



**27<sup>th</sup>**  
**Annual Report**  
**2020-21**

**RADIX INDUSTRIES (INDIA) LIMITED**

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## CORPORATE INFORMATION

**BOARD OF DIRECTORS**

- Sri. G. Raghu Rama Raju : Managing Director
- Smt. G. Parvathi : Director
- Sri. G. Ganapathi Rama Prabhakara Raju : Director & CFO
- Sri. S. Siva Rama Prasad : Independent Director
- Sri. Kathari Siddhardha : Independent Director
- Sri. M. Kiran Phani Varma : Independent Director

**COMPANY SECRETARY & COMPLIANCE OFFICER** : Sri. P. Lenin Babu

**STATUTORY AUDITORS** : M/s. K S Rao & Co.  
Chartered Accountants, Vijayawada

**INTERNAL AUDITORS** : Sri Papolu Anjaneyulu,  
Chartered Accountants  
D No13-84, Kambalavari  
Street, Penugonda- 534320

**CIN** : L37200AP1993PLC016785

**REGISTERED OFFICE** : Door No. 4-243  
Chivatam, Near NH-5 Road  
Tanuku - 534211, West Godavari Dist,  
Andhra Pradesh, India

**BANKERS** : State Bank of India, Tanuku  
Axis Bank, Tanuku

**LISTED AT** : The BSE Limited, Mumbai

**REGISTRARS & SHARE TRANSFER AGENTS** : M/s. Bigshare Services Private Limited  
Local office at 306, Right Wing, Amrutha  
Ville, Opp. Yashoda Hospital, Somajiguda,  
Rajbhavan Road, Hyderabad - 500 082

**SECRETARIAL AUDITORS** : M/s. P. S. Rao & Associates  
Company Secretaries  
Flat No.10, 4th Floor, D. No.6-3-347/22/2  
Ishwarya Nilayam, Opp. Sai Baba Temple,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad - 500 082,  
Telangana, India.

**NOTICE**

Notice is hereby given that the **Twenty Seventh Annual General Meeting** of Radix Industries (India) Limited will be held on Thursday 16<sup>th</sup> day of September 2021 at 11:00 AM through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2021 and the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date along with the Report of the Board of Directors and the Auditors thereon
2. To declare dividend of Rs.0.50/- per Equity Share of Rs.10/- each to the shareholders for the financial year 2020-21.
3. To appoint a Director in the place of Smt. Parvathi Gokaraju (DIN:00453965) who retires by rotation and being eligible offers herself for re-appointment.

**BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited**

**Sd/-  
G. Raghu Rama Raju  
Managing Director  
(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs has permitted the holding of the Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM), without the physical presence of the Members at a common venue, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars dated 08<sup>th</sup> April, 2020, Circular No.17/2020 dated 13<sup>th</sup> April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 and Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and all other relevant circulars issued from time to time
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. **Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.** However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting
3. Additional information with respect to Item No. 3 is also annexed hereto.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mohitkamdar@yahoo.co.in or radixindustries@gmail.com.
5. The Register of Members and Transfer Books of the Company will be closed from Thursday 9<sup>th</sup> day of September 2021, to Thursday 16<sup>th</sup> day of September, 2021 (both days inclusive).
6. The dividend, if declared at the Annual General Meeting, would be paid after 16<sup>th</sup> September 2021 to those persons or their mandates:
  - (a) whose names appear as Beneficial Owners as at the end of the business hours on 8<sup>th</sup> September, 2021 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
  - (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Transfer Agents on or before 8<sup>th</sup> September, 2021.
  - (c) Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further pursuant to the provisions of Section 124 of the Companies Act, 2013 read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

Members who have not yet encashed the dividend warrants onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents without any further delay. It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic

Clearing Service, so that dividends paid by the Company are credited to the Members' account on time

It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. The details of the unclaimed dividends are available on the Company's website at [www.radixindustries.com](http://www.radixindustries.com) and on the website of Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in). Members are requested to contact the Company's Registrar and Share Transfer Agent or the Company to claim the unclaimed/unpaid dividends.

7. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
8. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to RTA/ Company to update their Bank Account details. Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant.
9. SEBI has decided that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
10. As per the MCA Circulars, owing to the difficulties involved in dispatching of physical copies of the Annual Report 2020-21 including financial statements (along with Board's report, Auditor's report or other documents required to be attached therewith), shall be sent only by email to the members (at their registered email) and to all other persons so entitled unless the Members have requested for a physical copy of the same. Members are requested to update their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with RTA (in case of Shares held in physical form). For any communication, the Members may also send requests to the Company's email id: [radixindustries@gmail.com](mailto:radixindustries@gmail.com)

Pursuant to Sections 101 and 136 of the Companies Act, 2013 read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2020-21 would be sent by electronic mode to those Members whose e-mail addresses are registered with the Depository or the Company/RTA.. Members are requested to support this Green Initiative by registering/updating their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) or with RTA (in case of Shares held in physical form). For any communication, the Members may also send requests to the Company's email id: [radixindustries@gmail.com](mailto:radixindustries@gmail.com)

11. Members desirous of getting any information about the accounts and / or operations of the company are requested to write to the company at least seven days before the date of the Meeting to enable the company to keep the information ready at the Meeting.

12. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.radixindustries.in](http://www.radixindustries.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com). AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08<sup>th</sup> April, 2020 and MCA Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, MCA Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 and MCA Circular No. 2/2021 dated 13<sup>th</sup> January, 2021.
13. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
15. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice.
16. Members are requested to:-
  - (a) intimate to RTA, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;
  - (b) intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialised form;
  - (c) quote their folio numbers/Client ID/DP ID in all correspondence;
  - (d) Consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
  - (e) register their Permanent Account Number (PAN) with their Depository Participants, in case of Shares held in dematerialised form and RTA/ Company, in case of Shares held in physical form, as directed by SEBI.
17. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No.15G/15H, to avail the benefit of non-deduction of tax at source by email to [radixindustries@gmail.com](mailto:radixindustries@gmail.com) on or before 11:59p.m. IST on 16<sup>th</sup> September, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [radixindustries@gmail.com](mailto:radixindustries@gmail.com). The aforesaid declarations and documents need to be submitted by the shareholders on or before 16<sup>th</sup> September, 2021.

The details related to TDS on dividend as per the provisions of the Income Tax Act, 1961 are given at the end of this Annual Report

**CDSL e-Voting System - For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular no. 02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.radixindustries.in](http://www.radixindustries.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular no. 02/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING :**

- (i) The voting period begins on Monday, 13<sup>th</sup> September 2021 at 09.00 hrs and ends on Wednesday 15<sup>th</sup> September, 2021 at 17.00 hrs. During this period shareholders' of the Company, holding



shares either in physical form or in dematerialized form, as on the cut-off date ie. 8<sup>th</sup> September, 2021, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Board of Directors have appointed Mr. Mohit Gurjar Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (v) Click on "Shareholders" module.
- (vi) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - My easi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

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

- (ix) If you are a first time user follow the steps given below:
- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Shareholders holding shares in physical form will then directly reach the Company selection screen.

However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant Company ie., Radix Industries (India) Limited on which you choose to vote.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at radixindustries@gmail.com or to RTA at bsshyd@bigshareonline.com
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company at radixindustries@gmail.com or to RTA at bsshyd@bigshareonline.com
3. The Company Secretary shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their requesting advance from 10th September, 2021 9.00 a.m. to 12<sup>th</sup> September, 2021 5.00 p.m. mentioning their name, Demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance i.e. from 10<sup>th</sup> September 2021 9.00 a.m. to 12<sup>th</sup> September, 2021 mentioning their name, Demat account number/folio number, email id, mobile number at radixindustries@gmail.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time during the AGM

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM:**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
6. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
7. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
8. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) and on approval of the accounts they would be able to cast their vote.
9. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
10. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;

radixindustries@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr.Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

18. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 8<sup>th</sup> September, 2021.
19. The Scrutinizer, after scrutinising the votes cast through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.radixindustries.in](http://www.radixindustries.in) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) The results shall simultaneously be communicated to the Stock Exchanges.
20. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

**BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited**

**Sd/-**

**G. Raghu Rama Raju  
Chairman & Managing Director  
(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

**ADDITIONAL INFORMATION**

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding  
Director seeking appointment / re-appointment and

***(Pursuant to Regulation 36(3) SEBI (Listing Obligation and Disclosure requirements)  
Regulation, 2015)***

<b>Name of the Director</b>	<b>PARVATHI GOKARAJU</b>
Date of Birth	16.02.1976
Date of Appointment on the Board	18.02.2011
Qualification, Experience & Expertise	She holds a Bachelor of commerce degree with more than a decade of experience in hair industry and she is looking after day to day administration and production of the Company.
Shareholding	19,95,000
Disclosures of relationship with other inter-se/ Manager and KMPs	Smt. Parvathi Gokaraju is wife of Shri G Raghu Rama Raju
Terms and Conditions of Appointment with details of Remuneration	Smt. G. Parvathi was appointed as a non-executive director of the Company, liable to retirement by rotation with no remuneration.
Last drawn Remuneration, if any	NA
No. of board meetings attended during the year	4
Directorship in other Companies (Excluding Foreign Companies and Section 25 Companies)	1. Arqube Industries (India) Limited 2. Diamond Drop Property Holdings (India) Private Limited.
Membership / Chairmanships of Committees in other Companies	Nil

**BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited**

**Sd/-  
G. Raghu Rama Raju  
Chairman & Managing Director  
(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

## DIRECTORS' REPORT

Your Directors hereby present the **Twenty Seventh Annual Report** together with the Audited Accounts of the company for the financial year ended 31<sup>st</sup> March, 2021.

**Financial Summary or Highlights/Performance of the Company:**

The financial highlights for the current year in comparison to the previous year are as under:

(Rupees in Lakhs)

PARTICULARS	Current Year (2020-21)	Previous Year (2019-20)
Revenue from Operations	2750.45	1058.03
Other Income	0.00	0.08
<b>Total Revenue</b>	<b>2750.45</b>	<b>1058.11</b>
<b>Total Expenditure (Before Financial Charges, Depreciation)</b>	<b>2530.44</b>	<b>859.81</b>
Profit before Finance Charges, Tax Expenses, Exceptional items and Depreciation	220.02	198.30
Less : Depreciation	2.79	3.50
Profit before Finance Charges, Tax Expenses, Exceptional items	217.23	194.80
Less : Finance Charges	27.86	25.11
Profit before Tax Expenses and Exceptional items	189.36	169.69
Add : Exceptional Items	-	-
Profit before Tax	189.36	169.69
Provision for Tax	48.86	50.63
Profit after Tax	140.50	119.06
Total Comprehensive Income	140.50	119.06
Less: Transfer to Reserves	-	-
<b>Balance</b>	<b>140.50</b>	<b>119.06</b>
Balance of profit of earlier years	75.18	576.98
Less : Dividend Paid on Equity Shares	75.04	100.05
Dividend Distribution Tax	-	20.57
Bonus issue	-	500.24
<b>Balance Carried Forward</b>	<b>140.64</b>	<b>75.18</b>

**COMPANY PERFORMANCE:**

In the Financial Year 2020-21, even during the crisis of Covid-19 Pandemic, your Company has made a revenue of Rs. 2750.45 Lacs in the current financial year as compared to Rs.1058.03 Lacs for the previous financial year. Your Company has posted net profit after tax of Rs. 140.50 Lacs in the current year as compared to Rs.119.06 Lacs in the previous financial year. Your Directors are confident of increasing the top line and bottom line with sustainable growth in the in the years to come.

**DIVIDEND:**

The Board recommends Final dividend of Re.0.50/- per Equity Share i.e. 5% on face value of Rs.10/- per equity share to the shareholders for the financial year 2020-21.

**TRANSFER TO RESERVES:**

Your Company has not transferred any amount to reserves during the financial year.

**THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

Till date the Company does not have any Subsidiaries, Associates or Joint Ventures.

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:**

During the Financial Year 2020-21, Board of Directors have reappointed Mr G Raghu Rama Raju as Managing Director of the Company on 08.08.2020 and the appointment was ratified by members in the 26<sup>th</sup> AGM held on 14<sup>th</sup> September, 2020 and Smt. G Parvathi retires by rotation and, being eligible, offers herself for re-appointment at the 27<sup>th</sup> Annual General Meeting (AGM) of the Company scheduled to be held on 16<sup>th</sup> September, 2021.

Except for the above there has been no changes in the office of directors or key managerial personnel during the year.

**DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013.

**MEETINGS:**

During the year, four meetings of Board of Directors were held as more particularly disclosed in the attached report of Corporate Governance. The intervening gap between any two meetings was within the prescribed period.

