accrual basis.

Actuarial gains and losses on defined retirement benefits (Gratuity) arising during the year are recognized in other comprehensive income.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

k. Taxation

Current taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with



respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes

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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rate at the date the transaction first qualifies for recognition.

Exchange differences arising on settlement or restatement of transactions, are recognized as income or expense in the year in which they arise.



Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

m. Fair value measurement

The Company measures financial instruments such as mutual fund investment at fair value at each balance sheet date

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



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

i) 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 broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.



Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when the right to receive cash flows from the asset is transferred or expired.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model to the financial assets measured at amortised cost.

Expected credit losses are measured through a loss allowance at an amount equal to the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

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

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable 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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

ii) Financial liabilities

Initial recognition and measurement

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



The Company's financial liabilities include trade and other payables and loans and borrowings

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (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

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 and loss.

ii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

o. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of 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

p. Borrowing cost

Borrowing costs that are attributable to acquisition or construction of a qualifying asset (net of income earned on temporary deployment of funds) are capitalized as a part of the assets on commissioning of the project. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.



q. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Managing Director of the Company has been identified as being the chief operating decision maker.

h. Cash flow Statement

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

i. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighed average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

j. Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crore and decimals thereof as per the requirements of Schedule III, unless otherwise stated.

k. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with Ind AS 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.



a. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation at the reporting date, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

b. Defined benefit plans

The cost and present obligation of Defined benefit gratuity plan and compensated absences are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are assumed at each reporting date. Refer Note 2.2 [j].

c. Taxes

Deferred tax, subject to the consideration of prudence, is recognised on temporary differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognised to the extent that there is reasonable certainty that sufficient future tax income will be available against which such deferred tax assets can be realized.

2.4 Recent accounting pronouncements

On March 23, 2022, the Ministry of Corporate Affairs (MCA) issued certain amendments and annual improvements to Ind AS. These amendments are applicable for accounting periods beginning on or after April 1, 2022:

- Ind AS 103 – Business Combinations – Reference to conceptual framework added.
- Ind AS 16 – Property, Plant and Equipment – Accounting for proceeds before an asset's intended use.
- Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – Assessing if the contract is onerous.
- Annual improvements to Ind AS – Improvements added in Ind AS 101 (First time adoption of Ind AS), Ind AS 109 (Financial Instruments), Ind AS 116 (Leases) and Ind AS 41 (Agriculture).

The Company will evaluate the impact of the above, where applicable, on the financial statements and give impact of the same in the relevant period.





Brahmani River Pellets Limited
 Audited financial statements for the year ended March 31, 2022

Note 3 - Property, plant & equipment

| Particulars | ₹ in crores | | | | | | | | | | |
|----------------------------------|---------------|------------------|-------------------|------------------------|--------------------------|------------------------|-------------------------|------------------|-------------------|----------------|----------|
| | Freehold land | Office buildings | Factory buildings | Machinery and fixtures | Computer and accessories | Furniture and fixtures | Electrical installation | Air conditioning | Office equipments | Motor vehicles | Total |
| Gross carrying value | | | | | | | | | | | |
| As at April 01, 2020 | 0.95 | 28.83 | 89.28 | 3,246.28 | 1.06 | 3.93 | 26.71 | 0.02 | 1.19 | 0.51 | 3,337.79 |
| Additions | - | - | 9.95 | 37.63 | 0.25 | 0.16 | - | 0.06 | 0.36 | - | 68.81 |
| Disposal | - | - | - | 0.03 | - | - | - | - | - | - | 0.03 |
| As at March 31, 2021 | 0.95 | 28.83 | 99.23 | 3,284.03 | 1.30 | 2.09 | 26.71 | 0.08 | 1.75 | 0.51 | 3,406.59 |
| Additions | - | 1.44 | 6.40 | 50.76 | 0.21 | 0.14 | 0.42 | 0.02 | 0.74 | 0.14 | 61.17 |
| Disposal | - | - | - | 2.19 | - | - | - | - | - | - | 2.19 |
| As at March 31, 2022 | 0.95 | 28.07 | 105.37 | 3,237.60 | 1.51 | 2.23 | 27.13 | 0.10 | 1.99 | 0.65 | 3,469.43 |
| Accumulated depreciation | | | | | | | | | | | |
| As at April 01, 2020 | - | 1.49 | 21.06 | 267.82 | 0.76 | 0.27 | 42.20 | 0.28 | 0.90 | 0.25 | 340.05 |
| Depreciation charge for the year | - | 0.23 | 3.46 | 56.94 | 0.16 | 0.21 | 6.24 | 0.07 | 0.31 | 0.06 | 67.61 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2021 | - | 1.72 | 24.52 | 324.76 | 0.92 | 0.48 | 48.44 | 0.35 | 1.01 | 0.21 | 402.65 |
| Depreciation charge for the year | - | 0.36 | 4.03 | 61.10 | 0.14 | 0.18 | 6.16 | 0.07 | 0.26 | 0.08 | 72.31 |
| Disposals | - | - | - | 0.14 | - | - | - | - | - | - | 0.14 |
| As at March 31, 2022 | - | 2.08 | 28.55 | 385.86 | 1.06 | 0.66 | 54.60 | 0.42 | 1.19 | 0.29 | 479.63 |
| Carrying value | | | | | | | | | | | |
| As at March 31, 2021 | 0.95 | 27.09 | 73.70 | 2,959.27 | 0.39 | 1.61 | 21.71 | 0.44 | 0.80 | 0.30 | 2,964.74 |
| As at March 31, 2022 | 0.95 | 26.81 | 71.29 | 2,851.74 | 0.34 | 1.57 | 22.67 | 0.53 | 0.74 | 0.30 | 2,884.94 |

| Capital work-in-progress | ₹ in crores | |
|------------------------------------|----------------------|----------------------|
| | As at March 31, 2021 | As at March 31, 2022 |
| Networks | 7.30 | 7.10 |
| Misc. in Hand | - | 0.47 |
| PP new material used | 0.16 | 2.83 |
| Contract account (over) | - | 14.68 |
| Stores spares | 14.53 | 16.98 |
| BP plant installation | - | 3.74 |
| BP 20 MW & BP 25 MW transformation | 3.25 | 3.13 |
| BP and PP 10 MW | - | 4.50 |
| Other direct and indirect costs | 1.73 | 5.06 |
| Others | 3.21 | - |
| Total | 40.24 | 59.49 |



Capital work-in-progress ageing schedule

| Particulars | Amount in CWIP for a period of | | | Total |
|----------------------|--------------------------------|--------------|-----------------------------------|--------------|
| | less than 1 year | 1-2 years | 2-3 years More than 3 years | |
| Projects in progress | 23.55 | 17.67 | 0.45 | 48.97 |
| Total | 23.55 | 17.67 | 0.45 | 48.97 |

Capital work-in-progress completion schedule
(whose completion is overdue compared to its original plan)

| Particulars | To be completed in | | |
|---|--------------------|-----------|-----------------------------------|
| | less than 1 year | 1-2 years | 2-3 years More than 3 years |
| Capital work-in-progress Railway siding* | - | - | 7.30 |
| | - | - | 7.30 |

* The Company is in the process of obtaining necessary approvals from Railway authorities to complete the project

Capital work-in-progress ageing schedule for comparative period

| Particulars | Amount in CWIP for a period of | | | Total |
|----------------------|--------------------------------|--------------|-----------------------------------|--------------|
| | less than 1 year | 1-2 years | 2-3 years More than 3 years | |
| Projects in progress | 29.83 | 17.54 | 7.30 | 54.67 |
| Total | 29.83 | 17.54 | 7.30 | 54.67 |

Capital work-in-progress completion schedule for comparative period
(whose completion is overdue compared to its original plan)

| Particulars | To be completed in | | |
|---|--------------------|-----------|-----------------------------------|
| | less than 1 year | 1-2 years | 2-3 years More than 3 years |
| Capital work-in-progress Railway siding* | - | - | 7.30 |
| | - | - | 7.30 |

* The Company is in the process of obtaining necessary approvals from Railway authorities to complete the project

Note:

Property, plant and equipment pledged as security

All the property, plant and equipment are subject to a first charge to secure all the Company's borrowings as given in Note 18.

Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ crore, unless otherwise stated)

Note 4 - Right-of-use assets

| Particulars | Land | Total |
|----------------------------------|-------|-------|
| Gross carrying value | | |
| As at April 01, 2020 | 31.46 | 31.46 |
| Additions | - | - |
| Disposal | - | - |
| As at March 31, 2021 | 31.46 | 31.46 |
| Additions | 2.46 | 2.46 |
| Disposal | 2.23 | 2.23 |
| As at March 31, 2022 | 31.69 | 31.69 |
| Accumulated depreciation | | |
| As at April 01, 2020 | 0.40 | 0.40 |
| Depreciation charge for the year | 0.41 | 0.41 |
| Disposals | - | - |
| As at March 31, 2021 | 0.81 | 0.81 |
| Depreciation charge for the year | 0.39 | 0.39 |
| Disposals | 0.07 | 0.07 |
| As at March 31, 2022 | 1.13 | 1.13 |
| Carrying value | | |
| As at March 31, 2022 | 30.56 | 30.56 |
| As at March 31, 2021 | 30.65 | 30.65 |

Leases:

The Company has entered into arrangements for lease of land, office and guest house premises and certain facilities. Refer Note 2.2(h) for the accounting policies. Lease hold land are subject to a first charge to secure all the Company's borrowings as given in Note-18.

Amount recognised in statement of profit and loss

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Depreciation on right-of-use assets | 0.39 | 0.39 |
| Short term lease payments (Refer notes below) | 0.46 | 3.00 |



Brahmani River Pellets Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in ₹ Crore, unless otherwise stated)
Note 5 - Other intangible assets

| Particulars | Software's | Total |
|---------------------------------|------------|-------|
| Gross carrying amount | | |
| As at April 01, 2020 | 0.59 | 0.59 |
| Additions | 0.09 | 0.09 |
| Disposals | - | - |
| As at March 31, 2021 | 0.68 | 0.68 |
| Additions | - | - |
| Disposals | - | - |
| As at March 31, 2022 | 0.68 | 0.68 |
| Accumulated amortization | | |
| As at April 01, 2020 | 0.35 | 0.35 |
| Charge for the year | 0.08 | 0.08 |
| Disposals | - | - |
| As at March 31, 2021 | 0.43 | 0.43 |
| Charge for the year | 0.06 | 0.06 |
| Disposals | - | - |
| As at March 31, 2022 | 0.49 | 0.49 |
| Net Book Value | | |
| As at March 31, 2022 | 0.19 | 0.19 |
| As at March 31, 2021 | 0.25 | 0.25 |

Note 5 - Other financial assets - non current

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| (Amortised cost) | | |
| Unsecured, considered good | | |
| Security deposits | 20.05 | 20.04 |
| Bank deposits with more than 12 months original maturity* | 10.13 | 1.10 |
| Interest accrued on deposits | 0.26 | 0.21 |
| Total other financial assets - non current | 30.44 | 21.35 |

* Pledged with banks towards margin money ₹ 8.7 crores (31 March, 2021 ₹ 1.05 crores)



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 7 - Deferred tax liabilities (net)

The major components of income tax expense for the years ended March 31, 2022 and March 31, 2021 are:

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Current tax: | | |
| Current tax | 16.53 | 9.34 |
| Adjustment of tax relating to earlier years | (1.21) | (2.78) |
| Deferred tax: | | |
| Arising from origin and reversal of temporary differences | 13.70 | 13.32 |
| Income tax expense reported in the statement of profit or loss | 29.03 | 19.87 |
| OCI section - Deferred tax related to items recognised in OCI during the year | | |
| Particulars | As at | As at |
| | March 31, 2022 | March 31, 2021 |
| Net gain - 6A immovable property of defined benefit plan | (0.18) | (0.02) |
| Income tax expense charged to OCI | (0.18) | (0.02) |

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2022 and 31st March, 2021

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Profit before tax | 106.23 | 81.95 |
| Applicable tax rate | 25.17% | 25.17% |
| Computed current tax expense | 26.74 | 20.90 |
| Tax effect of: | | |
| Permanent disallowances - (Corporate social responsibility expenses and others) | 2.39 | 1.08 |
| Opening differences in which down value as per income tax and books | - | (0.66) |
| Adjustment of tax relating to earlier years | (0.77) | (2.78) |
| Others | 0.10 | 0.03 |
| Total tax provision | 29.03 | 19.87 |

Deferred tax:

Deferred tax relates to the following:

| Particulars | Balance Sheet | | Statement of profit and loss | | Other comprehensive income (OCI) | |
|---|----------------|----------------|------------------------------|----------------------|----------------------------------|----------------------|
| | As at | As at | For the year | For the year | For the year | For the year |
| | March 31, 2022 | March 31, 2021 | ended March 31, 2022 | ended March 31, 2021 | ended March 31, 2022 | ended March 31, 2021 |
| Deferred tax assets | | | | | | |
| Temporary difference of employees benefits (Gratuity) | 11.32 | 11.09 | 10.21 | (1.14) | 0.15 | 0.02 |
| Temporary difference of employees benefits (Leave encashment) | 10.57 | 10.77 | 0.10 | (3.18) | - | - |
| Temporary difference of provisions (Water conservation) | - | (2.96) | 2.96 | (2.96) | - | - |
| Deferred tax liabilities | | | | | | |
| Temporary difference of provisions (Deferred tax payments) | 0.16 | 0.61 | (10.37) | 0.43 | - | - |
| Temporary difference of property, plant and equipment | 73.28 | 59.25 | 10.02 | 15.58 | - | - |
| Deferred tax expense | 73.75 | 60.87 | 12.70 | 13.01 | 0.18 | 0.02 |
| Net deferred tax (assets)/ liabilities | 73.75 | 60.87 | 12.70 | 13.01 | 0.18 | 0.02 |

Reconciliation of deferred tax (assets) / liabilities (net):

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Opening balance | 60.87 | 47.84 |
| Tax income/(expense) during the period through their profit or loss | 12.70 | 13.01 |
| Tax income/(expense) during the period recognised in OCI | 0.18 | 0.02 |
| Closing balance | 73.75 | 60.87 |

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



Brahman River Pellets Limited
Notes to their financial statements for the year ended March 31, 2022
All amounts in ₹ Crores unless otherwise stated.

