



## Annual Report 2022-2023

# Jocil Limited

(A Subsidiary of The Andhra Sugars Limited)

CIN : L28990AP1978PLC002260 • GSTIN : 37AAACJ5606L1ZF

Box 216, Arundelpet PO., GUNTUR-522 002, AP. • Factory & Regd. Office : DOKIPARRU, GUNTUR-522 438, AP.

Ph : +91 9848139135 • Email : jocil@jocil.net • Web : www.jocil.in

## BOARD OF DIRECTORS

P. Narendranath Chowdary

Chairman

J. Murali Mohan

Managing Director

Mullapudi Thimmaraja

Director

K. Srinivasa Rao

Director

V. S. Raju

Independent Director

Subbarao V. Tipirneni (Upto 30-9-2022)

Independent Director

M. Mrutyumjaya Prasad

Director

Dr. Manjulata Dasari

Independent Director

K. Rama Seshayya

Independent Director

P.A. Chowdary

Independent Director

P. Kesavulu Reddy

Independent Director

G.S.V. Prasad (from 03-08-2023)

Addl. Director

Dr. V.N. Rao (from 03-08-2023)

Addl. Director

K. Raghuram,

SECRETARY & DGM (Fin.) (CFO)

F.C.S., F.C.A., F.C.M.A.

## BANKERS

Union Bank of India,  
(formerly Andhra Bank),  
Kothapet, Guntur - 522 001.

## STOCK EXCHANGE

National Stock Exchange of India Ltd.,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051.

State Bank of India,  
Industrial Estate Branch,  
Amaravati Road, Guntur - 522 002.

## SHARE REGISTRAR & TRANSFER AGENT (RTA)

XL Softech Systems Ltd.,  
3, Sagar Society,  
Road No. 2, Banjara Hills,  
Hyderabad - 500 034.  
Ph : 040-23545913  
E-mail : xlfield@gmail.com

## AUDITORS

Chevuturi Associates,  
Chartered Accountants,  
D.No. 33-25-338,  
Govindarajulunaidu Street,  
Suryaraopet, Vijayawada - 520 002.

## COST AUDITORS

Narasimha Murthy & Co.,  
104, Pavani Estate,  
3-6-365, Himayatnagar,  
Hyderabad - 500 029.

## SECRETARIAL AUDITORS

Nekkanti SRVVS Narayana & Co.,  
Plot No. 29, 2nd Floor  
Gafoor Nagar, Madhapur  
Hyderabad - 500 081.

*An ISO 9001 Certified Company*

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**NOTICE TO SHAREHOLDERS**

NOTICE is hereby given that the Forty fifth Annual General Meeting of the Shareholders of Jocil Limited will be held at the Registered Office of the Company, Dokiparru, Guntur - 522 438, A.P. on Saturday, the 23 September, 2023 at 3.30 p.m. to transact the following business :

**Ordinary Business :**

1. To receive, consider and adopt the audited Statement of Profit & Loss for the year ended 31 March 2023 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare a Dividend for the year 2022-23.
3. To elect a Director in place of Shri Mullapudi Mrutyumjaya Prasad (DIN : 01500271) who retires by rotation and being eligible offers himself for reappointment/re-election.

**Special Business:**

4. To approve the remuneration of the Cost Auditors for the financial year ending 31 March 2024 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Narasimha Murthy & Co., Hyderabad, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2024, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To reappoint Shri Jagarlamudi Murali Mohan (DIN No. 00114341) as Managing Director and in this regard to consider, and if thought fit, to pass, with or without modifications, the following resolution as Special Resolution.

"RESOLVED THAT pursuant to the provisions contained in Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (the Rules) and subject to such other approvals as may be required, Shri Jagarlamudi Murali Mohan be and is hereby reappointed as Managing Director for a further period of 3 years effective from 16th February, 2024 and be paid remuneration by way of salary, commission and other perquisites as set out below.

1. Salary : Pay scale ₹ 10,00,000 - 1,00,000 - 11,00,000 - 12,00,000
2. Commission: upto 2% of the net profit of the company but not exceeding annual salary specified above.

3. Perquisites –

- i. Housing: Free furnished residential accommodation with all facilities and amenities including gas, electricity, water, furniture/fittings etc. In case where the Company does not provide accommodation, House Rent Allowance shall be paid at the rate of 50% of the salary.
- ii. Medical Reimbursement of the expenses incurred for treatment in India / abroad for self and family.
- iii. Leave Travel Concession in India / abroad for self and family once in a year not exceeding one month basic salary.
- iv. Club fees.
- v. Personal Accident Insurance.
- vi. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent of 12% and 15% of salary respectively subject to the limits specified under the provisions of The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and Income Tax Act, 1961 from time to time.
- vii. Gratuity payable at the rate not exceeding half-month's salary for each completed year of service.
- viii. Leave - Entitled to one month's leave, as per the rules of the Company on full pay, for every 12 months of service. Un-availed leave during the earlier term be carried forward to the present term.  
  
Encashment of leave at the end of the tenure will not be included in computation of the ceiling on remuneration.
- ix. Telephone / Mobile - one or more, free telephone / mobile facility at the residence or otherwise for the use in connection with the company's business.
- x. Car - one or more, use of company's car in connection with company's business with driver and all expenses on maintenance, repairs and cost of fuel.
- xi. Expenses incurred for traveling, boarding and lodging on the company's business.

(Provision of car and telephone / mobile and reimbursement of expenses under Item Nos. ix, x and xi above will not be considered as perquisites).

The perquisites under above Item Nos. vi, vii and viii shall not be taken into account as perquisites while computing the remuneration under Schedule V of the Companies Act 2013 in the event of Company having no profits or inadequate profits.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the term of his office, the same remuneration comprising the salary, commission and perquisites shall be paid to Shri Jagarlamudi Murali Mohan by way of minimum remuneration.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter, vary such salary, commission and perquisites as may be permitted by any applicable law from time to time during the said period of office and agreed between the Board of Directors of the Company and Shri Jagarlamudi Murali Mohan.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT Sri G.S.V. Prasad (DIN : 08797795) who was appointed by the Board of Directors as Additional Director of the Company w.e.f. 03-08-2023 pursuant to Article 113 of the Articles of Association of the Company, holds office up to the date of the 45th Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (Act) or any statutory modification thereof or any re-enactment of the said Act and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director and subject to regulations contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments made thereto from time to time be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (Act) or any statutory modification thereof or any re-enactment of the said Act, and the Rules made thereunder, read with Schedule IV of the said Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments made thereto from time to time, Sri G.S.V. Prasad (DIN : 08797795) who meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years commencing from 23 September 2023 to 22 September 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT Dr. V.N. Rao (DIN : 00861884) who was appointed by the Board of Directors as Additional Director of the Company w.e.f. 03-08-2023 pursuant to Article 113 of the Articles of Association of the Company, holds office up to the date of the 45th Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (Act) or any statutory modification thereof or any re-enactment of the said Act and in respect of whom the Company has received a Notice in writing from a Member proposing his candidature for the office of Director and subject to regulations contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments made thereto from time to time be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (Act) or any statutory modification thereof or any re-enactment of the said Act, and the Rules made thereunder, read with Schedule IV of the said Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments made thereto from time to time, Dr. V.N. Rao (DIN : 00861884) who meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years commencing from 23 September 2023 to 22 September 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 152 and other applicable Provisions of the Companies Act 2013 (Act) or any statutory modification thereof or any re-enactment of the said Act and subject to regulations contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments made thereto from time to time Smt. Bhargavi Vangala (DIN :06950741), in respect of whom the Company has received a Notice in writing from a Member proposing her candidature for the office of Director and as recommended by the Board of Directors be and is hereby appointed as a Director of the Company with effect from 13 October 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Sections 149 and 152 and other applicable provisions of the Companies Act, 2013 (Act) or any statutory modification thereof or any re-enactment of the said Act, and the Rules made there under, read with Schedule IV of the said Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments made thereto from time to time, Smt. Bhargavi Vangala (DIN : 06950741) who meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years commencing from 13 October 2023 to 12 October 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

12. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder and provisions of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri V.S. Raju (DIN :00101405) be continued as a Non-Executive, Non-Independent Director of the Company liable to retire by rotation, after completion of his term of appointment on 31 March 2024 as an Independent Director.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The proxy form (provided with this report) should reach the Registered Office of the Company duly completed not less than 48 hours before the schedule time of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 9th September, 2023 to Saturday, the 16th September, 2023, both days inclusive.
3. Members are requested to notify any change in address immediately to the Company's Registered Office or Registrar and Transfer Agents.
4. Pursuant to Section 124(5) of the Companies Act, 2013, the unclaimed dividend for the year ended 31st March, 2015 has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.
5. Pursuant to Investor Education and Protection Fund (uploading of information regarding Unpaid and Unclaimed Amounts lying with Companies) Rules, 2012, the Company will provide/host the required details of unclaimed amounts referred under Section 124(2) of Companies Act, 2013 on its website and also in the website of the Ministry of Corporate Affairs in the relevant form every year.
6. Pursuant to Section 124 of Companies Act, 2013, the unclaimed shares for the year ended 31 March 2015 have been transferred to IEPF established by the Central Government. Members who wish to claim shares from IEPF are required to comply with the provisions specified under IEPF (Accounting, Audit, Transfer and Refund) Rules 2016.
7. Information about the Directors seeking appointment / reappointment at the 45th Annual General Meeting as required under Listing Regulations is attached.