The Number and dates of meeting held by the Board and its Committees, attendance of Directors is given separately in Corporate Governance Report in terms of Section 134(3)(b) of the Companies Act,2013.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- (i) that in the preparation of Annual Accounts for the financial year ended 31<sup>st</sup> March, 2021, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) that the directors have 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 of the company for that period;
- (iii) that the directors have 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
- (iv) that the directors have prepared the annual accounts on a going concern basis.
- (v) 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 efficiently.

- (vi) 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.

**CHANGE IN THE NATURE OF BUSINESS:**

There is no change in the nature of business during the FY 2020-21.

**MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes and commitments affecting the financial position of the company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

**REMUNERATION POLICY:**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and Senior Management personnel and fix their remuneration. The Remuneration Policy is posted on the website of the Company at the link:[www.radixindustries.in](http://www.radixindustries.in)

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Company has not given any loans or made any investments or provided any guarantee covered under the provisions of Section 186 of the Companies Act, 2013.

**ANNUAL RETURN:**

The Annual Return of the Company as on 31<sup>st</sup> March, 2021 is available on the Company's website and can be accessed at [www.radixindustries.in](http://www.radixindustries.in)

**PARTICULARS OF EMPLOYEES:**

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is herewith annexed as "**Annexure I**" to this report.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources acquired are used economically.

**STATUTORY AUDITORS:**

M/s. K.S.Rao &Co., Chartered Accountants (Firm Registration No.003109S), were appointed as Statutory Auditors of the Company for a period of 5 Years from the Conclusion of 25<sup>th</sup> Annual General Meeting of the Company till the conclusion of 30<sup>th</sup> Annual General Meeting of the Company.

The Independent Auditors report given by M/s. K.S.Rao & Co., Chartered Accountants, the Statutory Auditors of the Company on Financial Statements of the Company does not contain any qualification, reservation or adverse remark.

**REPORTING OF FRAUDS:**

During the year under review, there was no instance of fraud, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section143(12) of the Companies Act, 2013 and the rules made thereunder.

**INTERNAL AUDITORS:**

The Board of Directors based on the recommendation of the Audit Committee have re-appointed Sri. Papolu Anjaneyulu, Chartered Accountants, as internal Auditors of the Company. The Internal Auditors are submitting their reports on quarterly basis.



**SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:**

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board has appointed M/s. P. S. Rao & Associates, Practicing Company Secretaries, to conduct Secretarial Audit for 2020-21. The Secretarial Audit Report, pursuant to Section 204(1) of the Companies Act, 2013, for the financial year ended 31<sup>st</sup> March, 2021 is given in 'Annexure II' attached hereto and forms part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark on the Company

The Annual Secretarial Compliance Report issued by M/s. P.S. Rao & Associates, Company Secretaries pursuant to SEBI circular dated February 8, 2019 is forming part of the Corporate Governance Report.

**MAINTENANCE OF COST RECORDS:**

Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the group. The details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company [www.radixindustries.in](http://www.radixindustries.in)

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as "Annexure-III" and forms part of this report.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

Company has entered into transaction with related party as per the provisions of section 188 of the Act. The details of the same are provided in AOC-2 as Annexure -IV to this report.

**DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY:**

The Company has risk management mechanism in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company.

**DETAILS ABOUT THE CORPORATE SOCIAL RESPONSIBILITY POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY:**

The Company does not meet the Criteria as specified in Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility.

**FIXED DEPOSITS:**

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Pursuant to the provisions of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 a report on Management Discussion & Analysis is here with annexed as "**Annexure V**" to this report.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

During the year under review your Company has complied with the respective Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings, General Meetings and Dividend.

**CORPORATE GOVERNANCE:**

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance is annexed as "**Annexure-VI**" here with, as a part of the Annual Report along with the certificate on its compliance.

**HUMAN RESOURCES:**

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been setup to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

**LISTING:**

Your Company's shares are presently listed on The BSE Limited, Mumbai and the listing fees for F.Y 2021-22 is paid.

**PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Share holders Grievance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**ACKNOWLEDGEMENTS:**

Your Directors express their sincere appreciation to the customers, members, dealers, employees, bankers, State and Central Government, Stock Exchanges and all stakeholders for their co-operation and confidence reposed in the Company.

**BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited**

**Sd/-**

**G. Raghu Rama Raju  
Chairman & Managing Director  
(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

## Annexure-I

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

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2020-21

Sl. No	Name of Director / KMP and Designation	*Remuneration of Director KMP for the Financial year 2020-21 (in Lacs)	% increase in Remuneration in the Financial year 2020-21	ratio of the remuneration of each Director to the median remuneration of the employee
1	G. Raghu Rama Raju (Managing Director)	12,00,000	Nil	4.38
2	P. Lenin Babu (Company Secretary)	3,72,000	Nil	1.36
3	G. Rama Prabhakara Raju (Chief Financial Officer)	NA	NA	NA

- ii) The median remuneration of employees' of the Company during the financial year:

The median remuneration of employees' of the Company during the financial year was Rs. 2,74,000/- p.a

- iii) The percentage increase in the median remuneration of employees in the financial year:

The percentage increase in the median remuneration of employees in the financial year ending March 31, 2021 was 28.63

- iv) The number of permanent employees on the rolls of Company as at March 31, 2021:

There were 9 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2021

- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 3.45%

There are no other employees drawing Rs. 8.50 Lacs per month or Rs. 102.00 Lacs per annum, whether employed throughout the year or part of the Financial year.

There are no employees in the service of the Company covered under Rule 5(2)(iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Company affirms that the remuneration is as per the remuneration policy of the Company.

BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited

Sd/-

G. Raghu Rama Raju  
Chairman & Managing Director  
(DIN: 00453895)

Place: Tanuku  
Date : 19.07.2021

**Statement of Particulars of Employees Pursuant to Provisions of Rule 5(2) of Section 197(12) of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sl. No.	Name of the Employee	Designation	Remuneration (Per Annum)	Nature of Employment (whether Contractor or otherwise)	Qualification & Experience	Date of Commencement of Employment	Age	Last Employment of such Employee	% of Equity Share held of the Employee	Whether the employee is relative of any director / Manager, if yes name such Director and Manager
1.	G. Raghu RamaRaju	Managing Director	1200000	Regular	MBA	29.12.2011	55	Arqube Industries (India) Ltd	61.62	Relative of Smt. G.Parvathi, Director
2.	P. Lenin Babu	CS	372000	Regular	ACS	11.02.2016	50	Meenakshi Energy & Infrastructure Holdings Pvt.Ltd.,	0	NA
3.	V. Singa Raju	Production Executive	331600	Regular	Technical	01.07.2015	45	Arqube Industries Ltd.	0	NA
4.	K. Phani Babu	Tech Executive	274000	Regular	Technical	01.04.2015	27	--	0	NA
5.	T.Badri Narayana	Accounts Officer	262000	Regular	PGDAFMT	01.01.2018	40	Sri Venkataraya Threads Pvt.Ltd	0	NA
6.	BalajiValluri	Accounts Officer	285000	Regular	M.Com	01.07.2015	40	Andhra Sugar Ltd.,	0	NA
7.	K. Rama Chandra Raju	Asst. Production Executive	241600	Regular	Technical	01.07.2015	40	Arqube Industries Ltd.		
8.	V. Pradeep Raju	Technical Asst.	188000	Regular	Technical	01.04.2015	38	Arqube Industries Ltd.	0	NA
9.	I. Naga Krishnam Raju	Office Asst.	181600	Regular	B.Com	01.04.2015	27	NIL	0	NA

**BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited**

**Sd/-**

**G. Raghu Rama Raju  
Chairman & Managing Director  
(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

*[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*

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2021**

To,  
The Members,  
Radix Industries (India) Limited  
Door No. 4-243,  
Chivatam, Near NH-5 Road,  
Tanuku, Andhra Pradesh

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Radix Industries (India) Limited, (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 authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021 has 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (b) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
3. Other industry specific major law that is applicable to the company
- As per the information provided by the management there is no industry specific law applicable to the company.
4. We have also examined compliance with the applicable clauses of the following:
- a) Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulation 2015
  - b) Secretarial Standards SS -1 and SS-2 issued by the Institute of Company Secretaries of India

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

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

**For P.S. Rao & Associates  
Company Secretaries**

Place: Hyderabad  
Date: 19.07.2021  
UDIN: A020557C000652342

**Sd/-  
Mohit Gurjar  
Partner  
CP No. 18644**

## ANNEXURE A

To,  
The Members,  
Radix Industries (India) Limited  
Tanuku

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever 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. In view of the limitations imposed during the lockdown of the country due to the pandemic spread of the COVID-19 disease, the audit was conducted based on the information and documents provided by the management of the company.
7. 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 P.S. Rao & Associates  
Company Secretaries**

Place: Hyderabad  
Date: 19.07.2021  
UDIN: A020557C000652342

**Sd/-  
Mohit Gurjar  
Partner  
CP No. 18644**



**Annexure - III****ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given as below.

**A. CONSERVATION OF ENERGY:****i. The steps taken or impact on conservation of energy:**

The operations of the Company are not power intensive. However it is very careful in using the power to reduce the cost of maintenance and conserve the resources.

**ii. Steps taken by the Company for utilizing alternate sources of energy:**

As the Company is not a huge manufacturing unit there are no requirements for utilizing of alternate sources of energy

**iii. The capital investment on energy conservation equipments:**

The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.

**B. TECHNOLOGY ABSORPTION:**

- |   |   |  |
|---|---|--|
| i) The efforts made towards technology absorption   | : | NIL  |
| (ii) The benefits derived like product improvement, cost reduction, product development or import substitution  | : | NIL  |
| (iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished | : |  |
| (a) The details of technology imported  | : | No technology imported during the last 3 years |
| (b) The year of import  | : | NA   |
| (c) Whether the technology been fully absorbed  | : | NA   |
| (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof  | : | NA   |
| (iv) The expenditure incurred on Research and Development   | : | NIL  |

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

Foreign Exchange earnings and outgo: (on receipts and payments basis)

(Rs. In Lacs)

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Foreign Exchange Earnings	1462.85	966.96
Foreign Exchange Outgo	25	NIL

**BY THE ORDER OF THE BOARD**  
**For Radix Industries (India) Limited**

**Sd/-**  
**G. Raghu Rama Raju**  
**Chairman & Managing Director**  
**(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

## 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 contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March, 2021, which were not at arm's length basis.

**2. Details of contracts or arrangements or transactions at arm's length basis:**

The details of contracts or arrangements or transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2021, are as follows:

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of Transaction</b>	<b>Transaction Value</b>	<b>Duration of Transaction</b>	<b>Salient terms of Transaction</b>	<b>Date of approval by the Board</b>	<b>Amount paid in advance</b>
Diamond Drop Property Holdings (India) Private Limited Common Director	Lease Rental Payments	Rs. 35,000 Per month	10 Years from 07.02.2021	Lease rental payments for property taken on lease for Registered office and Business Purposes of the Company	08.01.2021	NA

**Note:** As per provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 the above-mentioned transaction is not material in nature.

**B.MANAGEMENT DISCUSSION & ANALYSIS****OVERVIEW:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and other statutory requirements. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used there in. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

**ECONOMIC OVERVIEW:**

Indian economy is expected to expand 8.3 per cent in fiscal year 2021-22, a report by World Bank projected. In its latest issue of Global Economic Prospects, the Washington-based global lender said that even though the forecast has been revised up by 2.9 percentage points, it masks significant expected economic damage from the second wave of Covid-19.

Besides, it projected the global economy to grow 5.6 per cent this year, up from the 4.1 per cent it forecasted in January. It said that Covid vaccinations and stimulus given by various central governments will power the fastest worldwide expansion in nearly five decades.

Growth in FY2022-23 is expected to slow to 7.5 per cent reflecting lingering impacts of Covid-19 on household, Corporate and bank balance sheets, possibly lowest level of consumer confidence and heightened uncertainty on job and income prospects. In 2020, India's economy is estimated to have contracted by 7.3 per cent while in 2019, it registered a growth rate of four per cent, the World Bank said, adding that in 2023, India is expected to grow at 6.5 per cent. Domestic financial conditions are easier than they have been in decades. These conditions may change, however, if rapid recoveries in advanced economies lead to tightening monetary policy in these economies before recoveries are entrenched.

India accounts for nine-tenths of the upgrade to growth in 2021, as strong services activity more than offsets the economic effects of the worsening pandemic. Fiscal policy shifted in the FY 2021-22 budget toward higher expenditure targeted at health care and infrastructure to boost the post-pandemic recovery. The renewed outbreak, however, may require further targeted policy support to address the health and economic costs. While US economy is expected to expand 6.8 per cent in 2021, up from the 3.5 per cent it forecast in January; China - the world's No. 2 economy and the first to emerge from the coronavirus recession - is forecast to grow 8.5 per cent in 2021 after expanding just 2.3 per cent last year.