Note 8 - Other non-current assets

| | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------------------|----------------------|----------------------|
| Unsecured considered good | | |
| Advances to contractors | 11.69 | 15.54 |
| Prepayments | 1.16 | 1.24 |
| Capital advances | 0.47 | 1.11 |
| Total other non-current assets | 13.32 | 17.89 |

Note 9 - Inventories

| | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| At lower of cost and net realizable value | | |
| Raw material | 215.17 | 165.16 |
| In the process of receipt (L1 & Cross) (As at March 31, 2021 Nil) | | |
| Work in progress | 21.42 | 11.98 |
| Finished goods | 51.44 | 53.89 |
| Production consumables (fuel, stores and spares) | 34.83 | 66.20 |
| Total inventories | 322.86 | 297.23 |

Inventories of the Company have been physically verified as at the year end by independent auditors from State Bank of India. Details relating to borrowings have been given in Note 10.

Note 10 - Trade receivables

| | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Trade receivables considered good - finished | - | 2.33 |
| Trade receivables considered good - under process | 315.34 | 146.82 |
| Trade receivables - Credit Impaired | 2.81 | 1.81 |
| Total trade receivables | 318.15 | 150.96 |
| Less: Allowance for doubtful trade receivables | 1.81 | 1.81 |
| Total trade receivables | 316.34 | 149.15 |

Including receivable from related parties (Refer note 36)

Ageing for trade receivables - current outstanding as at March 31, 2022 is as follows:

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|---------------|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Unsecured trade receivables - considered good | 215.17 | 22.07 | - | - | - | - | 237.24 |
| (ii) Unsecured trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Unsecured trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed trade receivables - credit impaired | - | - | - | - | - | 2.81 | 2.81 |
| Total | 215.17 | 22.07 | - | - | - | 2.81 | 240.05 |
| Less: Allowance for doubtfuls | - | - | - | - | - | (2.81) | (2.81) |
| Total trade receivables | | | | | | | 237.24 |

Ageing for trade receivables - current outstanding as at March 31, 2021 is as follows:

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|--------------------|-------------------|-----------|-----------|-------------------|---------------|
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Unsecured trade receivables - considered good | 213.81 | 27.36 | 0.25 | - | - | 2.75 | 244.17 |
| (ii) Unsecured trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Unsecured trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables - Considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed trade receivables - credit impaired | - | - | - | - | - | 2.80 | 2.80 |
| Total | 213.81 | 27.36 | 0.25 | - | - | 2.80 | 244.22 |
| Less: Allowance for trade loss | - | - | - | - | - | (2.80) | (2.80) |
| Total trade receivables | | | | | | | 241.42 |

(i) Trade receivables outstanding as at March 31, 2022 are classified into reference to credit risk (CR) of customer, which is also the value of trade (TVM) as their obligation to perform and transfer an Expected Credit Loss allowance. Average collection period of the entity is 22 working days which does not pose any material due on account of TVM.

(ii) Trade receivables of the Company have been given by 21 major and customer services. They are secured through State Bank of India and LIC Bank of India respectively.

Note 11 - Cash and cash equivalents

| | As at March 31, 2022 | As at March 31, 2021 |
|---|----------------------|----------------------|
| Cash and Cash Equivalent | | |
| Balance with banks | | |
| In current deposits | 0.71 | 0.71 |
| In deposit accounts (less than 1 year maturity) | 45.81 | 57.54 |
| Cash on hand | 2.75 | 2.75 |
| Total cash and cash equivalents as per Cash Flow Statement | 49.27 | 61.00 |

Deposit accounts earn interest ranging 2.50% to 3.25% with bank. Short-term deposits are made for varying periods of between 7 days to 91 days depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

Note 12 - Bank balances other than cash and cash equivalents

| | <u>As at March 31, 2022</u> | <u>As at March 31, 2021</u> |
|---|-----------------------------|-----------------------------|
| Earmarked balances with banks | 1.49 | - |
| Fixed deposits* | 26.43 | 10.43 |
| Total bank balances other than cash and cash equivalents | 27.92 | 10.43 |

* Pledged with banks/others towards margin money ₹ 2.55 crores (31 March, 2021 ₹ 10.43 crores)

Note 13 - Other current financial assets

| | <u>As at March 31, 2022</u> | <u>As at March 31, 2021</u> |
|---|-----------------------------|-----------------------------|
| Unsecured, considered good | | |
| Interest accrued on deposits | 1.66 | 1.14 |
| Security deposits | 0.17 | 0.57 |
| Total other current financial assets | 1.83 | 1.71 |

Note 14 - Current tax assets (net)

| | <u>As at March 31, 2022</u> | <u>As at March 31, 2021</u> |
|---------------------------------------|-----------------------------|-----------------------------|
| Advance income tax | 17.79 | 9.66 |
| Less: Provision for income tax | (16.53) | (9.14) |
| Total current tax assets (net) | 1.26 | 0.52 |

Note 15 - Other current assets

| | <u>As at March 31, 2022</u> | <u>As at March 31, 2021</u> |
|--|-----------------------------|-----------------------------|
| a. Balances with government authorities | | |
| Considered good - Unsecured | | |
| Indirect tax balances/recoverable/credits | 16.96 | 45.68 |
| b. Others | | |
| Considered good - Unsecured | | |
| Advance to suppliers | 47.94 | 41.67 |
| Security deposits | 5.61 | 2.46 |
| Prepayments | 0.97 | 1.03 |
| Total other current assets | 71.48 | 90.84 |



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022
 All amounts in ₹ Crore unless otherwise stated.

Note 16 - Share Capital

| | As at March 31, 2022 | | As at March 31, 2021 | |
|-----------------------------------|----------------------|---------------------|----------------------|---------------------|
| | Number of shares | Amount (₹ in Crore) | Number of shares | Amount (₹ in Crore) |
| Authorized Share Capital | | | | |
| Equity shares of ₹ 10/- par value | 1,00,00,00,000 | 1,000 | 1,00,00,00,000 | 1,000 |

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company is controlled by Board of Directors and the shareholders, past and present.

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.

Issued, subscribed and fully paid up equity share capital

| | Number of shares | Amount (₹ in Crore) |
|--|------------------|---------------------|
| Equity shares of ₹ 10/- each issued, subscribed and fully paid | | |
| As at March 31, 2020 | 91,14,19,634 | 911.41 |
| Changes during the year | - | - |
| As at March 31, 2021 | 91,14,19,634 | 911.41 |
| Changes during the year | - | - |
| As at March 31, 2022 | 91,14,19,634 | 911.41 |

The shareholding of the Company as on March 31, 2022 is as under:

Thriver Pellets Private Limited (TPPL) - 49%
 ISW Techno Projects Management Limited (ITPML) - 49%
 Mithun Steel Private Limited (MSP) - 2%

Through contractual arrangement between the shareholders, TPPL will be in day to day management and control of the Company, will have a nominee as the company's Managing Director and will have majority on the Board of Directors and committees to the Board of Directors of the company (excluding the Independent Director) being the holding Company through exercise of significant influence.