8. The Dividend for the year ended 31st March 2023 as recommended by the Board, if sanctioned at the Annual General Meeting, will be payable (subject to TDS as applicable) to those members whose names appear in the Company's Register of Members on 16th September, 2023 as per details provided by Share Transfer Agents (RTA). In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the Depositories – National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for this purpose as on 8th September, 2023 after the close of business hours.
9. The Company is providing facility to the shareholders for voting by electronic means and the business may be transacted through such voting. The process and manner of e-voting, time schedule etc., are at Page No. 21.
10. Route map for attending the Annual General Meeting is provided at inside back cover page.
11. SEBI vide circular dated March 16, 2023 mandated furnishing of PAN, Nomination, Contact details, Bank Account details and Specimen signature by holders of physical shares. Further, effective from 1 October 2023, it is mandated that the Registrar and Transfer Agent (RTA) shall not process any service request or complaint of shareholders till PAN, Nomination, Contact details, Bank Account details and Specimen signature are received. In case any of the aforesaid documents are not available on or after 1 October 2023, the Folios shall be frozen by the RTA. Also, if the Folios continue to remain frozen as on 31 December 2025 due to non-submission of the required documents by the holder of physical shares, the RTA / Company shall refer the frozen folios to the Administrating Authority under the Benami Transactions (Prohibition) Act, 1988 and / or Prevention of Money Laundering Act, 2002.

Shareholders holding shares in physical form are therefore requested to provide following forms to RTA for updation of their PAN, Nomination, Contact details, Bank Account details and Specimen signature as the case may be. The said forms can be downloaded from the website of the Company [www.jocil.in](http://www.jocil.in). Weblink for the same is [www.jocil.in/shareholdersinformation.htm](http://www.jocil.in/shareholdersinformation.htm).

- i. Form ISR – 1 : Request for registering PAN, KYC details or changes /updation thereof
- ii. Form ISR – 2 : Updation of signature
- iii. Form ISR – 3 : Declaration form for opting out of nomination
- iv. Form SH – 13 : Nomination Form
- v. Form SH – 14 : Cancellation or variation of Nomination

To comply with the above requirements, your Company has sent a Notice along with above Forms to all the shareholders holding shares in physical form in respect of whom the said details are not available on 23 May 2023 by Registered Post. In this regard, Shareholders, who have not complied with the above requirement are requested to send the required documents immediately to Company's RTA, XL Softech Systems Limited, Hyderabad to ensure that the shares are not frozen.

**ANNEXURE TO THE NOTICE****A. Explanatory Statement as required under Section 102 of the Companies Act, 2013****Item No. 4 :**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2024 on a remuneration of ₹ 1,85,000/- and reimbursement of actual traveling, lodging & boarding and out of pocket expenses for attending the work.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors requires ratification by the shareholders of the Company.

Accordingly, consent of the members is sought by way of an Ordinary Resolution as set out in Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2024.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise, in the resolution.

The Board recommends for approval of this Ordinary Resolution by the shareholders.

**Item No. 5 :**

The shareholders at the 42nd Annual General Meeting of the company held on 24th September, 2020 approved the reappointment of Shri Jagarlamudi Murali Mohan (DIN : 00114341) as Managing Director for a period of three years with effect from 16th February, 2021. The said term of reappointment will expire on 15th February 2024.

Sri Jagarlamudi Murali Mohan has been the whole-time director of the company since 1990 and has become Managing Director in the year 1992. Since then he initiated and successfully completed various expansion / diversification / modernisation programmes. During his tenure Fatty Acid Distillation plant capacity has been increased from 20 tons per day to 425 tons per day. Under his stewardship a 6 MW biomass power plant and four Wind Energy Generators (WEGs) of 6.3 MW capacity were set up. Acquisition of around 60 acres of land adjacent to the premises, and construction of 1,20,000 cub.m. capacity reservoir were completed under his tenure. With a thrust for product quality, Plants are being modernized continuously by adopting the best technologies in the world giving an edge to the Company's products. The implementation of ISO, the best known quality improvement standard for companies has given the Company a platform for improvements in the form of quality objectives. The company is now able to produce superior quality products and reduce product costs to face intense competition from established manufacturers and imports. He is instrumental in implementing SAP, an Enterprise Resource Planning (ERP) software. The professionalism and managerial skills exhibited in the smooth conduct of affairs of the company were well appreciated by its customers, shareholders, suppliers, employees and the surrounding public. Having regard to the impressive progress made by the Company, it is proposed to reappoint him as Managing Director for a further period of 3 years effective from 16th February 2024.

The Nomination and Remuneration Committee of the Board approved the reappointment and the terms of remuneration including payment of minimum remuneration at its meeting held on 3rd August, 2023.

Shri Jagarlamudi Murali Mohan satisfies all the conditions set out in Part I of Schedule V to the Act and also conditions set out under Sub Section 3 of Section 196 of the Act for being eligible for reappointment. He attained the age of seventy four years. However, he is very much capable in administration of the overall affairs of the Company smoothly. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, the terms of remuneration specified in the resolutions are now being placed before the Members at Item No. 5 of the Notice for their approval as Special Resolution. The Board recommends the same.

Shri Jagarlamudi Murali Mohan is considered as interested in the resolutions as it relates to his reappointment. The relatives of Shri Jagarlamudi Murali Mohan may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

**Information as required under Part II of Schedule V to Companies Act, 2013.**

**I. General Information :**

1. Nature of Industry : Manufacture of Fatty Acids and Toilet Soap and generation of power from renewable sources – Biomass and Wind.
2. Date of commencement of commercial production : 30-06-1981.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Existing company and hence not applicable.
4. Financial performance based on given indicators : Existing company and hence not applicable.
5. Foreign investments or collaborations, if any : NIL

**II. Information about the appointee :**

1. Background details : Shri Jagarlamudi Murali Mohan is a graduate in Chemical Engineering and a Post Graduate in Business Administration. He has been working in the company since 16-02-1990 as Wholetime Director and from 1-7-1992 as Managing Director. Before joining in the company he was with ITC Ltd.
2. Past remuneration : ₹ 2,32,14,951 in 2022-23.
3. Recognition or awards : Under his stewardship as Managing Director of the company since 1992 various expansion / diversification programmes were initiated and successfully completed. Generation of power from renewable sources - Biomass and Wind was set up under his guidance. SAP, an Enterprise Resource Planning (ERP) software was also implemented under his guidance.

4. Job profile and his suitability : Fatty Acid and Toilet Soap industry in the country is facing the problem of excessive installed capacity while the demand for the products is growing at lower pace since several years. The company needs a person with substantial experience to take it forward. Shri J. Murali Mohan is considered as an appropriate person to guide the company in the prevailing scenario of intense competition with his vast experience.
5. Remuneration proposed : Please refer to the details provided in the resolution at item No. 5.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) : Remuneration proposed to the appointee is considered to be reasonable taking into account the size of the company in the industry and the qualification and experience he possesses.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any : Holding 22,125 equity shares of aggregate face value of ₹ 2,21,250 in the company.

### III Other information :

1. Reasons of loss or inadequate profits : The profits were inadequate in the present term of office due to intense competition and unfavourable market conditions.
2. Steps taken or proposed to be taken for improvement : Continuous efforts are made to reduce costs and to improve cost competitiveness in the market. Technology upgradation is being done to improve quality of the products. Even though margins have been on declining trend due to severe competition, continuous efforts have been put in to improve profitability through increased volumes.
3. Expected increase in productivity and profits in measurable terms : Volume of sales is expected to increase by 5% in 2023-24 over the previous year. Increase in profitability and profits depends on several factors such as raw material prices, demand for the products, behaviour of the competitors etc., and therefore it is difficult to quantify the same.

### IV. Disclosures :

Required disclosures are made in the Board of Directors report under the heading "Corporate Governance" attached to the financial statements.

### Item Nos. 6 & 7.

Sri G.S.V. Prasad is a Bachelor of Engineering (Mechanical). He joined Hindustan Petroleum Corporation Ltd (HPCL) in the year 1984 as Sales Officer. During his career spanning over three and a half decades in HPCL, he worked across various locations of HPCL including Solapur, Mumbai, Kolkata, Visakhapatnam, Hyderabad, Nagpur, Pune, Rajkot, and Madurai. He retired as Executive Director (Retail) of HPCL. He was the brain behind many new initiatives of Retail Strategic Business Unit (SBU) like launching of Power-99 (India's Highest Octane rated petrol), Talk to Us (an Artificial Retail SBU). He was responsible for making SBU as the most prominent business unit of HPCL accounting for 66% of the Company's turnover. Also, he was the only employee of HPCL in its history to head its vigilance twice - first as Deputy Chief Vigilance Officer (Chief Manager) and later as

Deputy Chief Vigilance Officer (DGM). He was selected as India's Inspirational Business Leaders for the year 2018-19 conducted by World Consulting and Research Corporation (WCRC).

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") from a Member signifying his intention to propose the appointment of Sri G.S.V. Prasad as a Director of the Company.

Board of Directors on the recommendation of the Nomination and Remuneration Committee, co-opted him as Additional Director from 3 August 2023. He holds office upto the date of the 45th Annual General Meeting. Having regard to his vast experience, and expertise in the field of Marketing, the Board of Directors considered it advisable to appoint him as Director to avail the benefit of his expertise and experience to strengthen the growth of the Company. The Board also considered it is advisable to appoint him as an Independent Director in view of his fulfilling the criteria stipulated in the Companies Act, 2013 with regard to appointment of Independent Directors. He is independent of the Management.

He is not debarred from holding office of Director by virtue of any SEBI Order or any other such authority.