Source:

[http://timesofindia.indiatimes.com/articleshow/83341057.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](http://timesofindia.indiatimes.com/articleshow/83341057.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

**GLOBAL INDUSTRY OVERVIEW**

Hair wigs and extension market is estimated to reach at a growth rate of 9.50% for the forecast period of 2020 to 2027. Urge to look good and improve physical appearance is a driving factor for the market.

Hair wigs, hair extensions and hair weaves are known as artificial hair integrations. Hair wigs are used to cover the entire head, transform the hairstyle and disguise baldness and are available in shape of a cap are the factors driving the market.

Hair loss due to certain reason such as hormones and medical reasons leads to a complete or partial baldness, which is making people conscious about their appearance and so the demand for the market is growing. Cancer and other certain diseases and hormones are causing baldness, as per the treatment for hair transplant is quite expensive so the hair and extension industry is also growing. Industries such as salon industry, entertainment industry, fashion and general population are totally reliable on the market.

Factors such as availability of various types of extensions, grooming awareness, surge in fashion and new trends and concerns about appearance are driving the growth of the market and create growth opportunity for hair wigs and extension market the in the forecast period of 2020-2027.

Increased competition, durability of the product, raw material availability, ease of use and maintenance of hair extensions will act as a restraint, and further challenge the growth of the hair wigs and extension market in the forecast period mentioned above.

This hair wigs and extension market report provides details of new recent developments, trade regulations, import export analysis, production analysis, value chain optimization, market share, impact of domestic and localised market players, analyses opportunities in terms of emerging revenue pockets, changes in market regulations, strategic market growth analysis, market size, category market growths, application niches and dominance, product approvals, product launches, geographical expansions, technological innovations in the market. To gain more info on hair wigs and extension market contact Data Bridge Market Research for an Analyst Brief, our team will help you take an informed market decision to achieve market growth.

Asia-Pacific is dominating the hair wigs and extension market due to the largest supplier of human hair for manufacturing wigs and extensions. Demand for hair in Asia-Pacific market is influencing manufactures to establish production facilities in Asia countries.

The country section of the hair wigs and extension market report also provides individual market impacting factors and changes in regulation in the market domestically that impacts the current and future trends of the market.

Source: <https://www.databridgemarketresearch.com/reports/global-hair-wigs-and-extension-market>

#### **OPERATIONS:**

During the year under review, Company has made a revenue of Rs. 2750.45 Lacs in the current financial year as compared to 1058.11 Lacs for the previous financial year. Your Company has posted net profit after tax of Rs. 140.50 Lacs in the current year as compared to Rs. 119.05 Lacs in the previous financial year.

#### **FUTURE OUTLOOK:**

The Company has started its operations in the new line of business in the FY 2012-13, after going through the process of restructuring and was able to make some good revenue year after year and in the FY 2020-21, due to slow down in the economy, there was slight decrease in the revenue from operations of the Company maintaining the profit intact.

Management is actively considering to explore new markets and to bag big orders in the overseas market.

#### **OPPORTUNITIES & THREATS**

**Strength:** Huge demand for Hair produced in India in foreign countries, providing high export potential.

**Weakness:** To get the Hairs for the manufacturing of wigs when ever required is not possible. So it needs to be purchased in bulk quantity when ever it is available, requiring heavy capital investments in stocks.

**Opportunities:** Asian hair grows the fastest and has the greatest elasticity, making it the most preferred wigs around the world. There is huge demand for human hair and Articles of human hair in China, Brazil, Spain, Korea, U.K, Hong Kong, Indonesia, Italy, Austria, Germany etc.

**Threats:** Earlier the industry experienced serious threat from synthetic hair. However, the synthetic hair had not found favor with the consumers, as it is said to have caused allergic problems and cancer. Other perceived threats are Unorganized Sector, largely dependent on overseas market and normal market competition.

**SEGMENT WISE/PRODUCT WISE PERFORMANCE:**

**HAIR PRODUCT:** During the year under review, Company has made a revenue of Rs. 2750.45 Lacs in the current financial year as compared to 1058.03 Lacs for the previous financial year. Your Company has posted net profit after tax of Rs.140.50 Lacs in the current year as compared to Rs. 119.06 Lacs in the previous financial year.

**RISK & CONCERNS :** Earlier the industry experienced serious threat from synthetic hair. However, the synthetic hair had not found favor with the consumers, as it is said to have caused allergic problems and cancer. Other perceived threats are Unorganized Sector, largely dependent on overseas market and normal market competition.

**INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data. The Company has a well defined organization structure with clear functional authority, limits for approval of all transactions. The Company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. Company updates its internal control system from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guide lines.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The highlights of overall performance are as follows

(Rs. in Lacs)

Particulars	2020-21	2019-20
Total Income	2750.45	1058.11
Total Expenses	2561.09	888.42
Profit Before Taxation	189.37	169.69
Profit after Tax	140.50	119.06
Earnings per Equity share-Basic & Diluted	0.94	0.79

**KEY FINANCIAL RATIOS:**

S.No	Particulars	2020-21	2019-20	% change
1	Debtors Turnover (days)	21	69	(69.33)
2	Inventory Turnover (days)	310	759	(59.17)
3	Interest Coverage (Times)	7.80	7.76	0.52
4	Current ratio	2.65	3.63	(27.01)
5	PBT to Net Sales (%)	6.89	16.04	(9.15)
6	PAT to Net Sales (%)	5.11	11.25	(6.14)
7	Return on Net worth (%)	8.05	7.09	0.96
8	Debt Equity Ratio (Times)	0.59	0.38	56.74

**Reasons for Change in Key Ratios:**

1. Debtors Turnover Ratio: During the year under review trading of Raw material contributes 45.24% of total sales for which the credit period was less when compared to sale of finished goods due to which there was 69.33% change in debtor turnover ratio.
2. Inventory Turnover Ratio: During the year under review trading of Raw material contributes 45.24% of total sales which involves fast movement of inventory due to which there was 59.17% change in inventory turnover ratio.
3. Current Ratio: The Current Assets are at Rs. 27.30 Cr as at 31/03/2021 as against Rs. 22.97 Cr as at 31/03/2020. The Current Liabilities are at Rs. 10.31 Cr as at 31/03/2021 as against Rs. 6.33 Cr as at 31/03/2020. Due to Increase in volume of business from Rs. 10.58 Cr to 27.50 Cr the Current Assets & Current Liabilities have increased proportionately. Due to this the Current Ratio is reduced to 2.65 from 3.63.
4. Debt Equity Ratio: The total liabilities are at Rs. 10.31 Cr as at 31/03/2021 as against Rs. 63.32 Cr as at 31/03/2020. The total equity is at Rs. 17.45 Cr as at 31/03/2021 as against Rs. 16.80 Cr as at 31/03/2020. Due to Increase in volume of business from Rs. 10.58 Cr to 27.50 Cr the Total Liabilities & Total Equity have increased proportionately. Due to this the Debt Equity Ratio was increased to 0.59 from 0.38.

**PERSONNEL:**

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and under stands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company at any point of time.

Industrial relations in the organization continued to be cordial and progressive.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED:**

There were no material developments in the human resources of the Company and in the number of people employed in the Company

**HEALTH AND SAFETY:**

The Company places considerable emphasis on health and safety throughout its operation and displays commitment to ensure the high standards being maintained in compliance with applicable laws and regulations.

**FORWARD LOOKING/CAUTIONARY STATEMENT:**

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may befor ward looking statements with in the meaning of applicable securities law sand regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finish goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

**BY THE ORDER OF THE BOARD**  
**For Radix Industries (India) Limited**

**Sd/-**  
**G. Raghu Rama Raju**  
**Chairman & Managing Director**  
**(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

**C. REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

The Company believes in transparency, empowerment, accountability and integrity in its operations duly delegated authority to various functional heads that are responsible for attaining the corporate plans with the ultimate purpose of enhancement of "Stakeholder value".

Moreover, the Company believes that sound Corporate Governance practices that provide an important platform to assist the management and the Board in delivering its responsibilities. The Company has always been taking the spirit of various legislations as guiding principles and has done well beyond simple statutory compliance. The Board of directors of the company has the responsibility of protecting the long term interests of all the stakeholders, while adhering to sound principles of corporate governance.

The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

**2. BOARD OF DIRECTORS**

The Company upholds the policy of having an optimum combination of Executive, Non-Executive and Independent Directors and not less than fifty percent of the Board of Directors being independent including a women director on the Board of the Company.

The Board of Directors of the Company consists of Six(6) Directors. To ensure, transparent and professional conduct of board meeting procedures in all aspects related thereto, fifty percent (50%) i.e. 3 out of 6 directors are Independent directors. The composition of the directors is in accordance with the Regulations of the Securities Exchange board of India (Listing Obligations and disclosure Requirements), Regulations, 2015.

Name of the Director	Category	No of Board Meetings attended during 2020-21	Attendance at the Last AGM (14th September, 2020)	No. of Directorships in Other Companies		No of Chairmanships/ memberships in other public Companies	Name of other listed entities where he/she is a director and the category of directorship	No. of Shares held
				Private	Public			
Raghu Rama Raju Gokaraju DIN:00453895	Managing Director	4	Yes	0	1	0	NA	9247500
Parvathi Gokaraju DIN:00453965	Director	4	Yes	1	1	0	NA	1995000
Ganapati Rama Prabhakara Raju Gokaraju DIN:00454614	Director	4	Yes	0	0	0	NA	7500
Phani Varma Kiran Mantena DIN:03177698	Director	4	Yes	0	0	0	NA	293355
Siddhardha Kathari DIN:07005720	Director	4	Yes	0	0	0	NA	Nil
Sivarama Prasad Surapaneni DIN:07736609	Director	4	Yes	0	0	0	NA	Nil



There are no pecuniary relationships or transactions with Independent Non Executive Directors except for sitting fees paid for attending Board and other Committee Meetings.

During the Financial year, 2020-21, Board of Directors met (4) Four times and gap between two Board meetings did not exceed 120days.

25.06.2020	08.08.2020	13.11.2020	08.01.2021
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**Disclosure of relationships between directors inter-se:**

- a) Mr. G Raghu Rama Raju, Managing Director of the Company is Husband of Mrs. G Parvathi, Non executive Director of the Company and brother of Mr.G. Ganapathy Rama Prabhakara Raju, Director of the Company.
- b) Mrs. G. Parvathi, Non executive Director of the Company is wife of Mr.G. Raghu Rama Rahu, Managing Director of the Company.
- c) Mr. G. Ganapathi Rama Prabhakara Raju, Director of the Company is brother of Mr. G. Raghu Rama Rahu, Managing Director of the Company.

**Familiarization Program:**

The Company provides for familiarization programs to any new member on the Board.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted and inform new Board member and conduct familiarization programs to make them familiar with all the provisions and rules as applicable to the company from time to time. Details of Familiarization program are provided on the website of the Company at [www.radixindustries.in](http://www.radixindustries.in)

The details of familiarization program imparted to independent Directors is available at [www.radixindustries.in](http://www.radixindustries.in)

**SKILLS/ EXPERTISE/ COMPETENCIES OF THE BOARD OF DIRECTORS**

The following is the list of core skills/expertise/competencies identified by the Board of Directors that are required in the context of the Company's business and that the said skills area available with the Board

- Knowledge on Company's businesses policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills-attributes and competencioustouse their knowledge and skills to contribute effectively to the growth of the Company
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making
- Financial and Management skills Risk assessment and mitigation, troubleshooting etc.
- Technical / Professional skills and specialized knowledge in relation to Company's business
- In the opinion of the board, the independent directors fulfil the conditions specified in the seregulations and are independent of the management

A chartor a matrix setting out the skills/ expertise/ competence of the Board of Directors

CoreSkills/ Expertise/ Competencies	Raghu Rama Raju Gokaraju	Parvathi Gokaraju	Ganapati Rama Prabhakara Raju Gokaraju	Phani Varma Kiran Mantena	Siddhardha Kathari	Sivarama Prasad Surapaneni
Governance and Boardservice	Yes	Yes	Yes	Yes	Yes	Yes
Business Understanding	Yes	Yes	Yes	Yes	Yes	Yes
Industry/Sector Knowledge	Yes	Yes	Yes	Yes	Yes	Yes
Strategy development and implementation	Yes	Yes	Yes	Yes	Yes	Yes
Legal/ Regulatory	Yes	Yes	Yes	Yes	Yes	Yes

**Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and is independent of the management.**

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 they are independent of the management. The Independent Directors of the Company met on January 08, 2021 without the presence of Non-Independent Directors.

#### **COMMITTEES OF THE BOARD:**

Currently, there are Three Board Committees-Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee.

The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

#### **3. AUDIT COMMITTEE**

The Audit Committee consists of 3 Independent Directors. It provides assistance to the Board of Directors in fulfilling it's over sight responsibilities. The Audit committee has been entrusted with the responsibilities as laid down under Section177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable and required.