Shares held by holding company

Amount (₹ in Crore)

Out of equity shares issued by the Company, shares held by its holding company are as below:

| | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Thriver Pellets Private Limited (holding company) | | |
| 44,65,95,619 equity shares of ₹ 10/- each (March 31, 2021: 44,65,95,619) | 446.50 | 446.50 |

Details of shareholders holding more than 5% shares in the Company

| Name of the shareholder | As at March 31, 2022 | | As at March 31, 2021 | |
|---|----------------------|------------------------|----------------------|------------------------|
| | Number of shares | % holding in the class | Number of shares | % holding in the class |
| Equity shares of ₹ 10/- each fully paid | | | | |
| Thriver Pellets Private Limited | 44,65,95,619 | 49% | 44,65,95,619 | 49% |
| ISW Techno Projects Management Limited | 44,65,95,619 | 49% | 44,65,95,619 | 49% |

Details of shareholding of Promoters

| Sl | Promoter Name | Shares held by promoters at the end of the year March 31, 2022 | | % of total shares | % change during the year |
|----|--|--|-------------------|-------------------|--------------------------|
| | | No. of Shares | % of total shares | | |
| 1 | Thriver Pellets Private Limited | 44,65,95,619 | 49% | 49% | No change |
| 2 | ISW Techno Projects Management Limited | 44,65,95,619 | 49% | 49% | No change |
| 3 | Mithun Steel Private Limited | 1,82,28,392 | 2% | 2% | No change |
| 4 | Mr. Ashwin Vaidya | 1 | 0% | 0% | No change |
| 5 | Mr. Sanjeev Desai | 1 | 0% | 0% | No change |
| 6 | Mr. R. Rajshakaran | 1 | 0% | 0% | No change |
| 7 | Mr. S.S.N. Siva | 1 | 0% | 0% | No change |

Note 17 - Other equity

| | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| General reserve (Refer 17 a) (This represents appropriation of profit by the Company) | 20.48 | 20.48 |
| Securities premium account (Refer 17 b) (Amounts received on issue of shares in excess of the par value has been classified as securities premium) | 30.25 | 30.25 |
| Retained earnings (Refer 17 c) | 500.11 | 113.67 |



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

Retained earnings comprise of the Company's undistributed earnings after tax and

| | 2021 | 2020 |
|---|----------------|----------------|
| Other comprehensive income (Refer 17.4) | 11.721 | (1.202) |
| Items of other comprehensive income consist of re-measurement of defined benefit plans: | | |
| Total other equity | <u>778.48</u> | <u>356.44</u> |
| 17.4) General reserve | | |
| | As at | As at |
| | March 31, 2022 | March 31, 2021 |
| Balance at beginning of the year | 26.48 | 26.48 |
| Balance at end of the year | <u>26.48</u> | <u>26.48</u> |
| 17.5) Securities premium account | | |
| | As at | As at |
| | March 31, 2022 | March 31, 2021 |
| Balance at beginning of the year | 30.25 | 30.25 |
| Balance at end of the year | <u>30.25</u> | <u>30.25</u> |
| 17.6) Retained earnings | | |
| | As at | As at |
| | March 31, 2022 | March 31, 2021 |
| Balance at beginning of the year | 223.67 | 159.95 |
| Add: Profit for the year | 77.24 | 63.68 |
| Balance at end of the year | <u>300.91</u> | <u>223.67</u> |
| 17.7) Other comprehensive income | | |
| | As at | As at |
| | March 31, 2022 | March 31, 2021 |
| Balance at beginning of the year | (1.721) | (1.78) |
| Re-measurement of defined benefit plans (net of tax) | 0.52 | 0.06 |
| Balance at end of the year | <u>(1.202)</u> | <u>(1.72)</u> |



Statement of Profit & Loss (continued)

Notes to the financial statements for the year ended March 31, 2022

(A) Company's figures are in Lakhs unless otherwise stated.

Note 18 - Non-current borrowings

| Interest expense rate (%) | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|-------------------------|-------------------------|
|------------------------------|-------------------------|-------------------------|

Note 18(a) - Secured and unsecured

Term loans from banks

4.25%

45.96

71.02

Total non-current borrowings

45.96

71.02

The Company has availed term loan facility from 02 banks which is secured by first charge over all movable and immovable properties (plant and equipment's 70% prior to and future) and second charge over 30% of the net worth of the Company. The repayment is as detailed under financial statements which commences from March 2022. The next statement date is June 2022.

Note 18 (b) - Current borrowings (Secured)

| As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|-------------------------|
|-------------------------|-------------------------|

From banks

Working capital and demand loans

15.28

5.07

Current financial assets of non-current borrowings

22.11

22.75

Total current borrowings

37.39

27.82

(i) The working capital facility of ₹ 2500 crore, March 31, 2022 ₹ 1000 crore is secured by first charge over the entire stock of raw materials, semi finished and finished goods, plants, machinery and spares and work-in-progress (including loose debris, bills, whether documented or plant, outstanding invoices, receivables, bank balances and financial assets) of the Company. The average rate of interest for such working capital facility is 4.25% to 6% to the Company.

(ii) Current liability of non-current borrowings includes loan from 02 banks secured by first charge over all movable and immovable assets, fixed plant and equipment and future of the Company.

(iii) The Company has not defaulted in the repayment of loans to banks and has not been declared as a non-performer by any bank at the date of reporting of these financial statements.

(iv) This company has availed the borrowing from banks for the specific purpose for which it was taken.

(v) Reference to statements of financial position filed by the company with banks, as required, are in agreement with terms of the covenants.

Note 19 - Non-current provisions

| As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|-------------------------|
|-------------------------|-------------------------|

Provision for gratuity (Refer note 18)

4.14

4.11

Provision for foreign related liabilities

2.17

2.54

Total non-current provisions

6.31

6.65

Note 20 - Trade payables

| As at March 31, 2022 | As at March 31, 2021 |
|-------------------------|-------------------------|
|-------------------------|-------------------------|

Trade payables

7.61

2.17

Less: outstanding dues of non-current and long-term payables

37.31

37.73

Total trade payables

100.32

44.96

Notes

(i) The average lease premium percentage of raw material and consumables is 30 days. No interest is charged on the trade payables. The Company has taken a risk management policy in place to ensure that all payables are paid within the agreed credit terms.

(ii) As per the Master Settlement Agreement (Mesa Development Ltd., 2020), the interest relating to amount deposited at the year end payable to Mesa Development Ltd. shall be paid. As have been given.

Disclosures under the Ind AS 39 are required if applicable development Ltd., 2020 (refer to note 20(a) as at March 31, 2022 and March 31, 2021).



| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| i) The principal amount and the interest due (net of remaining value of any coupon) at the end of each accounting year | 2.81 | 1.27 |
| ii) The amount of interest paid on the coupon in terms of section 16 along with the amount of the payment made to the issuer beyond the specified day during each accounting year | 0.08 | - |
| iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the specified day during the year) but without adding the rate and applicable after the due | - | - |
| iv) The amount of interest, principal and remaining unpaid at the end of each accounting year, and | - | 1.27 |
| v) The amount of further interest (including due and payable even in the locked-in period) which shall accrue when the interest due is above and actually paid to the issuer in respect of the purchase of infrastructure in a public-private partnership under section 7A. | - | - |

The above information regarding Micro, Small and Medium Enterprises (MSME) has been determined to the extent the details have been identified on the basis of information available with the Company.