A copy of the draft letter of appointment setting out the terms & conditions of his appointment is available for inspection at the Registered Office of the Company during business hours on any working day.

Regulation 25(2A) of SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2015 specifies that the appointment, re-appointment or removal of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution. The Board of Directors of the Company, therefore, recommends passing of the resolutions as set out in Item Nos. 6 & 7 of the Notice above by way of Special Resolutions.

Other Directorships held:

Director – M/s. The Andhra Petrochemicals Ltd

Other Committeeships held:

Member – Audit Committee, Nomination & Remuneration Committee and  
Corporate Social Responsibility Committee of M/s. The Andhra Petrochemicals Ltd.

He does not hold any equity shares in the Company.

Except Sri G S V Prasad, no other Director, Key Managerial Personnel and their relatives is or are deemed to be interested or concerned in the Resolution.

#### **Item Nos. 8 & 9.**

**Dr. V. N. Rao** holds M.Tech (Chemical Engineering) and Ph.D. (Chemical Engineering) both from IIT, Madras. Earlier, he worked in Coromandel Fertilisers Ltd., Visakhapatnam; Zuari Agrochemicals Ltd., Goa and Tata Chemicals Ltd., Mithapur, Gujarat.

He also worked as Consultant and carried out various consultancy assignments in both technical and managerial areas in the fields of Chemicals, Petrochemicals, Cement and Refractories etc. Later he joined as Vice-President (Technical) in M/s. The Andhra Petrochemicals Limited. He retired on 25 October 2016 as Chief Executive and Chief Operating Officer of that Company.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") from a Member signifying his intention to propose the appointment of Dr. V. N. Rao as a Director of the Company.

Board of Directors on the recommendation of the Nomination and Remuneration Committee, co-opted him as Additional Director from 3 August 2023. He holds office upto the date of the 45th Annual General Meeting. Having regard to his vast experience, and expertise in the field of Chemical Technology, Finance and Administration, the Board of Directors considered it advisable to appoint him as Director to avail the benefit of his expertise and experience to strengthen the growth of the Company. The Board also considered it is advisable to appoint him as an Independent Director in view of his fulfilling the criteria stipulated in the Companies Act, 2013 with regard to appointment of Independent Directors. He is independent of the Management.

He is not debarred from holding office of Director by virtue of any SEBI Order or any other such authority.

A copy of the draft letter of appointment setting out the terms & conditions of his appointment is available for inspection at the Registered Office of the Company during business hours on any working day.

Regulation 25(2A) of SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2015 specifies that the appointment, re-appointment or removal of an independent director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution. Further, Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018 specifies that any listed entity shall appoint a person or continue the directorship of any person as a non- executive director who has attained the age of seventy five years by way of a special resolution passed to that effect. As Dr. V.N. Rao attained the age of eighty one years, the Board of Directors of the Company, therefore, recommends passing of the resolutions as set out in Item Nos. 8 and 9 of the Notice above by way of Special Resolutions.

Other Directorships held:

Director – M/s. The Andhra Petrochemicals Ltd (APL)

Director – M/s. Andhra Pradesh Gas Power Corporation Ltd (APGPCL)

Other Committeeships held:

Member – Audit Committee of APGPCL

Member – Audit Committee, Nomination & Remuneration Committee and  
Corporate Social Responsibility Committee of APL.

He does not hold any equity shares in the Company.

Except Dr. V.N. Rao, no other Director, Key Managerial Personnel and their relatives is or are deemed to be interested or concerned in the Resolution.

**Item Nos. 10 & 11 :**

Smt. Bhargavi Vangala, is a graduate in Commerce. She is also a fellow member of The Institute of Chartered Accountants of India (ICAI) and qualified the Diploma in Information Systems Audit (DISA) course offered by ICAI. She qualified as a Chartered Accountant in the year 2011 and has started practicing in Guntur. She is partner at M/s. Vangala & Associates. Her area of practice is in the intricate areas of Taxation, Auditing, & Banking. She

is a Gold Medallist and was awarded as the "Best Outgoing Student" at her College Level. She also awarded with Best Public Speaker by ICAI, at General Management and Communication Skills (GMCS) programme. She is a faculty with various CA institutions for both Direct and Indirect Taxes and has guided many students in tackling the subject of taxation.

Her area of Specialization is Indirect Taxes and she is one amongst the best advisers in Guntur for GST. She is a recognized GST Faculty by ICAI to its Members. She addresses in many trade and professional associations, including Government Organizations regarding tax issues and latest GST matters. She is also a motivational speaker for various student forums. She is a regular visiting faculty at Andhra Pradesh Human Resource Development Institute (APHRDI) on taxation. She has been elected as Chairperson of Guntur Branch of Southern India Regional Council (SIRC) of ICAI for the term 2022-23. She is adviser for various banks, Government organisations and companies in areas of taxation.

The present term of Dr. Manjulata Dasari, as an Independent Director will be completed on 12 October 2023. The maximum strength of Board of Directors as permitted in Company's Articles of Association is 12. Hence the Board of Directors on the recommendation of Nomination and Remuneration Committee, recommended her to appoint as Director from 13 October 2023. Both the Nomination & Remuneration Committee and the Board were of the opinion after evaluation of her qualifications, experience and other attributes that she meets the skills and capabilities required for the role as she has all skills as identified and accordingly her induction on the Board would be of immense benefit to the Company and it is desirable to avail her services as Director to strengthen the management of the Company. The Board also considered it is advisable to appoint her as an Independent Director w.e.f. 13 October 2023 in view of her fulfilling the criteria stipulated in the Companies Act, 2013 with regard to appointment of Independent Directors. She is independent of the Management.

She is not debarred from holding office of Director by virtue of any SEBI Order or any other such authority.

A copy of the draft letter of appointment setting out the terms & conditions of her appointment is available for inspection at the Registered Office of the Company during business hours on any working day.

Other Directorships held : Director, M/s. Kallam Textiles Limited

Other Committeeships held : Member of Audit Committee of M/s. Kallam Textiles Limited

Except Smt. Bhargavi Vangala, no other Director, Key Managerial Personnel and their relatives is or are deemed to be interested or concerned in the Resolution.

**Item No. 12 :**

Sri V.S. Raju aged 82 years (DIN : 00101405) was re-appointed as a Non-Executive Independent Director for a period of 5 years as the Extraordinary General Meeting of the Company held on 30 March 2019 with effect from 01 April 2019 in terms of Section 149 and other applicable provisions of the Companies Act, 2013. Accordingly, his term as a Non-Executive Independent Director is ending on 31 March 2024 and he is not eligible to continue as an Independent Director.

Pursuant to recommendation of the Nomination and Remuneration Committee (NRC) at its meeting held on 3 August 2023, the Board of Directors of the Company ("The Board") at its meeting held on 3 August 2023

approved to continue the directorship of Sri V.S. Raju as a Non-Executive and Non-Independent Director liable to retire by rotation from 1 April 2024.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") from a member signifying his intention to propose the appointment of Sri V.S. Raju as a Director of the Company.

Shri V.S. Raju has been a Director of the Company since 25-6-1991. By profession he is a practicing advocate in the High Court of Telangana and having rich experience in dealing with matters relating to Company Law, SEBI and other economic subjects. He has served in the Department of Company Affairs, Govt. of India, until he took voluntary retirement in 1988, for a period of about 23 years at various positions such as Registrar of Companies, Deputy Secretary etc. He is an adviser to many companies and organizations. He is having vast experience in Company Law, Competition Act, Capital issues and other allied economic subjects. Hence, the Nomination and Remuneration Committee and the Board are of the view that it is in the best interest of the Company to continue his directorship as a Non-Executive and Non-Independent Director.

Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, specifies that any listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years by way of a special resolution passed to that effect. As Sri V.S. Raju attained the age of eighty two years, the Board of Directors of the Company, therefore recommends passing of the resolution as set out in item number 12 of the Notice above by way of Special Resolution.

Other Directorships held :

Director – M/s. The Andhra Sugars Limited

Other Committeeships held :

Chairman – Nomination & Remuneration Committee of M/s. The Andhra Sugars Ltd

Member – Audit Committee of M/s. The Andhra Sugars Ltd

He is not debarred from holding office of Director by virtue of any SEBI order or any other such authority. He does not hold any equity shares of the Company.

Except Sri V.S. Raju no other Director, Key Managerial Personnel and their relatives is or are deemed to be interested or concerned in the Resolution.

Place : Hyderabad

Date : 03-08-2023

By Order of the Board of Directors

P. NARENDRANATH CHOWDARY

Chairman

**ABBRIEVATED RESUME OF DIRECTORS SEEKING REAPPOINTMENT**

**Shri M. Mrutyumjaya Prasad**

Shri M. Mrutyumjaya Prasad joined the Board of Directors of the Company on 05-11-2011. He is a Post Graduate in Commerce from Andhra University, Visakhapatnam and holds Master of Business Administration from Alagappa University, Karaikudi, Tamil Nadu. He is a member of the Stakeholders Relationship Committee constituted by the Board of Directors of the Company. Number of shares held in the company as on 31st March 2023 are 2,250. Particulars of directorships of other companies and memberships in committees are given below.