**Details on composition of the Audit Committee and the attendance by each Member of the Audit Committees are as under:**

Name of the Director	Designation	Category	No. of meetings entitled to attend during the year	No. of meetings Attended
Sri. Siddhardha Kathari	Chairman	Independent, Non-Executive	4	4
Sri. M. Kiran Phani Varma	Member	Independent, Non-Executive	4	4
Sri. Sivarama Prasad Surapaneni	Member	Independent, Non-Executive	4	4

**Meetings during the year:**

During the Financial year 2020-21, the Audit Committee met Four (4) times as follows, and all the members we represent in each of such meetings.

25.06.2020	08.08.2020	13.11.2020	08.01.2021
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**Terms of Reference:**

The terms of reference of the Audit Committee area per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

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

1. Oversight of Company's financial reporting process and disclosure of its financial information to ensures that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, there placement or removal of auditors and fixation of audit fee.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause(c) of sub-section3 of Section134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Review of draft Auditors Report, in particular qualifications/remarks/observations made by the Auditors on the financial statements
  - h. Management Discussion and Analysis of financial conditions and results of operations

5. Review of Statement of significant related party transactions submitted by the management.
6. Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
7. Review of internal audit reports relating to internal control weaknesses.
8. Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
10. Review of the financial statements of subsidiary Companies.
11. Review and monitor the auditor's independence and performance and effectiveness of audit process.
12. Approval or any subsequent modification of transactions of the Company with related parties.
13. Scrutiny of inter-corporate loans and investments.
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. Evaluation of internal financial controls and risk management systems.
16. To look into the reasons for substantial defaults in the payment to the share holders (in case of non-payment of declared dividends) and creditors.
17. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
18. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
19. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
20. Discussion with internal auditors of any significant findings and follow up there on
21. Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board
22. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
23. To review the functioning of the Whistle Blower Mechanism.
24. Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
25. The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.
26. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Section 178 of the Companies Act, 2013 comprising of 3 Independent Directors.

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Nomination and Remuneration Committee are as under: The committee comprises of the following members:

Name of the Director	Designation	Category	No. of meetings entitled to attend during the year	No. of meetings Attended
Sri. M. KiranPhaniVarma	Chairman	Independent, Non-Executive	2	2
Sri. Siddhardha Kathari	Member	Independent, Non-Executive	2	2
Sri. Sivarama Prasad Surapaneni	Member	Independent, Non-Executive	2	2

**Meetings during the year:**

During the Financial year 2020-21, the Nomination and Remuneration Committee met two times on 08.08.2020 and 08.01.2021

**The terms of reference of the Nomination and Remuneration Committee are as under:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board. Devising a policy on Board diversity.
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board the reappointment and removal.
4. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
5. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
6. Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
7. Payment / revision of remuneration payable to Managerial Personnel.
8. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.

9. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
10. Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company at the link: [www.radixindustries.in](http://www.radixindustries.in)

**The key objectives of this Policy includes:**

- (i) Guiding the Board of Directors in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- (ii) Specifying the manner for effective evaluation of the performance of members of the Board, the Board as a whole and Committees thereof, and review its implementation and compliance.
- (iii) Recommending to the Board the remuneration, in whatever form, payable to the Directors, Key Managerial Personnel & Senior Management.

The committee under the guidance of Board has formulated the criteria and framework for the performance evaluation of every Director of the Board including independent Directors and identified the ongoing training and education programs to ensure that the independent Directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship committee has been formed in compliance of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Section 178(5) of the Companies Act 2013. The Stakeholders Relationship Committee consists of 3 Independent Directors. Sri M Kiran Phani Varma, Independent Director of the Company heads the Stakeholders relationship Committee.

**Composition**

**The committee comprises of the following members:**

- Sri.M. Kiran Phani Varma - Chairman
- Sri. Siddhardha Kathari - Member
- Sri. Sivarama Prasad Surapaneni - Member

**The terms of reference of the Stakeholder's grievance Committee are a sunder:**

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**Mr. Lenin Babu.P, Company Secretary of the Company act as Compliance officer of the Company**

The company has registered itself under SEBI Compliant Redressal System (SCORES) for faster and transparent processing of Investor Grievance. The details of Complaints receive and resolved during the year is as follows:

1	PENDING AT THE BEGINNING OF THE YEAR	0
2	RECEIVED DURING THE YEAR	0
3	DISPOSED OF DURING THE YEAR	0
4	REMAINING UNRESOLVED AT THE END OF THE YEAR	0

There are no pending/outstanding complaints as on 31<sup>st</sup> March,2021

**6. Remunerations of Directors****a) All pecuniary relationship or transactions of the nonexecutive directors**

Non executive directors of the Company do not have any pecuniary relationship or transactions with the in the company.

**b) Criteria of making payments to non-executive directors: NA****c) Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013:**

i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.

Name of the Director	Salary, Allowances & Perquisites (Rs.)	Benefits (Rs.)	Commission (Rs.)	Sitting Fees (Rs.)	Loans from the Company (Rs.)	Total (Rs.)
G Raghu Rama Raju	12,00,000 Per Annum	-	-	-	-	12,00,000 Per Annum

- ii) Details of fixed component and performance linked incentives, along with the performance criteria - **Not Applicable**
- iii) Service contracts, notice period, severance fees - **Not Applicable**
- iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable - **Not Applicable**

**7. GENERAL BODY MEETINGS:**

Location and time, where last three annual general meetings were held;

Year	AGM	Day & Date	Time	Venue
2020	26 <sup>th</sup> AGM	Monday 14 <sup>th</sup> September 2020	11.00 A.M	(Not Applicable) Video Conference ("VC")/Other Audio Visual Means ("OAVM")
2019	25 <sup>th</sup> AGM	Thursday, 19 <sup>th</sup> September 2019	11.00 A.M	Door No. 4-243 Chivatam, Near NH-5 Road Tanuku, AP 534211 IN
2018	24 <sup>th</sup> AGM	Thursday, 20 <sup>th</sup> September 2018	11.00 A.M	Door No. 4-243 Chivatam, Near NH-5 Road Tanuku, AP 534211 IN

**List of Special Resolutions passed during the last three AGMs:****i) Special Resolutions passed during the AGM held in 2019-20**

1. Re appointment of Mr. G Raghu Rama Raju as Managing Director of the Company
2. Re appointment of Shri Kathari Siddhardha as an Independent Director of the Company

**ii) Special Resolutions passed during the AGM held in 2018-19**

1. Reappointment of Shri M. Kiran Phani Varma as an Independent Director of the Company
2. Approval of remuneration of Mr. G Raghu Rama Raju, Managing Director in terms of Regulation 17(6)(e) of SEBI Amended Listing Regulations for the remaining tenure of his appointment
3. Increase in Authorized Share Capital and consequent amendment to Memorandum and Articles of Association of the Company.

**iii) No Special Resolutions passed during the AGM held in 2017-18****Postal ballot:**

There were no items of business transacted by way of Postal Ballot during the financial year 2020-2021.

**8. MEANS OF COMMUNICATION:****a) Quarterly Results**

The quarterly, half-yearly and annual results of the Company were normally published by the Company in the newspapers within 48 hours from the conclusion of the Board meeting

**b) News papers wherein results normally published**

The Company publishes its quarterly, half-yearly and annual results in Financial Express in English in Prajashakthi (in regional language) dailies

**c) Any Website, Where Displayed:-**

The results are displayed on the Company's website [www.radixindustries.in](http://www.radixindustries.in)



d) whether it also displays official news releases: No

e) presentations made to institutional investors or to the analysts:

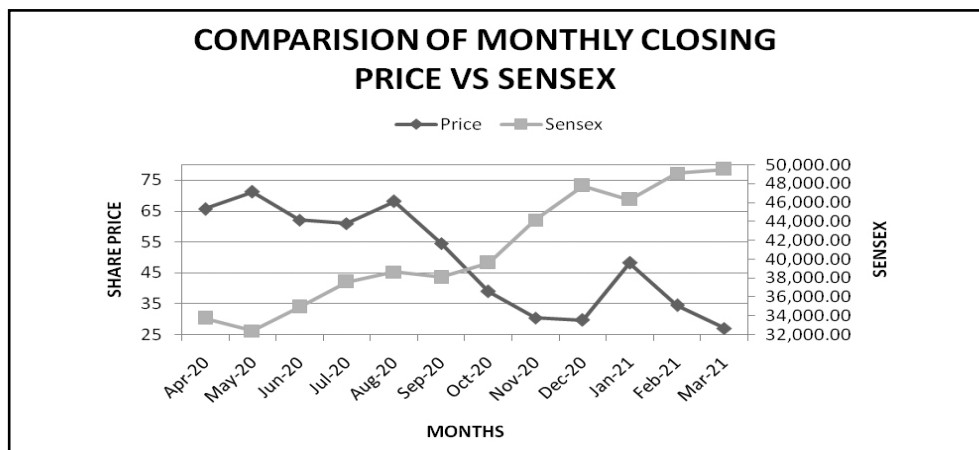
Company has not made any presentation to the institutional investors / and analysts

#### 9. GENERAL SHAREHOLDER INFORMATION:

<b>Annual General Meeting</b>	:	27 <sup>th</sup> Annual General Meeting
<b>Day, Date and time</b>	:	Thursday 16 <sup>th</sup> September 2021, 11.00A.M.
<b>Venue</b>	:	NA
<b>Financial year</b>	:	01.04.2020 to 31.03.2021 (12 Months)
<b>Book Closure Date</b>	:	9 <sup>th</sup> September 2021 to 16 <sup>th</sup> September 2021 (Both days inclusive).
<b>Dividend</b>	:	The proposed dividend if approved at ensuing AGM on 16 <sup>th</sup> September 2021, Dividend will be paid within 30 days from the date of AGM
<b>Listing on Stock Exchanges</b>	:	The BSE Limited, Mumbai
<b>Scrip Code Number</b>	:	531412 - BSE
<b>Market Price Data</b>	:	Monthly Closing, High, Low and number of equity shares traded during each month in the year 2020-21 on BSE:

Month	Closing price	High	Low	Total no of equity shares traded
Apr-20	65.70	67.70	60.10	487
May-20	71.15	72.2	62.5	1011
Jun-20	62.15	74.45	61.3	2278
Jul-20	61.05	63.6	60.05	2903
Aug-20	68.15	77.2	61.1	2082
Sep-20	54.6	67.85	53.5	3389
Oct-20	39	55.1	38.2	2440
Nov-20	30.45	37.6	27.1	6725
Dec-20	29.8	31.85	26.6	371626
Jan-21	48.25	53.95	31.25	11192
Feb-21	34.45	48.2	34.45	5504
Mar-21	27.1	34.2	27.05	39197

The performance of the equity Share price of the Company vis-vis Sensex at BSE:



**Registrars and Transfer Agents** : Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to

M/s. Bigshare Services Private Limited  
Local office at 306, Right Wing, Amrutha Ville,  
Opp. Yashoda Hospital, Somajiguda,  
Rajbhavan Road, Hyderabad – 500 082

#### Share Transfer System :

The R&T agents process the share transfers received in physical form and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to the Share Transfer Committee.

The Company obtains half yearly Certificate of Compliance with the Share Transfer formalities as required under Regulation 40 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with Stock exchanges from a Company Secretary in practice and the same is submitted to the Stock Exchanges within the period prescribed.

#### Distribution of Shareholdings as on 31.03.2021:

Equity shares holding of Nominal Value (Rs)	No. of shareholders	%	Amount (in Rs)	%
Upto 5000	353	82.6698	253120	0.1687
5001 to 10000	17	3.9813	115330	0.0768
10001 to 20000	11	2.5761	182390	0.1215
20001 to 30000	2	0.4684	52690	0.0351
30001 to 40000	1	0.2342	36630	0.0244
40001 to 50000	4	0.9368	175910	0.0595
50001 to 100000	9	2.1077	604120	0.4026
100001 & above	30	7.0258	148651510	99.0537
<b>Total</b>	<b>427</b>	<b>100.00</b>	<b>150071700</b>	<b>100</b>

**DEMATERIALIZATION OF SHARES AND LIQUIDITY**

The Company has obtained electronic connectivity with NSDL & CDSL. The ISIN allotted to the Company is **INE576N01014**. As on 31.03.2021, 99.84% paid up share Capital of the Company is in dematerialized form.

**Outstanding GDR's / ADR's / Warrant or any convertible instruments, conversion date and likely impact on Equity:**

The Company has not issued any of these instruments till date.