Trade payables ageing schedule for the years ended as on March 31, 2022 is as follows:

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|----------------------------|--|-------------------|-----------|-----------|-------------------|--------|
| | Not Due | Less than 3 years | 3-5 years | 5-7 years | More than 5 years | |
| i) MSME | 2.81 | - | - | - | - | 2.81 |
| ii) Others | 42.95 | 25.80 | 2.43 | - | 2.05 | 73.23 |
| iii) Disputed dues - MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 29.80 | 25.80 | 2.43 | - | 2.05 | 100.08 |

Trade payables ageing schedule for the years ended as on March 31, 2021 is as follows:

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|----------------------------|--|-------------------|-----------|-----------|-------------------|-------|
| | Not Due | Less than 3 years | 3-5 years | 5-7 years | More than 5 years | |
| i) MSME | 2.17 | - | - | - | - | 2.17 |
| ii) Others | 41.56 | 40.00 | 1.25 | 1.08 | - | 83.89 |
| iii) Disputed dues - MSME | - | - | - | - | - | - |
| iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 43.73 | 40.00 | 1.25 | 1.08 | - | 86.06 |



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

Note 21 - Other current financial liabilities

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Payable on purchase of property, plant and equipment | 25.08 | 22.26 |
| Total other current financial liabilities | 25.08 | 22.26 |

Payable on purchase of property, plant and equipment includes amount payable to erstwhile related party (up to February 23, 2018) Moorgate industries limited / Stemcore SEA PTE Ltd.

Note 22 - Current provisions

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Provision for gratuity (Refer note 34) | 0.31 | 0.07 |
| Provision for compensated absences | 0.30 | 0.15 |
| Total current term provisions | 0.61 | 0.22 |

Note 23 - Other current liabilities

| | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------|-------------------------|
| Other current liabilities | 342.93 | 331.22 |
| Statutory remittances | 1.81 | 0.78 |
| Total other current liabilities | 344.74 | 332.00 |

Other current liabilities includes amount received from erstwhile related party (up to February 23, 2018) Moorgate industries limited / Stemcore SEA PTE Ltd.

Pursuant to assignment agreement dated December 15, 2017, other current liabilities is assigned to Shareholders namely JSW Techno Projects Management Limited, Thriveni Pellets Private Limited and Mitsun Steels Private Limited in their respective shareholding ratio. As per assignment agreement, assignment will be effective from the date of RBI approval. Shareholders have entered into Shareholders Debt agreement dated December 15, 2017, which provides for conversion of this Offshore debt to equity on RBI approval. Since the RBI approval is in process, the liability has not been assigned to respective shareholders as on date.



Brahmani River Pellets Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in ₹ Crore, unless otherwise stated)
Note 24 - Revenue from operations

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| From contract with customers for goods | | |
| (i) Sale of products | 3,027.78 | 2,282.44 |
| (ii) Other operating revenue: | | |
| Scrap sales | 2.21 | 0.34 |
| Total revenue from operations | 3,029.99 | 2,282.78 |

The Company believes that the above is at the disaggregation that depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected. Revenue disaggregation as per geography has been included in segment information (Refer note 37).

Note 25 - Other Income

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Interest income from financial assets measured at amortised cost | | |
| Bank deposits | 3.80 | 4.16 |
| Other interest income | 2.33 | 2.48 |
| Gain on foreign exchange fluctuation (net) | - | 7.25 |
| Provisions / liabilities no longer required written back | 13.26 | 0.02 |
| Total other income | 19.39 | 13.91 |

Note 26 - Cost of materials consumed

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year | 165.16 | 223.12 |
| Add: Purchases | 2,214.91 | 1,431.71 |
| | 2,380.07 | 1,654.83 |
| Less: Inventory at the end of the year | 205.52 | 165.16 |
| Total cost of materials consumed | 2,174.55 | 1,489.67 |

Note 27 - Changes in inventories of finished goods and work-in-progress

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Inventories at the end of the year | | |
| Finished goods | 51.44 | 33.20 |
| Work-in-progress | 21.42 | 11.98 |
| Inventories at the beginning of the year | | |
| Finished goods | 33.20 | 45.64 |
| Work-in-progress | 11.98 | 7.79 |
| Net change in inventories of finished goods and work-in-progress | (27.68) | 8.25 |



Brahmani River Pellets Limited
Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

Note 28 - Employee benefits expense

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus | 29.73 | 25.47 |
| Contribution to provident and other funds | 1.27 | 1.21 |
| Gratuity expense | 0.81 | 0.74 |
| Staff welfare expenses | 4.77 | 4.18 |
| Total employee benefits expense | 36.58 | 31.60 |

Note 29 - Finance costs

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|----------------------------|--------------------------------------|--------------------------------------|
| Interest on borrowings | 9.10 | 11.88 |
| Other borrowing costs | 1.10 | 0.28 |
| Total finance costs | 10.20 | 12.16 |

Note 30 - Depreciation and amortization expense

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment (Refer Note 3) | 71.54 | 67.60 |
| Depreciation of right-of-use assets (Refer Note 4) | 0.30 | 0.43 |
| Amortization of intangible assets (Refer Note 5) | 0.06 | 0.08 |
| Total depreciation and amortization expense | 71.90 | 68.11 |

Note 31 - Other expenses

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Power and fuel | 491.54 | 443.62 |
| Freight and forwarding | 133.99 | 186.46 |
| Consumption of spares and spare parts | 50.54 | 45.21 |
| Operation and maintenance expenses | 25.95 | 21.82 |
| Repairs and maintenance | 16.63 | 12.25 |
| Material handling expenses | 16.46 | 12.55 |
| Insurance | 5.13 | 5.29 |
| Hire charges | 4.26 | 2.85 |
| Traveling and conveyance | 2.33 | 2.12 |
| Rent | 0.45 | 3.00 |
| Water | 2.19 | 2.04 |
| Rates and taxes | 1.46 | 1.07 |
| Communication expenses | 0.24 | 0.15 |
| Printing and stationery | 3.06 | 0.50 |
| Security service charges | 3.46 | 3.36 |
| Business promotion expenses | 0.32 | 0.22 |
| Donations and contributions | 0.15 | 0.12 |
| Amount written-off from other current assets | 0.26 | - |
| Provision for doubtful trade receivables | 0.03 | - |
| Expenditure on Corporate Social Responsibility (Refer Note 6) below | 7.32 | 7.59 |
| Legal and professional charges | 1.34 | 1.91 |
| Directors remuneration (Refer Note 7) below | 0.22 | 0.27 |
| Loss on foreign exchange fluctuation (net) | 9.66 | - |
| Loss on sale/write-off of property, plant and equipment | 2.07 | - |
| Miscellaneous expenses | 5.89 | 4.67 |
| Total other expenses | 682.52 | 603.93 |



Brahmani River Pellets Limited
Notes to the financial statements for the year ended March 31, 2022
 (All amounts in ₹ Crores, unless otherwise stated)

Notes:

(i) CSR disclosure:

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--|--------------------------------------|
| Gross amount required to be spent by the company during the year | 7.10 | 7.69 |
| Amount spent during the year | 2.30 | 2.32 |
| Shortfall at the end of the year | 5.10 | 5.37 |
| Total of previous years shortfall | 0.68 | 5.37 |
| Reason for shortfall | Pertaining to ongoing projects | |
| Nature of CSR activities | Frugal use of energy and infrastructure, promoting education, healthcare, environment sustainability, COVID-19 relief and rural development projects | |

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Amount spent during the year | | |
| (i) Construction/acquisition of assets | 0.96 | - |
| (ii) On purpose other than (i) above | 1.34 | 5.37 |
| Total | 2.30 | 5.37 |

(ii) Payments to auditors comprises: (net of taxes)