<b>Name of the company</b>	<b>Position</b>	<b>Name of the committee</b>	<b>Position</b>
Sree Thimmaraja Investment and Finance Company Private Limited	Director	–	–

**ANNEXURE TO THE NOTICE****DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT**

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India)

<b>Name of Director</b>	<b>Sri Jagarlamudi Murali Mohan (DIN : 00114341)</b>	<b>Sri Mullapudi Mrutyumjaya Prasad (DIN : 01500271)</b>	<b>Sri G.S.V. Prasad (DIN : 08797795)</b>
Date of birth	02-May-1949	03-Jun-1982	10-Jun-1959
Date of his first appointment on Board	16-Feb-1990	05-Nov-2011	3-Aug-2023
Brief profile and experience / expertise in specific functional area	Sri Jagarlamudi Murali Mohan has been the whole-time director of the company since 1990 and has become Managing Director in the year 1992. Since then he initiated and successfully completed various expansion/ diversification/ modernisation programmes. During his tenure Fatty Acid Distillation plant capacity has been increased from 20 tons per day to 425 tons per day. Under his stewardship a 6 MW biomass power plant and four Wind Energy Generators (WEGs) of 6.3 MW capacity were set up. Acquisition of around 60 acres of land adjacent to the premises, and construction of 1,20,000 cub.m. capacity reservoir were completed under his tenure. With a thrust for product quality, Plants are being modernized continuously by adopting the best technologies in the world giving an edge to the Company's products. The implementation of ISO, the best known quality improvement standard for companies has given the Company a platform for improvements in the form of quality objectives. He is instrumental in implementing SAP, an Enterprise Resource Planning (ERP) software.	Shri M. Mrutyumjaya Prasad joined the Board of Directors of the Company on 05-11-2011. He is a Post Graduate in Commerce from Andhra University, Visakhapatnam and holds Master of Business Administration from Alagappa University, Karaikudi, Tamil Nadu.	Sri G.S.V. Prasad is a Bachelor of Engineering (Mechanical). He joined Hindustan Petroleum Corporation Ltd (HPCL) in the year 1984 as Sales Officer. During his career spanning over three and a half decades in HPCL, he worked across various locations of HPCL including Solapur, Mumbai, Kolkata, Visakhapatnam, Hyderabad, Nagpur, Pune, Rajkot, and Madurai. He retired as Executive Director (Retail) of HPCL. He was selected as India's Inspirational Business Leaders for the year 2018-19 conducted by World Consulting and Research Corporation (WCRC).
Qualifications	B.Tech (Chem. Engg) & M.B.A.	M.B.A.	B.E. (Mech.)
Terms and conditions of appointment / re-appointment and de-tails of remuneration sought to be paid	Reappointment for a period of 3 years on a remuneration as specified in the Resolution.	Subject to retirement by rotation. Except sitting fee no other remuneration will be paid.	Appointed for a period 5 years. Except sitting fee no other remuneration will be paid

<b>Name of Director</b>	<b>Sri Jagarlamudi Murali Mohan (DIN : 00114341)</b>	<b>Sri Mullapudi Mrutyumjaya Prasad (DIN : 01500271)</b>	<b>Sri G.S.V. Prasad (DIN : 08797795)</b>
Remuneration last drawn by such person, if applicable	Rs.2,32,14,941	Not Applicable	Not Applicable
Relationship with other Directors, Manager and other Key Mana-gerial Personnel of the Company	Not related to other Directors and other Key Managerial Personnel of the Company.	Son of Sri Mullapudi Thimmaraja, Director	Not related to other Directors and Key Managerial Personnel of the Company.
Number of Meetings of the Board attended during the year	4	4	New appointment
Directorship held in other listed entities and other Companies	Director in M/s. Sree Akkamamba Textiles Ltd, Tanuku	Director in M/s. Sree Thimmaraja Investment and Finance Company Private Limited	Director in M/s. The Andhra Petrochemicals Ltd, Tanuku (APL)
Membership / Chairmanship of committees of other listed entities and other Companies	Chairman – Audit Committee of M/s. Sree Akkamamba Textils	Nil	Member - Audit Committee Member - Nomination & Remuneration Committee of APL
Listed entities from which the person has resigned in the past three years	Nil	Nil	Nil
Shareholding in the Company	22,125 equity shares	2,250 equity shares	Nil
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Skills and capabilities required 1.Risk & Compliance 2.Strategy & Policy 3.Industry specific skills 4.Management & Leadership 5.Board conduct 6.Personal He possesses the above skills through his qualification & experience.	Skills and capabilities required 1.Risk & Compliance 2.Strategy & Policy 3.Industry specific skills 4.Management & Leadership 5.Board conduct 6.Personal He possesses the above skills through his qualification & experience.	Skills and capabilities required 1.Risk & Compliance 2.Strategy & Policy 3.Industry specific skills 4.Management & Leadership 5.Board conduct 6.Personal He possesses the above skills through his qualification & experience.

<b>Name of Director</b>	<b>Dr. V.N. Rao</b> (DIN : 00861884)	<b>Smt. Bhargavi Vangala</b> (DIN : 06950741)	<b>Sri V.S. Raju</b> (DIN : 00101405)
Date of birth	21-Sep-1941	07-Jul-1986	05-Jul-1941
Date of his first appointment on Board	3-Aug-2023	from 13-Oct-2023	25-Jun-1991
Brief profile and experience / expertise in specific functional area	<p>Dr. V.N Rao holds M.Tech (Chemical Engineering) and Ph.D. (Chemical Engineering) both from IIT, Madras. Earlier, he worked in Coromandel Fertilisers Ltd., Visakhapatnam; Zuari Agrochemicals Ltd., Goa and Tata Chemicals Ltd., Mithapur, Gujarat.</p> <p>He also worked as Consultant and carried out various consultancy assignments in both technical and managerial areas in the fields of Chemicals, Petrochemicals, Cement and Refractories etc.</p> <p>Later he joined as Vice-President (Technical) in M/s. The Andhra Petrochemicals Limited. He retired on 25 October 2016 as Chief Executive and Chief Operating Officer of that Company.</p>	<p>Smt. Bhargavi Vangala, is a graduate in Commerce. She is also a fellow member of The Institute of Chartered Accountants of India and qualified the Diploma in Information Systems Audit (DISA) course offered by ICAI. She qualified as a Chartered Accountant in the year 2011 and has started practicing in Guntur. She is partner at M/s. Vangala &amp; Associates. Her area of practice is in the intricate areas of Taxation, Auditing &amp; Banking.</p> <p>Her area of Specialization is Indirect Taxes and she is one amongst the best advisers in Guntur for GST. She is a recognized GST Faculty by ICAI to its Members. She is a regular visiting faculty at Andhra Pradesh Human Resource Development Institute (APHRDI) on taxation.</p>	<p>Shri V.S. Raju has been a Director of our Company since 25-6-1991. By profession he is a practicing advocate in the High Court of Telangana and having rich experience in dealing with matters relating to Company Law, SEBI and other economic subjects. He has served in the Department of Company Affairs, Govt. of India, until he took voluntary retirement in 1988, for a period of about 23 years at various positions like Registrar of Companies, Deputy Secretary etc. He is an adviser to many companies and organizations.</p>
<b>Name of Director</b>	<b>Dr. V.N. Rao</b> (DIN : 00861884)	<b>Smt. Bhargavi Vangala</b> (DIN : 06950741)	<b>Sri V.S. Raju</b> (DIN : 00101405)
Qualifications	M.Tech (Chem. Engg.) & Ph.D (Chem. Engg.)	B.Com., F.C.A., DISA	M.Com., LL.B.
Terms and conditions of appointment / re-appointment and details of remuneration sought to be paid	Appointed for a period of 5 years. Except sitting fee no other remuneration will be paid.	Appointed for a period of 5 years. Except sitting fee no other remuneration will be paid.	Subject to retirement by rotation. Except sitting fee no other remuneration will be paid.
Remuneration last drawn by such person, if applicable	Not applicable	Not applicable	Not applicable

<b>Name of Director</b>	<b>Dr. V.N. Rao (DIN : 00861884)</b>	<b>Smt. Bhargavi Vangala (DIN : 06950741)</b>	<b>Sri V.S. Raju (DIN : 00101405)</b>
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to other Directors and Key Managerial Personnel of the Company.	Not related to other Directors and Key Managerial Personnel of the Company.	Not related to other Directors and Key Managerial Personnel of the Company.
Number of Meetings of the Board attended during the year	New appointment	New appointment	4
Directorship held in other listed entities and other Companies	The Andhra Petrochemicals Ltd (APL)	Kallam Textiles Limited	The Andhra Sugars Limited (ASL)
Membership / Chairmanship of committees of other listed entities and other Companies	Member of Audit Committee in APL Member of Nomination & Remuneration Committee in APL	Member of Audit Committee in Kallam Textiles Limited	Member of Audit Committee in ASL Chairman of Nomination & Remuneration Committee in ASL
Listed entities from which the person has resigned in the past three years	Nil	Nil	Nil
Shareholding in the Company	Nil	Nil	Nil
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	Skills and capabilities required 1.Risk & Compliance 2.Strategy & Policy 3.Industry specific skills 4.Management & Leadership 5.Board conduct 6.Personal He possesses the above skills through his qualification & experience.	Skills and capabilities required 1.Risk & Compliance 2.Strategy & Policy 3.Industry specific skills 4.Management & Leadership 5.Board conduct 6.Personal She possesses the above skills through his qualification & experience.	Skills and capabilities required 1.Risk & Compliance 2.Strategy & Policy 3.Industry specific skills 4.Management & Leadership 5.Board conduct 6.Personal He possesses the above skills through his qualification & experience.