**COMMODITY PRICE LIST OR FOREIGN EXCHANGE WITH AND HEDGING ACTIVITY :**

Company regularly enters into forward contracts to mitigate the foreign exchange risk

**Address for correspondence** : D.No. 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211  
West Godavari District, Andhra Pradesh

**Plant Location** : D.No. 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211  
West Godavari District, Andhra Pradesh

**Nomination Facility:**

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Companies Act, 2013, and the rules made thereunder shareholders are requested to send their request in SH-13 in duplicate to the company.

**List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad :** Not Applicable

**10. Other Disclosures:**

- a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

There are no materially significant related party transactions i.e., transactions material in nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc., having potential Conflict with the interests of the Company at large.

- b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: None

- c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;

The company has formulated and adopted formal whistle blower/vigil mechanism policy and the same is hosted on the company's website and no concerned person has been denied access to Audit Committee.

- d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements: The Company has complied with the mandatory requirements and has adopted a few non-mandatory requirements as specified under Regulations of Listing Regulations, which are reviewed by the management from time to time.

- e) Material subsidiary policy is hosted in our website [www.radixindustries.in](http://www.radixindustries.in) The following is the weblink: <http://radixindustries.in/wp-content/uploads/2016/04/Policy-for-determining-material-subsidiaries-1.pdf>

- f) Related party transaction policy is hosted in our website [www.radixindustries.in](http://www.radixindustries.in). The following is the weblink: <http://radixindustries.in/wp-content/uploads/2016/04/Policy-on-Related-Party-Transactions-1-1.pdf>
- g) Disclosure of commodity price risks and commodity hedging activities. Not Applicable
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable
- i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:
- Company has obtained certificate from Practicing Company Secretary that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The same is attached as Annexure to this CG Report.
- j) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Type of Service	FY 2021
Statutory Audit	50,000/-

- k) disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

1	number of complaints filed during the financial	Nil
2	number of complaints disposed of during the financial year	Nil
3	number of complaints pending as on end of the financial year	Nil

- 11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons there of :** Not Applicable

- 12. Compliance with Non Mandatory requirements:** Nil

- 13. The Company has complied with all the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.**

**14. INSIDER TRADING REGULATIONS**

The Company has adopted an 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations). The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSII)' in compliance with the SEBI (PIT) Amendment Regulations, 2018. This Code is displayed on the Company's website viz. [www.radixindustries.in](http://www.radixindustries.in)

**15. DECLARATION OF COMPLIANCE OF CODE OF CONDUCT**

**Radix Industries (India) Limited** has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

I hereby certify that the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2020-21.

**BY THE ORDER OF THE BOARD  
For Radix Industries (India) Limited**

**Sd/-  
G. Raghu Rama Raju  
Chairman & Managing Director  
(DIN: 00453895)**

Place: Tanuku  
Date : 19.07.2021

**Annexure to Corporate Governance Report (i)**

Secretarial compliance report  
of  
**Radix Industries (India) Limited**  
for the Financial Year ended 31.03.2021

To  
Board of Directors  
Radix Industries (India) Limited  
Tanuku.

We P S. Rao & Associates Company Secretaries have examined:

- (a) all the documents and records made available to us and explanation provided by M/s Radix Industries (India) Limited having its registered office at Door No. 4-243 Chivatam, Near NH-5 RoadTanuku - 534211, West Godavari District Andhra Pradesh, India, hereinafter referred to as **“the listed entity”**
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2021 (“01.04.2020 to 31.03.2021”) in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable during the reporting period**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable during the reporting period**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;- **Not Applicable during the reporting period**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable during the reporting period**

- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - **Not Applicable during the reporting period**
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (i) The Depositories Act, 1996
- (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (k) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client and circulars/ guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:
  - (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,
  - (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from our examination of those records.
  - (c) There were no instances of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder during the Reporting period:
  - (d) There were no observations made in previous reports issued to the Company:
  - (e) Since the auditor has already been appointed, the terms of appointment of the auditor have been suitably modified to give effect to 6(A) and 6(B) of the SEBI Circular No. CIR/CFD/ CMD/114/2019 dated October 18, 2019.

**For P.S. Rao & Associates  
Company Secretaries**

**Sd/-  
Mohit Gurjar  
Partner  
C.P. No.: 18644**

Place: Hyderabad  
Date: 24.06.2021  
UDIN: A020557C000509089

## Annexure to Corporate Governance Report (ii)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To  
The Members of  
Radix Industries (India) Limited  
Tanuku

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Radix Industries (India) Limited having CIN: L37200AP1993PLC016785 and having registered office at D.No. 4-243, Chivatam, Near NH-5 Road, Tanuku West Godavari District, Andhra Pradesh 534211 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any other Statutory Authority

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in the Company</b>
1	RAGHU RAMA RAJU GOKARAJU	00453895	29.12.2011
2	PARVATHI GOKARAJU	00453965	18.02.2011
3	GANAPATI RAMA PRABHAKARA RAJU GOKARAJU	00454614	14.02.2011
4	PHANI VARMA KIRAN MANTENA	03177698	29.12.2011
5	SIDDHARDHA KATHARI	07005720	30.10.2014
6	SIVARAMA PRASAD SURAPANENI	07736609	14.02.2017

Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For P.S. Rao & Associates  
Company Secretaries**

Place: Hyderabad  
Date: 19.07.2021  
UDIN: A020557C000652397

**Sd/-  
Mohit Gurjar  
Partner  
C.P. No.: 18644**



**Annexure to Corporate Governance Report (iii)****CERTIFICATE FROM COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To  
The Members,  
**Radix Industries (India) Ltd**

We have examined the compliance of conditions of corporate governance by **Radix Industries (India) Ltd.** for the year ended 31<sup>st</sup> March, 2021, as stipulated in SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

The compliance of the conditions of the corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor expression of the opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For P.S. Rao & Associates  
Company Secretaries**

**Sd/-  
Mohit Gurjar  
Partner  
C.P. No.: 18644**

Place: Hyderabad  
Date: 19.07.2021  
UDIN: A020557C000652421

**Annexure to Corporate Governance Report (iv)****CEO /CFO CERTIFICATION TO THE BOARD  
(Pursuant to Regulation 17(8) under Chapter IV of  
Securities Exchange Board of India (Listing Obligations and Disclosure  
Regulations) 2015**

We, **Raghu Rama Raju Gokaraju**, Chairman and Managing Director and **Ganapathi Rama Prabhakara Raju Gokaraju**, Chief Financial Officer of the Company responsible for the finance function hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2020-2021 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulation, including adoption of accounts in the IND AS format for the Current and Previous Year.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2020-2021, which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee :
- (i) significant changes in internal control over financial reporting during the year 2020-2021
  - (ii) significant changes in accounting policies during the year 2020-2021 and that the same have been disclosed in the notes to the financial statements;
  - (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Sd/-**  
**Raghu Rama Raju Gokaraju**  
**Chairman & Managing Director**  
**(DIN: 00453895)**

**Sd/-**  
**Ganapathi Rama Prabhakara Raju Gokaraju**  
**Director & Chief Financial Officer**  
**(DIN : 00454614)**

Place :Tanuku  
Date : 23.04.2021

**INDEPENDENT AUDITOR'S REPORT**

To

THE MEMBERS OF  
RADIX INDUSTRIES (INDIA) LIMITED,  
CHIVATAM, TANUKU.

**Report on the Audit of the Ind AS Financial Statements:****Opinion**

We have audited the accompanying Ind AS financial statements of **M/s. RADIX INDUSTRIES (INDIA) LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the statement of Cash Flows ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 (financial position) of the Company as at 31<sup>st</sup> March 2021, and its profit (financial performance including other 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 Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 Ind AS financial statements.

**Key Audit Matters**

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

*"We have determined that there are no key audit matters to communicate in our report."*

**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 Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Ind AS financial statements**

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS financial statements.

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

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

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

#### **Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, 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 Statement of changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls 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 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) Rule, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position as on reporting date.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Chivatam (Camp)

Date: 23<sup>rd</sup> April, 2021

For **M/s. K.S.RAO & Co.,**

Chartered Accountants

Firm Reg. No. 003109S

**Sd/-**

**(K. VAMSI KRISHNA)**

**Partner**

**M.No. 238809**

**UDIN: 21238809AAAAAP2245**

**“Annexure A” to the Auditor’s Report:**

- (i) (a) According to the information and explanations furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) According to the information and explanations given to us, the company has physically verified its fixed assets during the year which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
(c) The company doesn't having any immovable properties as on reporting date and hence the reporting requirement under this clause doesn't arise.
- (ii) (a) According to the information and explanations furnished to us, the company has physically verified its inventories at reasonable intervals during the period under report. In our opinion and according to information and explanation given to us, the discrepancies if any noticed on verification of inventories between the physical stocks and the book records were not material, and have been properly dealt with in the books of account.
- (iii) According to the information and explanations furnished to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in register maintained under Section 189 of the Companies Act 2013. Consequently, the provisions of clauses iii (a), iii (b) and iii (c) of the order are not applicable to the Company.
- (iv) According to the information and explanations furnished to us, the company has not given any loan, made any investment, given any guarantee, or provided any security covered under section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the company has not accepted any deposits covered under the provisions of section 73 to 76 or any other relevant provisions of the Act. Further, according to the information furnished to us, no order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 73 to 76 of the Companies Act, 2013.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, a detailed examination of cost records has not been made by us with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations furnished to us and according to the books and records produced for our examination, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State insurance, Income Tax, GST, Custom Duty, Cess and other material statutory dues wherever applicable to it and further there are no undisputed statutory dues that were outstanding, as at the date of the Balance Sheet, for a period of more than six months from the date they became payable.  
(b) According to the information and explanations furnished to us and according to the records of the company, the company has no disputed dues on account of Provident Fund, Employees' State insurance, Income Tax, GST, Custom Duty, Cess pending remittance as at March 31, 2021.
- (viii) According to the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks, government or debenture holders at the date of balance sheet.
- (ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and the term loans from Banks and Financial Institutions during the year. Hence reporting requirement in terms of Clauses (ix) does not arise during the period under report.

- (x) According to the information and explanations furnished to us, and based on the audit procedures generally adopted by us, we report that, during the period, no fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) To the best of our knowledge and according to the information and explanations furnished to us, the company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations furnished to us, the company has not entered in to any transactions with related parties in accordance with the provisions of sections 177 and 188 of the Companies Act, 2013. Hence reporting requirement in terms of Clause (xiii) does not arise during the period under report.
- (xiv) According to the information and explanations furnished to us, the company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations furnished to us, the company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations furnished to us, the company is not required to be registered under the section 45-IA of the Reserve Bank of India Act, 1934.

Place: Chivatam (Camp)  
Date: 23<sup>rd</sup> April, 2021

For **M/s. K.S.RAO & Co.,**  
Chartered Accountants  
Firm Reg. No. 003109S

**Sd/-**  
**(K.VAMSI KRISHNA)**  
Partner  
M.No. 238809  
UDIN: 21238809AAAAAP2245



**ANNEXURE-B****Report on the Internal Financial Controls with Reference to Ind AS Financial Statements  
under Clause (i) of Sub-section 3 of  
Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Ind AS financial statements of **RADIX INDUSTRIES (INDIA) LIMITED** ("the Company") as of 31<sup>st</sup> March, 2021 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and 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 with reference to financial statements 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") and the Standards on Auditing, issued by Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Control and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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 Ind AS financial statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

**Opinion**

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

Place: Chivatam (Camp)

Date: 23<sup>rd</sup> April, 2021

For **M/s. K.S.RAO & Co.,**  
Chartered Accountants  
Firm Reg. No. 003109S

Sd/-  
**(K.VAMSI KRISHNA)**  
Partner  
M.No. 238809  
UDIN: 21238809AAAAAP2245

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021**

(All amounts in ₹)

PARTICULARS	Note No.	As on 31.03.2021	As on 31.03.2020
<b>A. ASSETS:</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	1477761	1286289
(b) Capital work-in-progress	2	2844085	0
(c) Deferred tax assets (net)	3	218952	235840
(d) Other non-current assets	4	24895	24895
Total Non-current assets		4565693	1547024
<b>(2) Current assets</b>			
(a) Inventories	5	251874896	214528425
(b) Financial Assets			
(i) Trade Receivables	6	18729151	13215802
(ii) Cash and cash equivalents	7	1146133	1193691
(iii) Bank balances other than (ii) above	8	164244	153208
(c) Other current assets	9	1159518	657137
Total Current assets		273073942	229748263
<b>TOTAL ASSETS:</b>		<b>277639635</b>	<b>231295287</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share capital	10	150071700	150071700
(b) Other Equity			
(i) Reserves and surplus	11	24446923	17900373
Total Equity		174518623	167972073
<b>LIABILITIES</b>			
<b>(1) Non - current liabilities</b>			
(a) Financial Liabilities			
(i) borrowings		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (b))	-	-	-
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) borrowings	12	101242890	61676644
(ii) Trade payables		-	-
Total outstanding dues of MSME			
Total outstanding dues of creditors other than MSME			
(iii) Other financial liabilities (other than those specified in item (c))			-
(b) Other current liabilities	13	164244	153208
(c) Provision	14	810332	1030362
(d) Current Tax Liabilities (Net)	15	903546	463000
Total Current liabilities		103121012	63323214
Total Liabilities		103121012	63323214
<b>TOTAL EQUITY AND LIABILITIES:</b>		<b>277639635</b>	<b>231295287</b>
Significant Accounting Policies and other disclosures	1		