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|-------------------------------|--------------------------------------|--------------------------------------|
| For statutory audit | 0.18 | 0.18 |
| For Tax audit | 0.02 | 0.02 |
| For reimbursement of expenses | 0.02 | 0.02 |
| | 0.22 | 0.22 |

Note 32 - Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations.

| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Profit attributable to equity holders of basic earnings | 77.24 | 63.58 |
| Weighted average number of equity shares for basic | 91,14,19,634 | 91,14,19,634 |
| Weighted average number of equity shares for diluted EPS | 91,14,19,634 | 91,14,19,634 |
| Basic earnings per share (Face value of ₹10 per share) | 0.85 | 0.70 |
| Diluted earnings per share (Face value of ₹10 per share) | 0.85 | 0.70 |



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022
 (All amounts in ₹ Crore, unless otherwise stated)

Note 53 - Ratio Analysis

| Particulars | Numerator | Denominator | Actual March 31, 2022 | As at March 31, 2021 | Variance |
|--------------------------------------|--|---|--------------------------|-------------------------|----------|
| (a) Current ratio | Current assets | Current liabilities (excluding shareholder's loans) | 4.95 | 5.54 | 11% |
| (b) Debt-equity ratio | Total debt | Shareholders' equity | 11.08 | 0.08 | 8% |
| (c) Debt service coverage ratio | Net profit after tax + Non cash operating expenses like depreciation & amortisation + interest + Other adjustments (in less on account of profits, dividend requirement) | Debt service | 1.38 | 1.57 | 11% |
| (d) Return on equity ratio (%) | Net profit after tax | Average shareholders' equity | 6.47% | 5.57% | 16% |
| (e) Inventory turnover ratio | Cost of goods sold | Average inventory | 6.72 | 4.84 | 19% |
| (f) Trade receivables turnover ratio | Revenue from operations | Average trade receivables | 10.56 | 10.47 | 41% |
| (g) Trade payables turnover ratio | Purchases | Average trade payables | 21.14 | 15.45 | 43% |
| (h) Net assets turnover ratio | Revenue from operations | Working capital (Current assets less current liabilities) (excluding off-balance sheet) | 4.64 | 4.06 | 14% |
| (i) Net Profit Margin | Net profit after tax | Revenue from operations | 17.51% | 17.79% | 4% |
| (j) Return on capital employed (%) | Earnings before interest and tax | Capital employed (Total assets less current liabilities) (excluding off-balance sheet) | 5.61% | 5.66% | 1.7% |

Explanation for movement in key ratios (exceeding 15%):

- Debt Service Coverage Ratio: Increase in ratio is on account of the repayment of term loans during the year.
- Inventory Turnover Ratio: Increased due to higher stock and increased raw material cost.
- Trade Receivables Turnover Ratio: Decreased due to lower sales, (increase in the year 21).
- Trade Payables Turnover Ratio: Increase in ratio is on due to increase in raw material prices.



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crores, unless otherwise stated)

Note 36 - Gratuity and other post-employment benefit plans

| | As at March 31, 2022 | As at March 31, 2021 |
|-------------------------------------|-------------------------|-------------------------|
| Gratuity - Unfunded | 4.43 | 4.43 |
| Compensated absence plan - Unfunded | 2.67 | 3.09 |
| Total | 7.10 | 7.52 |

The Company has a defined benefit gratuity plan in India (unfunded) and compensated absence plan in India (unfunded).

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this act, employee who has completed five years of service is entitled to receive benefit. The amount of benefit provided depends on the employee's length of service and last drawn salary.

The following table summarizes the components of net benefit expense recognized in the statement of profit or loss, other comprehensive income and amounts recognized in the balance sheet for the gratuity and other employment.

Net benefit expense recognized in profit or loss

| Particulars | Gratuity | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Current service cost | 0.51 | 0.51 |
| Interest cost on benefit obligation | 0.30 | 0.25 |
| Plan amendment - vested interest - Past | - | - |
| Net benefit expense | 0.81 | 0.76 |

Net actuarial (gain)/ loss recognized in Other comprehensive income

| Particulars | Gratuity | |
|---|--------------------------------------|--------------------------------------|
| | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
| Actuarial (gain)/ loss on obligations due to: | | |
| Unrecognized experience | (0.35) | (0.08) |
| Change in financial assumption | (0.10) | (0.31) |
| Change in demographic assumption | (0.22) | - |
| Net actuarial loss | (0.70) | (0.69) |

Change in the present value of the defined benefit obligation see, as follows

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Opening defined benefit obligation | 4.43 | 3.83 |
| Interest cost | 0.30 | 0.26 |
| Current service cost | 0.51 | 0.55 |
| Plan amendment - vested interest - Past period | - | - |
| Benefits paid | (0.04) | (0.01) |
| Actuarial (gain)/ loss on obligations due to: | | |
| Change in demographic assumption | (0.22) | - |
| Unrecognized experience | (0.35) | (0.08) |
| Change in financial assumption | (0.17) | (0.01) |
| Closing defined benefit obligation | 4.45 | 4.60 |
| Non-current provisions | 4.14 | 4.33 |
| Current provisions | 0.31 | 0.27 |



Barahmani River Pellets Limited

Notes to the Financial Statements for the year ended March 31, 2022

All amounts in ₹ Crores, unless otherwise specified

The principal assumptions used in determining gratuity for the Company's plans are shown below:

| Particulars | As at | As at |
|--|--|--|
| | March 31, 2022 | March 31, 2021 |
| | % | % |
| Discount Rate | 7.24% | 6.94% |
| Future Salary Increases | 10.00% | 10.00% |
| Retirement Age | 57.00% | 57.00% |
| Mortality Rate | Indian Annuity Table Mortality (2021) (M) Urban | Indian Annuity Table Mortality (2020) (M) Urban |
| | | Ultimate |
| Particulars | Years | |
| Average expected future service (in years) | 12 | |
| Net interest rate | 02.8.58 | |

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the key financial assumptions is:

| Sensitivity level | Gratuity | | | |
|--|----------------------|-------------|----------------------|-------------|
| | As at March 31, 2022 | | As at March 31, 2021 | |
| | 1% increase | 1% decrease | 1% increase | 1% decrease |
| Changes in assumptions | | | | |
| Discount Rate | 0.41 | 0.44 | (0.36) | 0.38 |
| % Change compared to base due to sensitivity | 1.26% | 1.29% | (1.04%) | 1.18% |
| Salary Growth | 0.30 | 0.30 | 0.30 | 0.31 |
| % Change compared to base due to sensitivity | 0.84% | 0.72% | 0.89% | 0.84% |
| Retirement Age | (0.05) | 0.26 | (0.12) | 0.21 |
| % Change compared to base due to sensitivity | (0.11%) | 1.19% | (0.31%) | 1.61% |

The following payments are expected contributions to the defined benefit plan in future years

| Particulars | Gratuity | |
|--------------------------------|----------------------|----------------------|
| | As at March 31, 2022 | As at March 31, 2021 |
| Within the next 12 months | 0.91 | 0.97 |
| Between 2 and 5 years | 0.92 | 0.48 |
| Between 5 and 10 years | 2.08 | 1.19 |
| Beyond 10 years | 0.97 | 12.12 |
| Total expected payments | 11.28 | 14.86 |

Experience adjustments

| Particulars | Gratuity | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 | As at March 31, 2018 |
| Experience adjustments on plan assets | - | - | - | - | - |
| Experience adjustments on plan liabilities | 3.35 | (3.08) | 2.45 | 2.11 | 2.25 |

The average duration of the defined benefit liability obligation at the end of the reporting period is 12 years (March 31, 2021: 16 years)



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Information in ₹ Crores unless otherwise stated.