## SHAREHOLDERS INSTRUCTIONS FOR REMOTE E-VOTING

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. The voting period begins at 9.00 a.m. on 20 September 2023 and ends at 5.00 p.m. on 22 September 2023. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16 September 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to above said SEBI Circular, Login method for e-Voting for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of share-holders	Login Method
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b></p>	<p>Login Method</p> <ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/ IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL),</li> </ol>

Type of share-holders	Login Method
	Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	<b>For physical shareholders and other than individual shareholders holding shares in demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>

- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant **Jocil Limited** on which you choose to vote.
- x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory 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; [jocil@jocil.net](mailto:jocil@jocil.net) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurax, 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 at toll free no. 1800 22 55 33.

**TDS on Dividend**

Dear Shareholder,

We are pleased to inform you that the Board of Directors at their Meeting held on May 25, 2023 has recommended a Final Dividend of Rs.2.50 (25%) per Equity Share of Rs.10 each for the Financial Year ended March 31, 2023 and the said Final Dividend will be payable post approval of the shareholders at the ensuing Annual General Meeting of the Company to be held on 23rd September, 2023.

As you are aware that as per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by a Company after April 1, 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 making the payment of the said Final Dividend, if declared at the above AGM.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in the below table:

**Resident Shareholders:**

Category of shareholder	Tax Deduction Rate	Exemption applicability /Documents required
Any resident	10%	Update the PAN if not already done with depositaries (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents - M/S. XL Softech Systems Limited (in case of shares held in physical mode). No deduction of taxes in the following cases - <ul style="list-style-type: none"> <li>• If dividend income to a resident Individual shareholder during FY 2023-24 does not exceed INR 5,000</li> <li>• If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.</li> </ul>
Submitting Form 15G/Form15H	NIL	Eligible Shareholder providing Form 15G (applicable to any person other than a Company or a Firm)/ Form 15H (applicable to an Individual above the age of 60 years) - on fulfillment of prescribed conditions.
Order under section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	NIL	Documentary evidence that the provisions of section 194 of the Act are not applicable.

Category of shareholder	Tax Deduction Rate	Exemption applicability /Documents required
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income.	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Mutual Funds	NIL	Documentary evidence that the person is covered under section 196 of the Act.
Alternative by Notification Investment fund	NIL	Documentary evidence that the person is covered under Notification No. 51/2015 dated 25 June 2015.
Other shareholders without PAN/invalid PAN/specified person as per section 206 AB of the Income Tax Act, 1961	20%	

#### Non-resident Shareholders:

For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of PAN card allotted by the Indian income tax authorities duly attested by the members or details as prescribed under rule 37BC of Income Tax Rules, 1962.
- Copy of Tax Residency Certificate for fiscal 2023 obtained from the revenue authorities of the country of tax residence, duly attested by member.
- Self-declaration in Form 10F.

- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholders.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors/Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

**Please Note that:**

- a. TDS will be deducted @ 20% i.e., at twice the applicable rate on the amount of dividend payable where the resident shareholders;
  - i. have not furnished valid PAN or
  - ii. have not filed with the Income Tax department their return of Income for the previous two financial years and were subject to tax deduction / collection at source aggregating Rs.50,000 or more in each of those financial years.
- b. Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, applicable TDS will be made on their entire cumulative holding in different accounts
- c. The documents as mentioned in the above table are required to be sent to us at the Regd. Office of the Company or may be sent by way of email to [jocil@jocil.net](mailto:jocil@jocil.net) on or before 9 September 2023 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication/ documents on the tax determination / deduction shall be considered post 9 September 2023.
- d. The Company will arrange to send TDS certificate to the shareholders in due course.
- e. The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the e-filing website of the Income Tax department of India <https://www.incometaxindiaefiling.gov.in/home>.
- f. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the Shareholder/s, such Shareholder/s will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operation in any appellate proceedings.
- g. In case where shares held by intermediaries/ stock brokers and TDS is to be deducted in the PAN of the beneficial shareholders then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration in this regard. This declaration should be shared within 2 days from the record date. No declaration shall be accepted after 2 days from the record date.

- h. It may be further noted that in case the tax on said Final Dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/documents from you, there would still be an option available with you to file the return of income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

We request your cooperation in this regard.

Thanking you,

Yours faithfully,

For Jocil Limited

Sd/-

**(K. Raghuram)**

Secretary & DGM (Finance)

Disclaimer: This communication shall not be treated as an advice from the Company or its Registrar & Transfer Agent. Shareholders should obtain the tax advice related to their tax matters from a tax professional.

**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Forty fifth Annual Report of the Company together with the Audited Statement of Accounts for the Financial Year ended 31st March 2023.

	(₹ in Lakhs)	
<b>1. FINANCIAL RESULTS</b>	<b>2022-23</b>	<b>2021-22</b>
Sales	<b>91601.49</b>	75114.07
Processing charges	<b>326.44</b>	244.91
Other income	<b>238.86</b>	113.20
Total income	<b><u>92166.79</u></b>	<u>75472.18</u>
Profit for the year before interest and depreciation	<b>1965.22</b>	1644.99
Interest	<b>(69.93)</b>	(4.94)
Depreciation	<b>(621.01)</b>	(682.20)
Profit before tax	<b><u>1274.28</u></b>	<u>957.85</u>
Less:		
Provision for current tax	<b>355.00</b>	327.00
Deferred tax-(credit)/charge	<b>(64.77)</b>	(81.83)
(Excess)/Short provision of income tax in earlier years	<b>(15.49)</b>	0.01
Profit after tax	<b><u>999.54</u></b>	<u>712.67</u>

The turnover of the company for the year at ₹ 916.01 crores increased by 21.95% from ₹ 751.14 crores of the previous year. This is largely due to increase in the prices of finished goods in line with the increase in the prices of raw materials and also due to increase in the sales volume of Fatty Acids and Soap Noodles. During the year, the sales volume of Fatty acids and Toilet Soap & Soap products increased by 17.36% and 8.53% respectively due to favourable market conditions. The Profit Before Tax (PBT) increased to ₹ 12.74 crores as compared to ₹ 9.58 crores in the previous year. The main reasons for increase in profitability are increase in sales volume of Fatty Acids and Soap Noodles due to increase in demand and also due to commencement of sale of surplus power to Indian Energy Exchange (IEX) through PTC India Limited.

The appropriations from the profit are as detailed below.

	(₹ in Lakhs)	
	<b>2022-23</b>	<b>2021-22</b>
Profit after tax (including other comprehensive income)	<b>452.71</b>	1020.05
Balance brought forward from previous year	<b>5953.08</b>	5199.46
Profit for appropriations	<b><u>6405.79</u></b>	<u>6219.51</u>
<b>APPROPRIATIONS</b>		
Dividend (accounted in the year of payment)*	<b><u>177.62</u></b>	<u>266.43</u>

\* In accordance with the requirements of Ind AS, dividend is to be accounted in the year of payment. Hence, dividend paid during the year is given instead of dividend declared during the year.

Balance carried forward	<u>6228.17</u>	<u>5953.08</u>
TOTAL	<u>6405.79</u>	<u>6219.51</u>
Authorized capital	1000.00	1000.00
Paid-up capital	888.16	888.16
Reserves & surplus	19751.58	19476.49

## 2. DIVIDEND & RESERVES

The Board of Directors have recommend for the approval of the shareholders of the Company for payment of dividend for the year ended 31-03-2023, at ₹ 2.50 per equity share of ₹ 10 each, which aggregates to ₹ 2,22,02,875/- on 88,81,150 equity shares of the Company. In the previous year, the Company paid dividend at ₹ 2.00 per equity share of ₹ 10 each on 88,81,150 shares amounting to ₹ 1,77,62,300. Your Directors do not propose to transfer any amount to reserves for the Financial Year ended on March 31, 2023.

3. OPERATIONS	2022-23	2021-22
	MT	MT
<b>Production</b>		
(including processed on jobwork)		
a. Fatty acids	72514	63048
b. Toilet soap & Soap products	44892	41886
c. Biomass power-kwh	24502397	18176102
d. Wind power-kwh	11073930	12441968
By-products:		
Glycerine	1386	1019
Fatty acid pitch	2239	2369
<b>Sales</b>		
a. Fatty acids	49741	42382
b. Toilet soap & Soap products	38242	35236
c. Biomass power-kwh	5107757	-
d. Wind power-kwh	11053081	12375271
By-products:		
Glycerine	709	758
Fatty acid pitch	2168	2330

#### 4. BUSINESS REVIEW AND OUTLOOK

Your Company has not changed its business during the period under review.

Division wise performance and outlook is described as given below.

##### **Fatty Acids and Soap**

There is an improvement in sales volume of Fatty Acids and Soap Noodles. Due to increase in volume of the said products and also due to commencement of sale of surplus power, the profitability in the current year is higher when compared to previous year. GST refund/benefit is continuing for North-eastern states and Jammu & Kashmir and will be available upto June 30, 2027. However, these benefits may not be attractive enough to overcome the increased logistical costs for marketing in the south. As a result, the opportunities have improved for manufacturers in non-exempt areas especially for those catering to the Southern markets. The Company is able to maintain reasonable volume of orders for Fatty Acids and Soap Noodles from major customers.

Cost of raw materials is a major component in total cost of production and the fluctuation in their prices is a serious cause of concern to the company particularly when the customers demand long term forward contracts while the same is not possible with the raw material suppliers. There is stiff competition from manufacturers particularly from those having backward integration which gives them a cost advantage. The Company is able to source the raw materials largely from local suppliers. During the year under review the prices of raw materials have stabilized due to declining of COVID-19 impact and lifting of export ban by major vegetable oil producing countries like Indonesia & Malaysia. As a result, the interest burden on working capital decreased as predicted in the previous year. However, Company may have to import PFAD and RBD Palm Stearine at increased costs in case of shortage in local market.