Note: The accompanying notes are an integral part of the financial statements.  
as per our report on even date

For **M/s.K.S.RAO & Co.,**  
Chartered Accountants  
F.R.No. 003109S

**Sd/-**  
**K.VAMSI KRISHNA**  
Partner  
M.No.: 238809  
UDIN: 21238809AAAAAP2245  
Place: Chivatam  
Date: 23.04.2021

**Sd/-**  
**G. Ganapathi Rama Prabhakara Raju**  
Director & CFO

For **RADIX INDUSTRIES (INDIA) LIMITED**

**Sd/-**  
**GOKARAJU RAGHU RAMA RAJU**  
Chairman & Managing Director

**Sd/-**  
**GOKARAJU PARVATHI**  
Director

**Sd/-**  
**P. Lenin Babu**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(All amounts in ₹)

Sr. No.	PARTICULARS	Note No.	For the year ending 2020-21	For the year ending 2019-20
I	Revenue from operations	16	275045491	105803638
II	Other Income	17	0	7666
III	<b>Total Revenue (I+II)</b>		<b>275045491</b>	<b>105811304</b>
IV	<b>Expenses</b>			
	a. Cost of Material Consumed	18	240222733	70761349
	b. Changes in inventories of finished goods, work-in-progress		-	-
	c. Employee benefits expense	19	3959386	3982362
	d. Finance Costs	20	2786031	2511409
	e. Depreciation and Amortisation expense	2	278946	350050
	f. Other Expenses	21	8861442	11237043
	<b>Total Expenses (IV)</b>		<b>256108538</b>	<b>88842213</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>		<b>18936953</b>	<b>16969091</b>
VI	Exceptional Items		-	-
VII	<b>Profit / (loss) before tax (V-VI)</b>		<b>18936953</b>	<b>16969091</b>
VIII	<b>Tax expense:</b>			
	(1) Current Tax		4866000	5063000
	(2) Adjustment of Tax expense for earlier years		3930	(430)
	(3) Deferred tax (credit)/charge		16888	1048
			4886818	5063618
IX	<b>Profit / (Loss) for the period from continuing operations (VII-VIII)</b>		<b>14050135</b>	<b>11905473</b>
X	Profit / (Loss) from discontinuing operations		-	-
XI	Tax expense of discontinuing operations		-	-
XII	<b>Profit / (Loss) from discontinuing operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
XIII	<b>Profit / (Loss) for the period (IX+XII)</b>		<b>14050135</b>	<b>11905473</b>
XIV	<b>Other Comprehensive income</b>			
	A (i) items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	<b>Total Comprehensive Income for the period (XIII + XIV)</b> (Comprising profit/loss and other Comprehensive Income for the period)		<b>14050135</b>	<b>11905473</b>
XVI	<b>Earning per equity share (for continuing operation):</b>			
	(1) Basic		0.94	0.79
	(2) Diluted		0.94	0.79
XVII	<b>Earning per equity share (for discontinued operation):</b>			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	<b>Earning per equity share</b> (for discontinued & continuing operations)			
	(1) Basic		0.94	0.79
	(2) Diluted		0.94	0.79

Note: The accompanying notes are an integral part of the financial statements.  
as per our report on even date

For **M/s.K.S.RAO & Co.,**  
Chartered Accountants  
F.R.No. 003109S

**Sd/-**  
**K.VAMSI KRISHNA**  
Partner  
M.No.: 238809

Place: Chivatam  
Date: 23.04.2021  
UDIN: 21238809AAAAAP2245

For **RADIX INDUSTRIES (INDIA) LIMITED**

**Sd/-**  
**GOKARAJU RAGHU RAMA RAJU**  
Chairman & Managing Director

**Sd/-**  
**GOKARAJU PARVATHI**  
Director

**Sd/-**  
**G. Ganapathi Rama Prabhakara Raju**  
Director & CFO

**Sd/-**  
**P. Lenin Babu**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

(All amounts in ₹)

<b>PARTICULARS</b>	<b>2020-21</b>	<b>2019-20</b>
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) for the year before exceptional items:		
Profit/(Loss) from continuing operations	18936953	16969091
Profit/(Loss) from discontinued operations	-	-
Profit before tax	18936953	16969091
<u>Adjustments to reconcile profit before tax to net cash flows:</u>		
Depreciation of property, plant and equipment and amortisation	278946	350050
Interest income	0	(7666)
Finance costs	2786031	2511409
Operating profit before working capital changes	22001930	19822884
<u>Add/Less: Adjustments for working capital</u>		
Increase / Decrease in inventories	(37346471)	(12229778)
Increase/Decrease in Trade receivables	(5513349)	11581789
Increase/Decrease in Other current assets	(513417)	(444309)
Increase/Decrease in Other Non-Current assets	0	460000
Increase / Decrease in other current liabilities	(220030)	607700
Cash generated from operations	(21591337)	19798286
Less: Direct taxes paid	4429384	4757570
Net cash flows from operating activities	<b>(26020721)</b>	<b>15040716</b>
<b>II CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of property, plant and equipments	(3314503)	(122220)
Interest Received	0	7666
Net cash flows used in investing activities	<b>(3314503)</b>	<b>(114554)</b>
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	39566246	(6910301)
Interest paid	(2786031)	(2511409)
Dividends paid to equity holders including tax on dividend	(7492549)	(9983410)
Dividend distribution tax	0	(2056983)
Net Cash flows/(used in) Financing Activities	29287666	(21462103)
Net increase/(decrease) in Cash & Cash equivalents (I + II + III)	<b>(47558)</b>	<b>(6535941)</b>
Cash and cash equivalents at the beginning of the period	1193691	7729632
Cash and cash equivalents at the end of the period	1146133	1193691
	<b>47558</b>	<b>6535941</b>

Note: The accompanying notes are an integral part of the financial statements.  
as per our report on even date

For **M/s.K.S.RAO & Co.,**  
Chartered Accountants  
F.R.NO.003109S

**Sd/-**  
**K.VAMSI KRISHNA**  
Partner  
M.No.: 238809  
UIDN : 21238809AAAAAP2245

Place: Chivatam  
Date: 23.04.2021

For **RADIX INDUSTRIES (INDIA) LIMITED**

**Sd/-**  
**GOKARAJU RAGHU RAMA RAJU**  
Chairman & Managing Director

**Sd/-**  
**GOKARAJU PARVATHI**  
Director

**Sd/-**  
**G. Ganapathi Rama Prabhakara Raju**  
Director & CFO

**Sd/-**  
**P. Lenin Babu**  
Company Secretary

## Statement of changes in equity for the year ended March 31, 2021

## A. Equity share capital

Amount in Rs.

Particulars	Amount
<b>Balance at March 31, 2019</b>	100047800
Changes in equity share capital during the year	50023900
<b>Balance at March 31, 2020</b>	150071700
Changes in equity share capital during the year	0
<b>Balance at March 31, 2021</b>	<b>150071700</b>

## B. Other Equity

Amount in Rs.

Particulars	Reserves and surplus	
	General reserve	Retained earnings
<b>Balance as on April 01, 2019</b>	<b>10382500</b>	<b>57698063</b>
Add: Profit for the year	-	11905473
Less: Dividend for the year paid	-	(12061763)
Less: Bonus issue	-	(50023900)
Add: Other comprehensive income for the year, net of income tax	-	-
<b>Balance as on 01.04.2020</b>	<b>10382500</b>	<b>7517873</b>
Add: Profit for the year	-	14050135
Less: Dividend for the year paid	-	(7503585)
Less: Bonus issue	-	-
Add: Other comprehensive income for the year, net of income tax	-	-
<b>Balance as on 31.03.2021</b>	<b>10382500</b>	<b>14064423</b>

As per our report of even date

For **M/s.K.S.RAO & Co.,**  
Chartered Accountants  
F.R.NO.003109S

**Sd/-**  
**K.VAMSI KRISHNA**  
Partner  
M.No.: 238809

Place: Chivatam  
Date: 23.04.2021  
UIDN : 21238809AAAAAP2245

For RADIX INDUSTRIES (INDIA) LIMITED

**Sd/-**  
**GOKARAJU RAGHU RAMA RAJU**  
Chairman & Managing Director

**Sd/-**  
**GOKARAJU PARVATHI**  
Director

**Sd/-**  
**G. Ganapathi Rama Prabhakara Raju**  
Director & CFO

**Sd/-**  
**P. Lenin Babu**  
Company Secretary

**NOTE. 1: STATEMENT ON ACCOUNTING POLICIES AND OTHER DISCLOSURES****I. Company Overview**

Radix Industries (India) Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 vide CIN No: L37200AP1993PLC016785. Its shares are listed on Bombay Stock exchange. The company is engaged in the manufacturing and selling of human hair products.

**II. Significant Accounting Policies followed by the Company****(a) Basis of preparation of financial statements****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(ii) Historical cost convention**

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

1) Certain financial assets and liabilities that are measured at fair value;

**(iii) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Act.

**(b) Use of estimates and judgements**

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**(c) Property, plant and equipment**

Property, plant and equipment are stated at cost less depreciation and impairment, if any. 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 derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.



**Intangible Assets**

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

**Depreciation and Amortization**

Depreciable amount for Plant and Equipments are the cost of the asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the written-down method as per the useful life prescribed in Schedule II to the Companies Act, 2013

In respect of assets sold or disposed off during the year, depreciation / amortization is provided till the month of sale or disposal of the assets.

**(d) Inventories**

Valuation of inventories is made as under:

- i) Finished goods are valued at lower of cost or net realizable value.
- ii) Raw materials, work-in-progress and stores and spares are valued at cost, following the FIFO Basis.
- iii) Work-in-Progress, raw materials, stores, spares are valued at cost except where the net realizable value of the finished goods they are used in is less than the cost of finished goods and in such an event, if the replacement cost of such materials etc., is less than their books value, they are valued at replacement cost.

By-products and scrap are valued at net realizable value

**(e) Revenue Recognition**

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services

Sales are accounted for net of discounts and rebates. Export Sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.

**(f) Borrowing Costs**

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalized as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

**(g) Income Taxes**

Income tax expense comprises current and deferred taxes.

- i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by the balance sheet date.

**(h) Provisions, Contingent Liabilities and Contingent assets**

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized.

**(i) Earnings per share**

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(j) Foreign Exchange Transactions**

- i) Transactions in foreign currency are initially accounted at exchange rate prevailing on the date of transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the period under report.
- ii) At each Balance Sheet date foreign currency monetary items being receivables/payables are reported using the rate of exchange on that date and difference is recognized as income or expense. Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.
- iii) In respect of forward exchange contracts in the nature of hedges. Premium or discount on the contract is amortized over the term of the contract. Exchange differences on the contract are recognized as profit or loss in the period in which they arise.

**1. Government Grants:**

Grants from government are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants relating to assets the company has opted "capital approach" method. Accordingly, the grant is deducted from the gross value of the assets concerned in arriving at their books value.

Government grants in the nature of export incentives are recognised in the statement of Profit and Loss in the year in which the licenses was approved by respective authorities and the same is considered as reasonable assurance that the enterprise has complied the conditions attached to them and the benefits have been earned by the enterprise is reasonably certain and the ultimate collection will be made.