Note 35 - Contingent liabilities and contingencies
a. Contingencies

As at March 31, 2022 the Company had capital commitments of ₹ 23 crore (As at March 31, 2021: ₹ 1,49 crore).

b. Contingent liabilities (to the extent not provided for)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|-------------------------|-------------------------|
| Unfulfilled purchase orders and other demands | | |
| (a) Show cause not raised by Commissioner, Central Excise/GST, Bhubaneswar as per Rule 24 of Central Excise Rules for Central Excise levied on steel Cement (project construction term) for the period September 2008 to November 2010. | 4.41 | 4.44 |
| (b) Demand raised by Commissioner, Central Excise/GST, Bhubaneswar per Rule 14 of Central Excise Rules for availing credit of input services used for erection, commissioning and installation of the capital goods in the factory for manufacture of Durable final product, namely iron ore concentrate. The period covered under dispute is December 2012 to June 2020. Out of the total demand of ₹ 3,017 crore, ₹ 2,004 crore has been deposited in the authorities. | 3.07 | 3.07 |
| (c) Demand raised by Commissioner, Central Excise/GST, Bhubaneswar as per Rule 44(1) of Service Tax Rules 1994 for availing input credit services for the period April 2012 to March 2017. Concentrates produced at the Barbil plant are transferred to the pellet unit at Jaipur through pipeline on payment of the excise duty on the basis of the value determined as per CAS 4 in terms of Rule 3 of the Central Excise Determination of Value of Movable Goods Rules, 2006 for the manufacture of the final product Iron Oxide pellets falling under the chapter heading 26 of the C.F.A. Thus of the total ₹ 1,106 crore, an amount of ₹ 4.25 crore has been deposited. | 3.16 | 3.16 |
| Total contingent liabilities | 8.32 | 8.32 |

Refer accounting policy note 12.2 (c) - (a) the Company discloses the orders received from the tax authorities as contingent liability only, if there is a present or a possible obligation. The Management uses in-house professionals to make this informed decision. (b) Show cause notices are assessed for dispute only when converted into demands. The Company is confident of succeeding in its appeal / defence with respect to the above.

Note 36 - Related party disclosures
A. List of related parties and relationship

| Name of party | Relationship |
|---|--|
| Triveni Projects Private Limited | Holding Company |
| Triveni Earthmovers Private Limited | Ultimate Holding Company |
| JSW Teching Projects Management Limited | Associate (Joint Venture) |
| Key management personnel: | |
| Mr. P.K. Murgan | Chairman (up to 30th June 2021) |
| Mr. Nand K Reddy | Chairman (From 1st July 2021) |
| Mr. Anandam R. Sachud | Independent Director |
| Mr. Anuradha Bagga | Independent Director |
| Mr. Nagesh Prasad | Independent Director |
| Mr. Ashwin Vashnaw | Managing Director (up to 06th July 2021) |
| Mr. Ashok Kumar Bai | Managing Director (from 15th August 2021 to 04th March 2022) |
| Mr. Pradyuman Prasad | Managing Director (from 10th March 2022) |
| Mr. Ajay Anandambathan | Director |
| Mr. Nandan Saraf | Director |
| Mr. Sanjosh Sengupta | Director |
| Mr. Nilesh Mahesh Kale | Chief Financial and Commercial Officer (up to 31st March 2022) |
| Mr. Savendra Katar | Company Secretary |

Note: Mr. Chandra Prakash Taped - Chief Financial and Commercial Officer from 01st Apr 2022.



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Notes to the financial statements for the year ended March 31, 2022
(All amounts in ₹ Crores unless otherwise stated)

Note 36 - Related party disclosures (Contd.)

B. Transactions and balances with related parties:

| Particulars | For the year ended / As at | Sales to related parties | Amounts owed by related parties | Service received by related parties | Interest charged to related parties |
|---------------------------------------|----------------------------|--------------------------|---------------------------------|-------------------------------------|-------------------------------------|
| Holding company | | | | | |
| Thyssen Pellets Private Limited | March 31, 2022 | 1,574.37 | 203.83 | - | 1.48 |
| | March 31, 2021 | 1,101.83 | 139.35 | - | 0.07 |
| Other related parties | | | | | |
| ISW Techno Project Management Limited | March 31, 2022 | 1,417.78 | 102.61 | - | 0.06 |
| | March 31, 2021 | 1,143.78 | 107.69 | - | 0.06 |
| Forsem Earthmovers Private Limited | March 31, 2022 | - | - | - | - |
| | March 31, 2021 | - | 0.01 | 0.01 | - |

Movement of borrowings from related parties:

| | For the year ended / As at | Balance as at beginning of the year | Interest paid on borrowings | Balance as at end of the year |
|---------------------------------------|----------------------------|-------------------------------------|-----------------------------|-------------------------------|
| Holding Company | | | | |
| Thyssen Pellets Private Limited | March 31, 2022 | - | - | - |
| | March 31, 2021 | 171.50 | 3.05 | - |
| Other related parties | | | | |
| ISW Techno Project Management Limited | March 31, 2022 | - | - | - |
| | March 31, 2021 | 171.50 | 3.05 | - |

Terms and conditions of transactions with related parties

The sale of pellet to related parties is as per terms pellet off-take agreement between Company and its existing shareholders. The arrangement is approved by the shareholders in the general meeting. Outstanding balances at the year end are unsecured and interest free and settlement is in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not reported any impairment of receivables relating to amounts owed to related parties.

Compensation of key management personnel of the Company

| | As at March 31, 2022 | As at March 31, 2021 |
|--|----------------------|----------------------|
| Remuneration to Key Management Personnel: | | |
| Managing Director | 1.98 | 1.51 |
| Chief Financial cum Commercial Officer | 1.21 | 0.82 |
| Company secretary | 0.12 | 0.11 |
| Director's sitting fee | 0.09 | 0.06 |
| Total compensation paid to Key management personnel | 3.40 | 2.50 |

a) The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to any management personnel.

b) The non-executive directors do not receive gratuity entitlements from the Company.

c) Related party relationships as identified by the Company on the basis of information available with the Company and not reported by the auditors.

d) No amount is/has been written off or written back during the year in respect of debts due from or to related party.

e) The above transactions are compiled from the date these parties became related which are accounted in the nature head of accounts.

f) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs, and the related parties (as defined Companies Act, 2013), either directly or indirectly with any other person.



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

Note 37 - Segment information

Basis for segmentation

The Company's business comprise of sale of one product only i.e., iron ore pellets. As defined in Ind AS 108, the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of Ind AS 108 "Operating Segments"

Geographical Information

The geographical areas comprises domestic sales to customers located in India and the overseas sales to customers located outside India.

| Particulars | For the year ended March 31, 2022 | | | For the year ended March 31, 2021 | | |
|---|-----------------------------------|----------|-----------------|-----------------------------------|----------|-----------------|
| | Domestic | Overseas | Total | Domestic | Overseas | Total |
| Revenue from sale of products | 2,993.87 | 36.12 | 3,029.99 | 2,247.22 | 35.56 | 2,282.78 |
| Non-current segment assets (represents total non-current assets) | 1,107.48 | - | 1,107.48 | 1,120.35 | - | 1,120.35 |

Information about major customer:

Revenue of ₹ 2,991.66 crore is derived from two customers during the year ended March 31, 2022 (March 31, 2021 ₹ 2,245.61 crore). Two customers accounted for more than 10% of the revenue and receivables for the year ended March 31, 2022 and March 31, 2021.