The Company enters into contracts for supply of Fatty Acids, Soap Noodles and Toilet Soap for major customers wherein the price of raw materials is factored into the selling price of the products. The customers themselves supply/cover raw materials required for the total process and the Company receives processing charges for the manufacture of final products. This helps to safeguard against fluctuations in raw material prices. The market for stearic acid is expected to improve and for Toilet Soap, Soap Noodles and Glycerine it may slightly decrease in the forthcoming period due to decline in demand.

##### **Biomass Power Plant**

The Company commenced sale of surplus Power with effect from 24 June 2022 to Indian Energy Exchange (IEX) through PTC India Ltd by way of Open Access arrangement. As a result of commencement of sale of power, the generation from the plant during the year improved to 245 lakh units, a 35% increase when compared to the previous year. The revenue from Biomass Power Plant is expected to improve further due to demand for Power. However running of Plant at higher capacity may not be viable if the raw material prices are increasing as prices prevailing in IEX are very competitive.

### Wind Energy Generators (WEG)

Power generation during the year from the four Wind Energy Generators (WEGs) of 6.3 MW capacity has declined as compared to the previous year. During the year, the power generation from all the four WEGs was 110.74 lakh units as compared to 124.42 lakh units in the previous year due to increase of low wind from 39.86% to 42.35% and also due to failure of transformer in sub-station from 27 May 2022 and breakdown of one machine from 19 February 2023 to 09 May 2023. The backdown of WEGs for want of evacuation facilities amounts to 7.77% of available time during the year 2022-23 as compared to 8.22% in the previous year.

### 5. SUBSIDIARY / ASSOCIATE COMPANIES

Your Company has no subsidiary/associate / joint venture companies. During the year under review, your company has not added/removed any subsidiaries, joint ventures or associate companies.

### 6. FINANCE AND STATUTORY COMPLIANCES

The Company availed working capital facilities under consortium arrangement with Union Bank of India and State Bank of India and the accounts are in order. The company complied with all the legal requirements and there are no outstanding statutory dues as on 31st March 2023.

During the year there have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### 7. CREDIT RATING

During the year the Credit Rating Agency CARE re-affirmed the credit rating for working capital facilities as detailed hereunder.

Nature of Facilities	Rating Assigned	
	2022-23	2021-22
i. Long term facilities	CARE A-; Stable (adequate degree of safety regarding timely servicing of financial obligations)	CARE A -, Stable (adequate degree of safety regarding timely servicing of financial obligations)
ii. Short term facilities	CARE A2+ (Strong degree of safety regarding timely payment of financial obligations)	CARE A2+ (Strong degree of safety regarding timely payment of financial obligations)

**8. DEPOSITS**

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 i.e. within the meaning of Section 2(31) of the Companies Act, 2013 read with Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014 and as such there are no such overdue deposits outstanding as on 31 March 2023.

**9. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT.**

There are no material changes and commitments affecting financial position of the Company, which occurred after the end of the financial year i.e. 31 March 2023.

**10. 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. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year the Company has not received any complaints on sexual harassment of women at the workplace.

**11. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has established Vigil Mechanism as required under Section 177 of the Companies Act, 2013 for directors and employees to report genuine concerns as prescribed in the policy. The policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

**12. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

- a. In accordance with the provisions of the Companies Act 2013 and Articles of Association of the Company, Sri Mullapudi Mrutyumjaya Prasad, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
- b. Shareholders at their meeting held on 24 September 2022 appointed Sri. P. Kesavulu Reddy as Independent Director of the Company for a term of 5 consecutive years commencing from 24 September 2022 to 23 September 2027 not liable to retire by rotation.
- c. Sri Subbarao V. Tipirneni, retired from the position of Independent Director consequent upon completion of his present term of appointment on 30 September 2022.
- d. In the opinion of the Board, Independent Directors appointed during the year possess the requisite integrity, expertise and experience (including proficiency),
- e. During the year under review, none of the Directors resigned from the Board.

- f. The Company held Four Board Meetings during the year. Board Meeting dates and attendance particulars are available in the report on Corporate Governance.
- g. The Company has received declarations from all Independent Directors confirming that he/she meets the criteria of independence as provided under sub-section 6 of Sec. 149 of the Companies Act, 2013 at the first meeting of the Board in which he/she participated as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances that may affect his/her status as an Independent Director.
- h. The Audit Committee consists of 4 Non-Executive Directors of which 3 are Independent Directors. Sri V.S. Raju, Independent Director is the Chairman of the Audit Committee. The remaining 3 members are Sri Mullapudi Thimmaraja, Non-Executive Director, Sri P.A. Chowdary, Independent Director and Sri P. Kesavulu Reddy, Independent Director. The Board accepted all the recommendations of the Audit Committee during the year.
- i. During the year under review, the Company is having the following persons as Key Managerial Personnel under Sec. 203 of the Companies Act, 2013.

Name of the Official	DIN / Membership No.	Designation
Sri J. Murali Mohan	00114341	Managing Director
Sri K. Raghuram	FCS - 6712	Secretary & Dy. General Manager (Fin.) (CFO)

### 13. MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors as required under Schedule IV of the Companies Act, 2013 was held on 8 February 2023, without the presence of Non-Independent Directors. This meeting was conducted to review and evaluate (a) the performance of Non-Independent Directors and the Board as a whole, (b) the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors and (c) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors expressed their satisfaction with the performance of Non-Independent Directors and the Board as a whole and Lead Independent Director briefed the outcome of the meeting to the Board.

### 14. AUDITORS

M/s. Chevuturi Associates, Chartered Accountants, Vijayawada were re-appointed as Auditors for a period of 5 years at the 44th Annual General Meeting held on 24 September 2022 till the year 2026-27. There are no qualifications, reservations or adverse remarks in the audit report issued by them for the financial year ended 31st March 2023.

**15. COST RECORDS AND COST AUDITORS**

Company is maintaining cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013. M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad are conducting the cost audit for applicable products during the year. They are eligible for re-appointment as Cost Auditors for the year 2023-24. There are no qualifications, reservations or adverse remarks in the audit report issued by them for the financial year ended 31st March 2023.

**16. SECRETARIAL AUDIT**

M/s. Nekkanti S.R.V.V.S. Narayana & Co., Company Secretaries, Hyderabad were appointed as Auditors for secretarial audit for the year 2022-23 under Section 204 of the Companies Act, 2013 and they have submitted their report. There are no qualifications, reservations or adverse remarks in the audit report issued by them for the financial year ended 31st March 2023.

**17. ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013, Annual Return has been placed in the website of the Company and web link for the same is [www.jocil.in/AnnualReturn2023.pdf](http://www.jocil.in/AnnualReturn2023.pdf)

**18. DECLARATION AS PER SECTION 134(3)(ca) OF COMPANIES ACT, 2013**

During the year, the auditors have not reported any instance of frauds committed by or against the Company by its Directors/Officers/Employees to the Audit Committee or Board under Section 143(12) of the Companies Act, 2013 and rules made thereunder. Therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

**19. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS**

There were no significant material orders passed by any Regulators/Courts/Tribunals that would impact the going concern statutes of the Company and its future operations.

Your company has complied with all the Acts, Rules, Regulations and Guidelines issued/prescribed by the Securities Exchange Board of India, Reserve Bank of India, Ministry of Corporate Affairs and other statutory authorities.

20. No application has been made under the Insolvency and Bankruptcy Code. The requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

21. The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

**22. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY**

Your Company has adequate Internal Financial Controls as per Section 134(5)(e) of the Companies Act, 2013 that commensurate with the size of the business and nature of its operations, designed to provide

reasonable assurance with regard to the accuracy and completeness of the accounting records and timely preparation and provision of reliable financial statements.

The Board has inter alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements, the major financial risk exposures if any and steps taken by the management to monitor and control such exposures, overseen and reviewed the functioning of the Whistle Blower Mechanism.

Your Company has adopted necessary policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors the accuracy and completeness of the accounting records and the timely preparation of financial information.

During the year no fraud by the Company or with the Company by its officers or employees has been noticed/reported.

23. The information required to be included in the Board of Directors Report under the Companies Act, 2013 and Rules made there under is annexed and forms part of this report, details of which are as follows.

Sl. No.	Particulars	Section	Rule	Annexure No.
1	Company policy on Directors appointment and remuneration etc. provided under sub-sections (3) and (4) of Section 178	134 (3) (e)		1
2	Particulars of loans, guarantees or investments under Section 186	134 (3) (g)		2
3	Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in Form AOC -2. Companies (Accounts) Rules, 2014	134 (3) (h)	8(2)	3
4	Conservation of energy, technology absorption and Foreign Exchange earnings and outgo. Companies (Accounts) Rules, 2014	134 (3) (m)	8 (3) (A), (B) & (C)	4
5	Risk management policy for the company including identification therein of elements of risk if any.	134 (3) (n)		5
6	Corporate Social Responsibility Policy and initiatives taken during the year. Companies (Corporate Social Responsibility Policy) Rules, 2014	134 (3) (o)	8 (1)	6
7	Statement indicating the manner in which formal annual evaluation of the performance of the Board, its committees and Individual Directors have been made. Companies (Accounts) Rules, 2014	134 (3) (p)	8 (4)	7

Sl. No.	Particulars	Section	Rule	Annexure No.
8	Financial summary or highlights. Companies (Accounts) Rules, 2014	134 (3) (q)	8 (5) (i)	8
9	Ratio of the remuneration of each Director to the median employee's remuneration and such other details. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	197 (12)	5 (1)	9
10	Particulars of employees in receipt of remuneration not less than Rs. 8,50,000 per month or Rs. 1,02,00,000 per year etc. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	197 (12)	5 (2)	10
11	Secretarial Audit Report in Form MR-3. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	204 (1)	9 (1)	11

#### 24. INFORMATION UNDER LISTING REGULATIONS

The Company is committed to maintain the standards of Corporate Governance prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations). The information required to be included in the Annual Report under Schedule V of the Listing Regulations are as follows.