**Fixed Assets****Note No - 2 Property, Plant & Equipment**

Amount in ₹

S. No.	Name of the Asset	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		Cost As on 01.04.2020 ₹	Additions during the Period ₹	Deductions during the Period ₹	Total Cost upto 31.03.2021 ₹	Depreciation Upto 31.03.2020 ₹	Depreciation for the period ₹	Depreciation on Deductions ₹	Depreciation Upto 31.03.2021 ₹	W.D.V As on 31.03.2021 ₹	W.D.V As on 31.03.2020 ₹
1	Office equipment	1041231	-	-	1041231	892372	39910	-	932282	108949	148859
2	Plant & Machinery	3401843	470418	-	3872261	2467011	175849	-	2642860	1229401	934832
3	Computers	341565	0	-	341565	320075	10426	-	330501	11064	21490
4	Vehicles	1765836	-	-	1765836	1584728	52761	-	1637489	128347	181108
	<b>TOTAL:</b>	<b>6550475</b>	<b>470418</b>	<b>-</b>	<b>7020893</b>	<b>5264186</b>	<b>278946</b>	<b>-</b>	<b>5543132</b>	<b>1477761</b>	<b>1286289</b>
5	Previous year: Capital work-in-progress	6428255 0	122220 2844085	0 0	6550475 2844085	4914136 0	350050 0	0 0	5264186 0	1286289 2844085	1514119 0

NOTE: There are no intangible assets to the company

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As on 31.03.2021 ₹	As on 31.03.2020 ₹
<b>3</b>	<b><u>DEFERRED TAX ASSET (Net):</u></b> Timing difference between book and tax depreciation	218952	235840
		<b>218952</b>	<b>235840</b>
<b>4</b>	<b><u>OTHER NON-CURRENT ASSETS:</u></b> Security Deposits (Unsecured, Considered good)	24895	24895
		<b>24895</b>	<b>24895</b>
<b>5</b>	<b><u>INVENTORIES:</u></b> Raw Materials Stores & Spares	246999690 4875206	212201623 2326802
		<b>251874896</b>	<b>214528425</b>
<b>6</b>	<b><u>TRADE RECEIVABLES:</u></b> Trade receivables (Unsecured, Considered good)	18729151	13215802
		<b>18729151</b>	<b>13215802</b>
<b>7</b>	<b><u>CASH &amp; CASH EQUIVALENTS:</u></b> Cash on hand Balance with scheduled banks in current a/c.	462235 683898	167507 1026184
		<b>1146133</b>	<b>1193691</b>
<b>8</b>	<b><u>BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</u></b> Earmarked balances with banks (Unpaid Dividend accounts - less than seven years)	164244	153208
<b>9</b>	<b><u>OTHER CURRENT ASSETS:</u></b> Unsecured, considered good Interest Receivable Prepaid Expenses Advances to Suppliers Duty drawback receivable	383936 220017 540291 15274	168805 452349 10000 25983
		<b>1159518</b>	<b>657137</b>

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As on 31.03.2021 ₹	As on 31.03.2020 ₹
<b>10</b>	<b><u>EQUITY SHARE CAPITAL:</u></b>		
	a. Authorised Share capital 2,70,00,000 (2,70,00,000) Equity Shares of ₹ 10/- each	270000000	270000000
	b. Issued and subscribed capital 1,50,07,170 (1,50,07,170) Equity shares of ₹ 10/- each	150071700	150071700
	c. Paid up capital 1,50,07,170 (1,50,07,170) Equity Shares of ₹ 10/- each	<b>150071700</b>	<b>150071700</b>
	d. The Reconciliation of number of shares:	No. of Shares	No. of Shares
	Number of Shares at the beginning	15007170	10004780
	Add: Shares issued during the year	-	-
	Add: Bonus shares issued during the year	-	5002390
	Shares Bought back during the year	-	-
	Number of Shares at the end	<b>15007170</b>	<b>15007170</b>
	e. Terms/Rights attached to equity shares: The company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The company declares and pays dividend in Indian rupees.		
	f. The Company has issued and allotted 50,02,390 equity shares to the eligible holders of equity shares, on the record date i.e. 1st October 2019 as bonus equity shares by capitalising reserves, on 3rd October, 2019.		
	g. During the year, the company has paid final dividend of ₹ 0.5 per share for FY 19-20 which resulted in a cash outflow of ₹ 75,03,585.		
	h. 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		
	i. The details of share holders holding more than 5% shares.	No. of Shares/ ( % of holding)	No. of Shares/ ( % of holding)
	Name of the Share holder		
	i) Sri Gokaraju Raghu Rama Raju	9247500	9247500
		61.62	61.62
	ii) Smt Gokaraju Parvathi	1995000	1330000
		13.29	13.29

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	As on 31.03.2021 ₹	As on 31.03.2020 ₹
<b>11</b>	<b><u>OTHER EQUITY - RESERVES AND SURPLUS:</u></b>		
	a. Capital Reserve:		
	Opening Balance	<b>10382500</b>	<b>10382500</b>
	b. Surplus:		
	Opening Balance	7517873	57698063
	Add: Net Profit transferred from statement of Profit and loss	14050135	11905473
	Closing Balance	<b>21568008</b>	<b>69603536</b>
	Less: Appropriations:		
	Final Dividend on Equity Shares (amount per share ₹ 0.50 (Pr. Year ₹ 1.00 )	7503585	10004780
	Tax on Final Dividend	0	2056983
	Issue of Bonus Shares	0	50023900
		7503585	62085663
	Closing Balance	<b>14064423</b>	<b>7517873</b>
	<b>Total (a+b)</b>	<b>24446923</b>	<b>17900373</b>
<b>12</b>	<b><u>BORROWINGS:</u></b>		
	Secured:		
	Towards working capital		
	a) State Bank of India - Tanuku - EPC Limit	<b>89237117</b>	<b>61676644</b>
	b) State Bank of India - Tanuku - GECL Limit (Refer Note No.28)	12005773	0
		<b>101242890</b>	<b>61676644</b>
<b>13</b>	<b><u>OTHER CURRENT LIABILITIES:</u></b>		
	Unpaid dividends	164244	153208
		<b>164244</b>	<b>153208</b>
<b>14</b>	<b><u>PROVISIONS:</u></b>		
	For Expenses	659963	722389
	For Employee benefits	88028	253073
	For Statutory payables	62341	54900
		<b>810332</b>	<b>1030362</b>
<b>15</b>	<b><u>CURRENT TAX LIABILITIES:</u></b>		
	Provision for Current tax (Net of taxes paid)	903546	463000
		<b>903546</b>	<b>463000</b>

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Profit & Loss Statement	For the Year Ending 2020-21 ₹	For the Year Ending 2019-20 ₹
<b>16</b>	<b><u>REVENUE FROM OPERATIONS:</u></b>		
	Sale of Human Hair Products - Export	149808236	100229338
	- Domestic	124854529	-
	Other Operating revenues		
	a. Export Incentives	382726	5574300
	b. Profit on Forward Contracts	-	-
	c. Exchange Gain on translation of dues in foreign currency	-	-
		<b>275045491</b>	<b>105803638</b>
<b>17</b>	<b><u>OTHER INCOME</u></b>		
	Interest received	0	7666
		<b>0</b>	<b>7666</b>
<b>18</b>	<b><u>COST OF MATERIALS CONSUMED:</u></b>		
	Opening stock of Human hair	212201623	198879822
	Add: Purchases	275020800	84083150
		487222423	282962972
	Less: Closing stock of Human hair	246999690	212201623
		<b>240222733</b>	<b>70761349</b>
<b>19</b>	<b><u>EMPLOYEE BENEFITS EXPENSE:</u></b>		
	Salaries and Wages to Employees	2438930	2435330
	Remuneration to Managing Director	1200000	1200000
	Contributions to EPF & ESI	232428	250979
	Bonus	88028	96053
		<b>3959386</b>	<b>3982362</b>
<b>20</b>	<b><u>FINANCE COSTS:</u></b>		
	Interest to bank	2293263	2294892
	Other Borrowing cost	492768	216517
		<b>2786031</b>	<b>2511409</b>
<b>21</b>	<b><u>OTHER EXPENSES:</u></b>		
	Stores Consumed	1995482	1302129
	Advertisements	35679	31710
	Electricity Charges	265054	161995
	Manufacturing Expenses	652651	278882
	Repairs & Maintenance	71019	143066
	Office and Administrative Expenses	447488	338529
	Freight Charges	3153618	1394322
	Rent	372500	787800
	Bank Charges	195234	271964
	Loss on Forward Contracts	0	3737609
	Insurance	809297	729352
	Payment to Auditors		
	--Towards Statutory Audit	59000	17700
	--Towards Tax Audit	35400	11800
	Taxes & Licenses	28876	41846
	Miscellaneous Expenses	740144	1988339
		<b>8861442</b>	<b>11237043</b>

**22. Expenses / Earnings in Foreign Exchange**

(All amounts in ₹)

Particulars	Current period	Previous period
<b>a) Expenses :</b>	₹	₹
i) Imported Capital Goods	4,59,618	NIL
ii) Imported Stores and Spares	30,13,364	NIL
<b>b) Earnings :</b>		
i) FOB value of exports made during the period	14,62,85,610	9,66,96,200

**23. Disclosure on payments and dues to "suppliers" as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" ('The Act').**

Sl.No.	Particulars	31-03-21
1	Amount remaining unpaid, beyond the appointed/ agreed day, at the end of the period	₹
	(a) Principal amount of bills to be paid	-- Nil --
	(b) Interest due thereon	-- Nil --
2	(a) Payments made to suppliers, during the period, but beyond appointed/agreed day interest thereon in terms of Sec.16 of the Act.	-- Nil --
	(b) Interest paid along with such payments during the period.	-- Nil --
	(c) Interest due and payable at the end of the period, on such payments made during the period.	-- Nil --
3	Amount of interest, for the period, u/s.16 of the Act. Accrued and remaining unpaid, at the end of the period.	-- Nil --
4	Total amount of interest, u/s.16 of the Act, including that arising in earlier periods, accrued and remaining unpaid at the end of the period.	-- Nil --

For the purpose of the above details the Status of the 'Suppliers' under the Act has been determined to the extent of and based on the information furnished by the respective parties, and has accordingly been relied upon by the company and its auditors.



**24. Details of consumption of imported and indigenous items**

Particulars	Current Period	Previous Period
<b>A. Raw material</b>	₹	₹
Imported	NIL (0%)	NIL (0%)
Indigenous	24,02,22,733 (100%)	7,07,61,349 (100%)
<b>B. Stores and spares</b>		
Imported	10,25,103 51.37%	10,78,857 82.85%
Indigenous	9,70,379 48.63%	2,23,272 17.15%

**25. Assets pledged as security**

Particulars	Notes	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
<b>Current Assets</b>		₹	₹
Financial Assets			
-Trade Receivables	6	1,87,29,151	1,32,15,802
Non - financial Assets			
- Inventories	5	25,18,74,896	21,45,28,425

**26. As per Indian Accounting Standard 24 "Related Parties Disclosure" the disclosure of related parties as defined in the standard are given hereunder:****A. List of Related parties:****Key Management Personnel**

- Sri. G. Raghu Rama Raju, Managing Director
- Sri. G.G.R. Prabhakara Raju, Director & CFO
- Smt. G Parvathi, Director
- Sri. P. Lenin Babu Company Secretary

**Companies controlled by Key Management Personnel:**

- M/s. Diamond Drop Property Holdings (India) Private Limited  
(Smt. G. Parvathi, Director interested as Director in the Company)
- M/s. Arqube Industries (India) Limited  
(Sri.G. Raghu Rama Raju, Managing Director &  
Smt. G. Parvathi, Director interested as Directors in the Company)

**B. List of Related party transactions:**

Nature of Transaction	Key Management personnel		Companies/ Firms/ Controlled by KMP/ Relatives of KMP	
	2020-21	2019-20	2020-21	2019-20
1. Rent paid during the period to Diamond Drop Property Holdings (India) Private Ltd.,			3,72,500	3,63,000
2. Remuneration paid Sri G. Raghu Rama Raju (Managing Director)	12,00,000	12,00,000		
3. Remuneration paid Sri P Lenin Babu (Company Secretary)	3,72,000	3,72,000		
<b>B. Balances as at 31-03-2021</b>				
Share capital in Company held by				
- Sri G. Raghu Rama Raju	9,24,75,000	9,24,75,000		
- Smt. G. Parvathi	1,99,50,000	1,99,50,000		
- Sri G.G.R. Prabhakara Raju	75,000	75,000		

**27. Particulars of earnings per share**

(₹ in Lakhs)

	PARTICULARS	31.03.2021	31.03.2020
i)	Profit attributable to equity holders:	₹	₹
	-- Continuing operations	1,40,50,135	1,19,05,473
	-- Discontinued operations	-	-
	Profit attributable to equity holders for basic earnings	1,40,50,135	1,19,05,473
ii)	Interest on convertible preference shares	-	-
iii)	Profit attributable to equity holders adjusted for the effect of dilution	1,40,50,135	1,19,05,473
iv)	Weighted average No. of equity shares for basic EPS	1,50,07,170	1,50,07,170
	-- Effect of dilution	-	-
	-- Share options	-	-
	-- Convertible preference shares	-	-
v)	Weighted average No. of equity shares adjusted for the effect of dilution	15007170	15007170
vi)	Basic Earnings per Share (₹)	0.94	0.79
vii)	Diluted Earnings per Share (₹)	0.94	0.79

The Company has allotted 5,002,390 equity shares of ₹ 10/- each fully paid up as bonus shares on October 03, 2019 in the ratio of 1:2 one equity shares of ₹ 10/- each for every two equity shares of ₹ 10/- each held in the Company as on the record date i.e., October 01, 2019) by capitalisation of general reserve. In accordance with Ind AS 33, Earnings per share, the earnings per share data has been adjusted to give effect to the bonus issue for all periods presented.