Brahmani River Pellets Limited

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Note 38 - Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium. The primary objective of the Company's capital management is to:

- to ensure the Company's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term borrowings

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances (including non-current earmarked balances)

The table below summarises the capital, net debt and net debt to equity ratio (Gearing ratio) of the Company:

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Net debts (including borrowings, trade payables, net of (cash and cash equivalents, other bank balances and fixed deposits)) | 122.06 | 123.35 |
| Total equity | 1,267.86 | 1,190.10 |
| Net gearing ratio (times) | 0.10 | 0.10 |

Note 39 - Categories of financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2.2.1.

A. Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below.

The management assessed that fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

The following method and assumption were used to estimate the fair values:

Fair values of the Company's interest-bearing borrowings are determined by using EIR method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2022 was assessed to be insignificant



Brahmani River Pellets Limited
Notes to the Financial Statements for the year ended March 31, 2022
 All amounts in ₹ Crores unless otherwise stated.

Note 39 - Categories of financial instruments (Contd.)

The accounting classification of each category of financial instruments, and the carrying amounts, are set out below.

| Particulars | Carrying value | | Fair value | |
|--|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Financial assets | | | | |
| Measured at amortised cost | | | | |
| Other financial assets - non-current | 31.47 | 21.37 | - | - |
| Trade receivables | 303.94 | 247.23 | - | - |
| Cash and bank balances | 74.38 | 66.27 | - | - |
| Other financial assets - current | 0.89 | 1.75 | - | - |
| Total financial assets measured at amortised cost | 410.68 | 336.62 | - | - |
| Financial liabilities | | | | |
| Measured at amortised cost | | | | |
| Accruals | 104.74 | 92.76 | - | - |
| Trade payables | 104.33 | 94.96 | - | - |
| Other financial liabilities - current | 73.07 | 22.25 | - | - |
| Total | 282.14 | 210.97 | - | - |

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
 Level 2 - Inputs other than quoted prices (or used with Level 1 that are observable for the asset or liability (either directly, or as derived) or indirectly (i.e., derived from prices)).
 Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
 The fair value measurement hierarchies of financial assets and liabilities measured at fair value on recurring basis at Level 1, Level 2 and Level 3 is set out at March 31, 2022 and March 31, 2021.

Note 40 - Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that arise directly from its operations.

The Company's overall management's focus is to reduce the unpredictability and minimize potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are as follows:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk, namely, interest rate risk, currency risk and price risk. Financial instrument is affected by market risk include loans and borrowings and receivables.

i. Interest rate risk:

Term loan from SBI bank which is the only borrowing of the company is at the fixed rate of interest of 8.05% per annum and does not pose any risk of fluctuation in interest. The Company's financial assets are carried at a amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest Rate sensitivity:

If interest rates had been 2% higher and all other variables were held constant, the Company's profit for the year ended would have impacted in the following manner:

| Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|---|--|--|
| Increase / (decrease) in the profit for the year: | 1.26 | 0.93 |

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Foreign exchange exposures outstanding at the year end:

| | As at March 31, 2022 | | As at March 31, 2021 | |
|-----------------------------|----------------------|------|----------------------|------|
| | USD | EUR | USD | EUR |
| Total financial assets | - | - | 0.01 | - |
| Total financial liabilities | 4.52 | 0.25 | 4.52 | 0.25 |
| | 4.52 | 0.25 | 4.52 | 0.25 |

2% appreciation / depreciation of the selective foreign currencies with respect to functional currency of the Company would result in decrease/increase in the Company's profit before tax by approximately ₹ 26 crore for the year ended March 31, 2022 (March 31, 2021: ₹ 2.05 crore).



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

Note 40 - Financial risk management objectives and policies (Contd.)

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is mainly exposed to credit risk from its operating activities (primarily trade receivables).

i. Trade receivables

Credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors. However during the year major receivables are covered by letter of credit (LC).

Ageing of trade receivables:

| | 0-180 days | 180-365 days | Above 365 days | Provision | Net |
|----------------------|------------|--------------|----------------|-----------|--------|
| As at March 31, 2022 | 305.94 | - | 2.83 | (2.83) | 305.94 |
| As at March 31, 2021 | 247.21 | - | 2.80 | (2.80) | 247.21 |

Liquidity risk

The Company's principle sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding.

The working capital position of the Company is given below:

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Cash and cash equivalents (excluding other bank balances) | 46.26 | 57.84 |



Brahmani River Pellets Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts in ₹ Crore, unless otherwise stated)

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022 and March 31, 2021

| Particulars | Less than 1 year | 1 - 2 years | > 2 years | Total |
|------------------------------------|------------------|-------------|-----------|--------|
| Borrowings | | | | |
| - March 31, 2022 | 57.32 | 22.22 | 26.72 | 106.26 |
| - March 31, 2021 | 22.26 | 22.22 | 48.28 | 92.76 |
| Trade payables | | | | |
| - March 31, 2022 | 100.12 | - | - | 100.12 |
| - March 31, 2021 | 99.96 | - | - | 99.96 |
| Other financial liabilities | | | | |
| March 31, 2022 | 25.08 | - | - | 25.08 |
| - March 31, 2021 | 22.26 | - | - | 22.26 |

Note 41 - Code on Social Security, 2020

The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

Note 42 - Change in liabilities arising from financing activities

| Particulars | March 31, 2021 | Proceeds | Repayment | Fair Value changes | March 31, 2022 |
|---|----------------|----------|-----------|--------------------|----------------|
| Borrowings from banks (non-current and current) | 92.76 | 35.05 | (21.56) | - | 106.25 |

| Particulars | March 31, 2020 | Proceeds | Repayment | Fair Value changes | March 31, 2021 |
|---|----------------|----------|-----------|--------------------|----------------|
| Borrowings from banks (non-current and current) | 350.00 | 100.02 | (357.26) | - | 92.76 |

Note 43 - Additional regulatory information not disclosed elsewhere in the financial statements

(i) As per Management's analysis, the Company does not have any transactions / balances with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(iii) There are no charges or satisfaction yet to be registered with the ROC beyond the statutory period.

(iv) No schemes of arrangements have been applied or approved by the Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

(v) The Company does not have any subsidiaries and hence it is in compliance with the number of layers prescribed under clause (B7) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.



Brahmani River Pellets Limited

Notes to the financial statements for the year ended March 31, 2022

(All amounts in ₹ Crore, unless otherwise stated)

(vi) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

(viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).

(ix) The title deeds of all immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company); disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.

Note 44 - Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

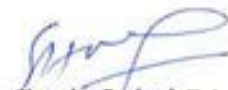
For and on behalf of the Board of Directors



Priya Ranjan Prasad
Managing Director
DIN: 07623862



Nagarajan J
Director
DIN: 08066275



Chandra Prakash Tated
Chief Financial cum
Commercial officer



Suwendu Kar
Company Secretary

Place: Bhubaneswar
Date: May 13, 2022