Sl.No.	Particulars	Para	Exhibit No.
1	Management Discussion and Analysis Report	A	12
2	Report on Corporate Governance	B	13
3.	Related Party Disclosures	C	14
4.	Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account	D	15
5	Declaration by the Managing Director that all Board Members and Senior Management Personnel affirmed their compliance with the Code of Conduct.	E	16
6	Compliance Certificate from Auditors on Corporate Governance	F	17

The Company is having a policy to deal with Related Party Transactions and the same may be viewed in the Company's website [www.jocil.in](http://www.jocil.in). Accounts for disclosures in compliance with the Accounting Standards on "Related Party Disclosures" are given in note no. 34.

## 25. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that -

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

Explanation : For the purpose of this clause, the term "internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

- f. and, 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.

## 26. PERSONNEL

The Directors wish to place on record their appreciation to all the employees of the Company for their sustained efforts and valuable contribution to the performance of the Company during the year.

## 27. ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the wholehearted and sincere cooperation the Company received from various departments of Central and State Governments, Bankers, Auditors, Dealers and Suppliers of the Company. The Directors also would like to express their grateful appreciation for the guidance and cooperation received from the Holding Company, M/s. The Andhra Sugars Limited, Tanuku.

For and on behalf of the Board of Directors  
P. NARENDRANATH CHOWDARY  
Chairman

Kovvur  
25 May 2023

**COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

(Sec. 134(3)(e) and Sec. 178 (3 & 4) of Companies Act, 2013)

The Board of Directors constituted Nomination and Remuneration Committee which at present consists of six directors of which four are independent directors. The Nomination and Remuneration Committee formulated a criteria for determining qualifications, positive attributes and independence of a Director and a policy on remuneration for the Directors, Key Managerial Personnel (KMP) and other employees as detailed below and recommended to the Board and the Board approved the same.

**Criteria for appointment :**

- a) The appointee should possess adequate qualification, expertise and experience for the position they consider for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is appropriate for the concerned position.
- b) Managing Director or Executive Director can be appointed for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.
- c) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- d) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- e) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and in case such person is serving as a Whole-time Director of a listed company, three listed companies as an Independent Director.
- f) The Committee shall specify the manner for effective evaluation of performance of the Board, its Committees and individual Directors to be carried out by the Board and review its implementation and compliance.
- g) The Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the rules and regulations.
- h) The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to utilize the services of KMP, Senior Management Personnel even after attaining the retirement age, for the benefit of the Company.

**Policy on remuneration :**

- a) The remuneration/compensation/commission etc., to the Managing Director / Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc., shall be subject to the prior / post approval of the Shareholders of the Company and Central Government, as may be required by any Statute.
- b) The remuneration and commission to be paid to the Managing Director/ Whole-time Director shall be in accordance with the percentage/conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the Rules made thereunder.
- c) The Managing Director/Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.
- d) If, in any financial year, the Company has no profits or its profits are inadequate and if it is not able to comply, the Company shall pay remuneration to its Managing Director/ Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 with such provisions.
- e) The Non-Executive/Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed the amount prescribed under Articles of Association of the Company. In addition to the remuneration payable as sitting fees they shall be paid traveling / hotel and other expenses as determined by the Board from time to time for attending and returning from, meetings of the Board of Directors or any committee thereof or in connection with the business of the Company.
- f) An Independent Director shall not be entitled to any stock option of the Company.

**Annexure - 2****PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS DURING THE YEAR**

Section 134(3)(g) and Section 186(4) of the Companies Act, 2013

Para A(2) of Schedule V to Listing Regulations

Sl.No.	Name of the Company	Amount ₹	Remarks
	Particulars of loans given - NIL	-	-

During the year the Company has not made any investments, not given any guarantees and not provided any security to any person or other body corporate.

**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)

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 : Nil
  - a. Name(s) of the related party and nature of relationship
  - b. Nature of contracts/arrangements/transactions
  - c. Duration of the contracts / arrangements / transactions
  - d. Salient terms of the contracts or arrangements or transactions including the value if any
  - e. Justification for entering into such contracts or arrangements or transactions
  - f. Date(s) of approval by Board
  - g. Amount paid as advances, if any
  - h. Date on which the resolution was passed in general meeting as required under first proviso to section 188
  
2. Details of material contracts or arrangement or transactions at arm's length basis : Nil
  - a. Name(s) of the related party and nature of relationship
  - b. Nature of contracts/arrangements/transactions
  - c. Duration of the contracts / arrangements / transactions
  - d. Salient terms of the contracts or arrangements or transactions including the value if any
  - e. Date(s) of approval by the Board, if any
  - f. Amount paid as advances, if any

Kovvur  
25 May 2023

For Jocil Limited  
(P. NARENDRANATH CHOWDARY)  
Chairman

**REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Section 134 (3) (m) of the Companies Act, 2013 & Rule 8 (3) of Companies (Accounts) Rules, 2014]

\*\*\*

Conservation of energy -

- |      |   |   |  |
|------|---|---|--|
| i.   | The steps taken or impact on conservation of energy                       | : | Fuel and power consumption at Thermic Fluid Heaters are reduced due to optimization and modifications. |
| ii.  | The steps taken by the company for utilising alternate sources of energy; | : | Nil  |
| iii. | The capital investment on energy conservation equipment;                  | : | Nil  |

Technology absorption -

- |      |   |   |  |
|------|---|---|--|
| i.   | Efforts made towards technology absorption  | : | Indigenous technology available is being utilised and upgraded continuously to satisfy the needs of the customers. |
| ii.  | Benefits derived like product improvement, cost reduction, product development or import substitution                   | : | The Company is able to improve customer acceptability of the products.   |
| iii. | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | : |  |
|      | a. the details of technology imported;  |   |  |
|      | b. the year of import   |   |  |
|      | c. whether the technology been fully absorbed   | : | Nil  |
|      | d. if not fully absorbed, areas, where absorption has not taken place and the reasons thereof;                          |   |  |
| iv.  | The expenditure incurred on Research and Development (₹ in lakhs)   | : | Nil  |

Foreign exchange earnings and Outgo-

- |     |  |   |                 |
|-----|--|---|-----------------|
| i.  | The Foreign Exchange earned in terms of actual inflows during the year and | : | ₹ 421.25 lakhs  |
| ii. | The Foreign Exchange outgo during the year in terms of actual outflows     | : | ₹ 6592.46 lakhs |

**RISK MANAGEMENT POLICY**  
(Section 134(3)(n) of Companies Act, 2013)

The Company formulated Risk Management Policy on the recommendations of the Audit Committee of the Board of Directors. The Policy provides for review of the operations of the organization, identification of potential threats to the organization, estimating the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The Policy also provides for periodical placement of such a report before the Board for its review and to ensure that management controls risk through means of a properly defined framework.

The Board is of the opinion that the risk of fire to plant & machinery and current assets, fluctuations in raw material prices and changes in Government Policies are the elements of risk that may threaten the existence of the Company.

**REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE YEAR 2022-23**

(Section 134 (3)(o) of Companies Act, 2013 and Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline on CSR policy of the Company.

Participation of business enterprises in building economic, social and environmental capital will enhance social sustainability. Design and implement CSR programs for sustainable development in the areas of health, safety, environment, poverty eradication, skill development, resource enhancement etc.,

The Company is extending financial assistance to educational Institutions/Trusts for promotion of education irrespective of religion, caste etc.

2. The Composition of the CSR Committee :

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	P. Narendranath Chowdary	Chairman, Non-Executive Director	2	2
2	J. Murali Mohan	Member, Executive Director	2	2
3	Mullapudi Thimmaraja	Member, Non-Executive Director	2	2
4	K. Rama Seshayya	Member, Independent, Non-Executive Director	2	2

3. Provide the web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : Web link to the CSR policy and projects or programs of the company is 'http://jocil.in/CSR POLICY%20.pdf'.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). : Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any :

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	2021-22	10,540	Nil
2.			
3.			
	Total	10,540	Nil

6. Average net profit of the company as per section 135(5) :

Year	Net Profit during the year u/s.198 (Adjusted) ₹
2021-22	9,24,85,683
2020-21	15,47,95,921
2019-20	16,80,96,023
Total for 3 years	41,53,77,627
Average profit	13,84,59,209

7. a. Two percent of average net profit of the company as per section 135(5) : ₹ 27,69,184
- b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil
- c. Amount required to be set off for the financial year, if any : Nil
- d. Total CSR obligation for the financial year (7a+7b-7c). : ₹ 27,69,184

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

Total amount spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	- Nil -				

b. Details of CSR amount spent against ongoing projects for the financial year :