## 28. Terms and conditions of Secured Borrowings:

(₹) In Lakhs

S. No.	Name of the Financial Institution	Nature of Facility and Limit Sanctioned		Outstanding Balances as on reporting date		Rate of Interest (%)
		Fund Based	Non-Fund Based	Fund Based	Non-Fund Based	
1.	State Bank of India - EPC	950.00	0.00	892.37	0.00	EBLR+ 0.55%i.e. 7.20%p.a (after net off of subvention)
2.	State Bank of India - GECL	120.00	0.00	120.06	0.00	EBLR+ 0.75%i.e. 7.40%p.a
3.	State Bank of India - CEL	0.00	0.24	0.00	0.00	
	<b>TOTAL</b>	<b>1070.00</b>	<b>0.24</b>	<b>1012.43</b>	<b>0.00</b>	

**Note:****1. EPC:**

- The loan is primarily secured by hypothecation of stock and receivables and further collaterally secured by way of specific properties belonging to two directors and further guaranteed by three directors in their individual capacities.
- The loan is repayable on demand.
- The Company is regular in payment of interest on above loan as on reporting date.

**2. GECL:**

- The loan is primarily secured by hypothecation of stock and receivables and further collaterally secured by way of specific properties belonging to two directors and further guaranteed by three directors in their individual capacities.

**b) Repayment Terms:**

Principal Moratorium – 12 Months.

Principal Repayment – 36 EMIs of Rs. 3, 33,334/- from Oct 2021 to Sep 2024.

Interest Repayment – To be serviced every month as and when debited.

The loan is classified as short term borrowings by the management in view of working capital limit payable on demand.

29.

a) Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

Particulars	For the current reporting period 2020-21		For the previous reporting period 2019-20	
	%	₹	%	₹
Accounting profit before Income tax		1,89,36,953		1,69,69,091
At India's Statutory income tax rate	25.168	47,66,052	27.820	47,20,801
<b>Add /(Less) Adjustment in respect of current income tax of previous year</b>				
Authorized Share Capital Increase Expenses	-	-	1.771	3,00,456
Donation Made to CMRF (Covid -19)	0.033	6,292	-	-
Effect of Accelerated depreciation	(0.081)	(15,278)	(0.006)	(1,048)
Deduction u/s 80G	(0.033)	(6,292)	-	-
Interest u/s 234A, 234B, 234C	0.605	1,14,526	0.251	42,521
<b>Current Tax Expense</b>	<b>25.696</b>	<b>48,66,000</b>	<b>29.837</b>	<b>50,63,000</b>
Deferred tax Liability recognised	0.089	16,888	0.006	1,048
Adjustment of Tax expense for earlier years	0.021	3,930	(0.003)	(430)
<b>Income tax reported in Statement of profit and Loss</b>	<b>25.806</b>	<b>48,86,818</b>	<b>29.840</b>	<b>50,63,618</b>

b) The gross movement in the current income tax asset / (liability) for the years ended March 31, 2021 and March 31, 2020 is as follows

Particulars	31-03-2021	31-03-2020
Net Current Income Tax Asset/(Liability) at the beginning	(463000)	(158000)
Adjustment of Tax expense for earlier years	(3930)	430
Income tax paid	4429384	4757570
Current income tax expense	(4866000)	(5063000)
<b>Net Current Income Tax Asset/(Liability) at the end</b>	<b>(903546)</b>	<b>(463000)</b>

c) The movement in gross deferred income tax assets / liabilities (before set-off) for the year ended March 31, 2021 is as follows:

Particulars	31-03-2021	31-03-2020
Deferred Income Tax Asset/(Liability) at the beginning Created on account of timing difference in Property, Plant & Equipment		
Carrying value as at April 1,2020	235840	236888
Changes through profit and loss	(16888)	(1048)
<b>Carrying value as of March 31, 2021</b>	<b>218952</b>	<b>235840</b>

30. Since the company deals only in Manufacturing of Human hair products and there are no geographical segments to be reported.
31. The total sale revenue of ₹ 27,50,45,491/- includes an amount of ₹ 10,19,535/- towards net exchange gain on account of realization of export receivables.
32. According to an internal technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of Indian Accounting Standard 36 'Impairment of Assets'.
33. The earmarked balances under head Cash & Cash equivalents represent the bank balance relating to the following unpaid dividends.

<b>Financial Year</b>	<b>Amount</b>	<b>Dividend</b>
2014-15	31509	Final Dividend
2015-16	31142	Interim Dividend
2016-17	37327	Final Dividend
2017-18	31860	Final Dividend
2018-19	21370	Final Dividend
2019-20	11036	Final Dividend

34. The exchange value for restatement of export receivables are taken at ₹ 73.21 per dollar.
35. Cash-flow statement enclosed.
36. Figures in brackets indicate those for the previous period.
37. The previous period's figures have been regrouped / reclassified wherever necessary to conform to the current period presentation.

As per our report of even date

For **M/s. K.S. RAO & Co.,**  
Chartered Accountants  
FRN. 003109S

**Sd/-**  
**K.VAMSI KRISHNA**  
Partner  
M.No.: 238809  
UIDN: 21238809AAAAAP2245

Place: Chivatam  
Date: 23.04.2021

**For RADIX INDUSTRIES (INDIA) LIMITED**

**Sd/-**  
**GOKARAJU RAGHU RAMA RAJU**  
Chairman & Managing Director

**Sd/-**  
**GOKARAJU PARVATHI**  
Director

**Sd/-**  
**G. Ganapathi Rama Prabhakara Raju**  
Director & CFO

**Sd/-**  
**P. Lenin Babu**  
Company Secretary

**Subject: Deduction of Tax at Source on Dividend and Update of Bank Account and Contact Details**

Dear Shareholder,

As you may be aware, in terms of the provisions of the Income-tax Act, 1961, (the "Act") as amended by the Finance Act, 2020, dividend paid or distributed by a company on or after April 01, 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of payment of dividend.

**Needless to mention, the Permanent Account Number ("PAN") will be mandatorily required to be provided.**

Please note that:

- Section 206AB has been introduced by the Finance Act, 2021, whereby TDS will be higher of the following:
- Twice the rate specified in the relevant provision of the Income-tax Act;
- or
- Twice the rate or rates in force;
- or
- the rate of 5%;

In case a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of tax deducted at source (TDS) including tax collected at source (TCS) in his/her case is Rs.50,000 or more in each of these two financial years. The aggregate amount of TDS / TCS of Rs. 50,000 in a year is not limited to TDS only on dividend income received by the shareholder but will include all TDS transactions of the shareholder during the relevant financial year. These provisions will be effective from July 01, 2021. The shareholder is required to provide a self- declaration to this effect. <http://www.radixindustries.in> for the format of self - declaration.

To summarise, dividend will be paid after deducting the tax at source as under:

**For Resident Shareholders:**

Particulars	Applicable Rate	Documents required (if any)
With PAN	10%*	Update/Verify the PAN, and the residential status as per Act, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agent (in case of shares held in physical mode). In case of Individual shareholder, TDS would not apply if the aggregate of total dividend distributed to the shareholder by the Company during financial year 2021-22 does not exceed ₹ 5,000.
Without PAN/ Invalid PAN	20%	N.A.
Submitting Form 15G/ Form 15H	NIL	Duly verified Form 15G or 15H (as may be applicable in duplicate) is to be furnished along with self-attested copy of PAN card. Blank Form 15G and 15H can be downloaded from the below links or from the websites of Income Tax viz. <a href="http://www.incometax.gov.in">www.incometax.gov.in</a> <a href="http://www.radixindustries.in">http://www.radixindustries.in</a> download - 15H <a href="http://www.radixindustries.in">http://www.radixindustries.in</a> download - 15G

Particulars	Applicable Rate	Documents required (if any)
Submitting Order under Section 197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the financial year 2021-22 and should cover the dividend income.
An Insurance Company as specified under Sec 194 of the Act	NIL	Self-declaration that it has full beneficial interest with respect to the shares owned by it along with self-attested copy of PAN card and copy of registration certification issued by the IRDAI.
Mutual Fund specified under clause (23D) of Section 10 of the Act	NIL	Self-declaration that they are specified in Section 10 (23D) of the Act along with self-attested copy of PAN card and registration certificate.
Alternative Investment Fund (AIF) established in India	NIL	Self-declaration that they are specified in Section 10 (23FBA) of the Act and established as AIF under the SEBI regulations along with self-attested copy of PAN card and registration certificate issued by SEBI.

**For Non- Resident Shareholders:**

Particulars	Applicable Rate	Documents required (if any)
Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)	20% (plus applicable surcharge and cess)	Update/Verify the PAN and legal entity status as per the Act, if not already done, with the depositories or with the Company's Registrar and Transfer Agent (" <b>RTA</b> "), as the case may be. Provide declaration whether the investment in shares has been made under the general FDI route or under the FPI route.
Other Non-resident shareholders	20% (plus applicable surcharge and cess)	Update/Verify the PAN, legal entity status and the residential status as per the Act, if not already done, with the depositories or with the Company's RTAS"), as the case may be.
Lower rate prescribed under the tax treaty which applies to the non-resident shareholder	Tax Treaty Rate	In order to apply the Tax Treaty rate, submit the following documents: <ol style="list-style-type: none"> <li>1. Self-attested copy of Indian Tax Identification number (PAN).</li> <li>2. Self-attested copy of the Tax Residency Certificate applicable for the period 1 April 2021 to 31 March 2022 obtained from the tax authorities of the country of which the shareholder is a resident.</li> <li>3. <u>Self-declaration in Form 10F duly filled and signed (<a href="http://www.radixindustries.in">http://www.radixindustries.in</a> download - 10F).</u></li> <li>4. Self-declaration from Non-resident (<u><a href="http://www.radixindustries.in">http://www.radixindustries.in</a></u> to download - Self declaration), primarily covering the following:                             <ul style="list-style-type: none"> <li>• Non-resident is eligible to claim the benefit of respective tax treaty;</li> </ul> </li> </ol>

Particulars	Applicable Rate	Documents required (if any)
		<ul style="list-style-type: none"> <li>• Non-resident receiving the dividend income is the beneficial owner of such income;</li> <li>• Dividend income is not attributable/ effectively connected to any Permanent Establishment or Fixed Base in India;</li> <li>• Non-resident complies with any other condition prescribed in the relevant Tax Treaty and provisions under the Multilateral Instrument ('MLI');</li> <li>• Non-resident does not have a place of effective management in India.</li> </ul> <p>Application of the beneficial rate of tax treaty for TDS is at the discretion of the Company and shall depend upon completeness of the documentation and review of the same by the Company/ RTA.</p>

To enable the Company to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than July 30 2021, provided you continue to hold shares of the Company on the Book Closure date to be entitled to receive said dividend.

Kindly note that the aforementioned documents may sent to RTA [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com) or You can also email the same to [radixindustries@gmail.com](mailto:radixindustries@gmail.com). No communication on the tax determination / deduction shall be entertained after July 30, 2021.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return.

#### **Updating of PAN, email address and other details**

Shareholders holding shares in dematerialized mode, are requested to update their records such as tax residential status, permanent account number (PAN), registered email addresses, mobile numbers and other details with their relevant depositories through their depository participants. Shareholders holding shares in physical mode are requested to furnish details to the registrar and share transfer agent at [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com). The Company is obligated to deduct tax at source (TDS) based on the records available with RTA and no request will be entertained for revision of TDS return.

Kindly note that the aforementioned documents should be sent before July 30, 2021 with the Registrar and Transfer Agent at [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com).

#### **Update of Bank account details:**

While on the subject, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by you, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card duly self-attested. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear your name, please attach a copy of the bank pass-book statement, duly self-attested.

We seek your co-operation in the matter.

#### **No claim shall lie against the Company for tax deducted at higher rate, for any reason, whatsoever.**

The Company shall arrange to email the soft copy of TDS certificate to you at your registered email ID in due course, post payment of the said dividend.



Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/>

To receive dividend amount directly in your bank account, we request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the electronic form. In case you are holding shares in physical form, you will have to submit a scanned copy of a covering letter, duly signed by the first shareholder, along with a cancelled cheque leaf with your name and bank account details and a self-attested copy of your PAN card, with VCCIPL. In case the cancelled cheque leaf does not bear your name, please attach a self-attested copy of your bank pass-book statement.

We also request you to update / register your email address and mobile numbers with your Depository Participant, in case you are holding shares in the electronic form and with the Company or VCCIPL at the above mentioned email address, if you are holding shares in physical form, for the purpose of receiving communications including annual reports and notices, from the Company over e-mail.

We seek your co-operation in the matter.

If undelivered please return to :

**RADIX INDUSTRIES (INDIA) LIMITED**

Door No. 4-243, Chivatam, Near NH-5 Road,

Tanuku - 534211, West Godavari Dist, Andhra Pradesh, India