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Un-spent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation. Direct (Yes/No.)	Mode of Implementation - Through Implementing Agency	
				State	Dist.						Name	CSR Registration number
1.	Development of Dr. Mulla-pudi Harischandra Prasad Institute of International Business in Acharya Nagarjuna University, Nagarjuna Nagar, Guntur	Item (ii)	Yes	AP	Guntur	3 Years	15,00,000	5,52,402	Nil	Yes	-	-

c. Details of CSR amount spent against other than ongoing projects for the financial year.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No.)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/No.)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1.	Setting up of Old Age Homes	Item (ii)	Yes	Andhra Pradesh	Guntur	2,50,000	No	Mahila Mandali, Chirala	CSR000 12311
2.	Restoration of building of Library & Cultural Centre	Item (v)	No	Andhra Pradesh	West Godavari	23,00,000	No	Sree Mulla-pudi Thimmaraju Memorial Library & Cultural Centre	CSR0000 7506
	Total					25,50,000			

d. Amount spent in Administrative Overheads : ₹ 27,620

e. Amount spent on Impact Assessment, if applicable : Not Applicable

f. Total amount spent for the Financial Year : ₹ 31,30,022  
(8b+8c+8d+8e)

g. Excess amount for set off, if any :

Sl.No.	Particulars	Amount (in ₹ )
i.	Two percent of average net profit of the company as per section 135(5)	27,69,184
ii.	Total amount spent for the Financial Year	31,30,022
iii.	Excess amount spent for the financial year [(ii)-(i)]	3,60,838
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,60,838

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

Sl. No.	Proceeding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial year (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1.							
2.							
	Total						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project. (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed/ Ongoing.
1.	I	Development of Dr. Mullapudi Harischandra Prasad Institute of International Business in Acharya Nagarjuna University Nagarjuna Nagar, Guntur	2021-22	2 yrs	15,00,000	5,80,022	11,37,522	Completed
2.								
3.					15,00,000	5,80,022	11,37,522	
	Total							

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

(asset wise details)

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

11. Specify the reason(s), if the company has failed to spend two percent of the average net profits as per section 135(5). -Not Applicable-

Sd/-xxx  
Managing Director

Sd/-  
Chairman CSR Committee

\_\_\_\_\_

**Annexure - 7**

**STATEMENT ON EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

( Section 134 (3)(p) of Companies Act 2013 and Rule 8(4) of Companies (Accounts) Rules, 2014 )

The Company is having Nomination and Remuneration Policy formulated by Nomination and Remuneration Committee and approved by the Board of Directors under Section 178 of the Companies Act, 2013. The Policy contains criteria for evaluation of the Board of its own performance during the year and that of its Committees and Individual Directors.

In accordance with the criteria for evaluation contained in the policy of the Company the Board of Directors carried out evaluation of its own performance during the year and that of its four Committees – Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The performance evaluation of the Individual Directors was also carried out as per the evaluation criteria contained in the policy.

\_\_\_\_\_

**FINANCIAL SUMMARY**

(U/s.134(3) (q) of the Companies Act, 2013 and Rule 8 (5) (i) of Companies (Accounts) Rules, 2014

(₹ in Lakhs)

	Year ending 31st March							
	2016	2017	2018	2019	2020	2021	2022	2023
<b>OPERATING RESULTS</b>								
Gross Sales & Other Income	43543	41478	35060	40412	45186	56668	75472	<b>92167</b>
Operating Profit	3631	1885	1277	817	2439	2170	1645	<b>1965</b>
Depreciation	804	706	653	572	592	561	682	<b>621</b>
Interest	113	160	129	119	82	66	5	<b>70</b>
Profit before Tax	2714	1019	495	126	1765	1543	958	<b>1274</b>
Profit after Tax	1794	821	410	317	1249	1361	713	<b>999</b>
Dividend paid	622	266	178	89	266	266	178	<b>222</b>
Dividend rate (%)	70	30	20	10	30	30	20	<b>25</b>
Retained Earnings	1045	501	196	210	983	1095	535	<b>777</b>
Earning per Share (Rs.)	20.20	9.24	4.62	3.57	14.07	15.32	8.02	<b>11.25</b>
Return on Net worth(%)	10.73	4.66	2.28	1.76	6.68	6.82	3.45	<b>4.79</b>
Debt Equity Ratio	0.05	0.16	0.04	0.05	0.04	0.01	0.02	<b>0.01</b>
Book Value (Rs.)	188.20	198.23	202.10	202.74	210.53	224.83	232.40	<b>234.77</b>
<b>SOURCES OF FUNDS</b>								
Equity Capital	888	888	888	888	888	888	888	<b>888</b>
Reserves	15826	16717	17060	17117	17809	19080	19752	<b>19962</b>
Borrowings	904	2842	665	833	831	204	435	<b>160</b>
Net Capital Employed	17618	20447	18613	18838	19528	20172	21075	<b>21010</b>
<b>APPLICATION OF FUNDS</b>								
Gross Fixed Assets	7183	7609	7689	8094	8623	9065	9354	<b>9438</b>
Depreciation	804	1511	2163	2735	3327	3697	4377	<b>4996</b>
Net Fixed Assets	6379	6098	5526	5359	5296	5368	4977	<b>4442</b>
Net Current Assets & Investments	11239	14379	13087	13479	14232	14804	16098	<b>16568</b>
Net Assets Employed	17618	20477	18613	18838	19528	20172	21075	<b>21010</b>
<b>TO EXCHEQUER</b>								
Excise Duty & Service Tax	4430	3995	1023	0	0	0	0	<b>0</b>
Sales Tax and Other Taxes	629	566	220	0	0	0	0	<b>0</b>
GST			998	1592	1855	2520	2455	<b>3582</b>
Income Tax	1025	255	130	47	500	470	327	<b>355</b>
Total Taxes & Duties	6084	4816	2371	1639	2355	2990	2782	<b>3937</b>

**RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES' REMUNERATION  
AND SUCH OTHER DETAILS**

(Section 197(12) of Companies Act, 2013 and Rule 5 (1) of the Companies  
(Appointment & Remuneration of Managerial Personnel) Rules, 2014)

\*\*\*

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year  
Sri J. Murali Mohan – Managing Director : 113:1  
(all the other directors are non-executive directors)
- ii. The percentage increase/(decrease) in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year  
Sri J. Murali Mohan, Managing Director & : 11.38%  
Sri K. Raghuram, Secretary & DGM (Finance) : 9.00%
- iii. The percentage increase/(decrease) in the median remuneration of employees in the financial year : 15.81%
- iv. The number of permanent employees on the rolls of company : 794
- v. The average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereby and point out if there are any exceptional circumstances for increase in managerial remuneration. : Average increase in remuneration is 13.72% for employees other than managerial personnel and 11.38% for managerial personnel. In general the average increase in remuneration of employees other than managerial personnel is 8%. However, during the year under review due to release of increments pending and also the current increments, the average increase has been raised to 13.72%. For managerial personnel, the average increase is in line with the remuneration package already approved by the shareholders. However, the increase in remuneration is in line with the market trends prevailing in the country.
- vi. Affirmation that the remuneration is as per the remuneration policy of the company : Yes

## Annexure - 10

**PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES  
(APPOINTMENT & REMUNERATION) RULES, 2014**

i. Name	: Sri J. Murali Mohan
ii. Designation	: Managing Director
iii. Remuneration received	: ₹ 2,32,14,941
iv. Nature of employment, whether contractual or otherwise;	: Contractual for a period of three years
v. Qualifications	: B.Tech (Chem. Engg.) & MBA
vi. Experience	: 44 Years
vii. Date of commencement of employment	: 16-02-1990
viii. Age	: 73 Years
ix. Last employment held before joining the company	: Marketing Manager, ITC Ltd. (ILTD Division)
x. The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) of Rule (5)	: Not applicable
xi. Whether relative of any director or manager of the company and if so, name of such director or manager;	: -No-

## Annexure - 11

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

For the financial year ended 31st March 2023

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

To  
The Members,  
Jocil Limited,  
Dokiparru – 522 438,  
Medikondur Mandal,  
Guntur District,  
Andhra Pradesh.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jocil 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 my opinion thereon.

Based on our verification of Jocil Limited'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 31st March 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 and made available to us, 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 (Not applicable to the Company during the Audit Period);
- 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;
  - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. Other laws applicable specifically to the Company, namely:
  - a. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
  - b. Drugs & Cosmetics Act, 2002 and rules made there under
  - c. Legal Metrology Act, 2009 and rules made there under
  - d. The Environmental Protection Act, 1986
  - e. The Indian Electricity Act
  - f. The Indian Explosives Act
  - g. The Andhra Pradesh Panchayat Raj Act, 1994

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

We report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above.

We further report that, there were no events/actions in pursuance of:

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Employee stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

- 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, 1998;

We further report that:

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- As per the Minutes of the Meetings, duly recorded and signed by the Chairman, majority decision is carried through while the Members' views are captured and recorded as part of the Minutes.

We further report that based on the review of the compliance mechanism established by the company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, we are of the opinion 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 audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having major bearing on the Company's affairs.

**For NEKKANTI S.R.V.V.S. NARAYANA & CO.**

Company Secretaries

ICSI Unique Code: S2009AP122301

**(NEKKANTI S.R.V.V.S. NARAYANA)**

Proprietor

M.No.F7157, C.P.No.7839

PR. No.1709/2022

UDIN: F007157E000316884

Date : 16-05-2023

Place : Hyderabad

Note:

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

**ANNEXURE – A**

To  
The Members,  
Jocil Limited,  
Dokiparru – 522 438,  
Medikondur Mandal,  
Guntur District,  
Andhra Pradesh

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by The Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. 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 and for which we relied on the report of statutory auditor.
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. 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 NEKKANTI S.R.V.V.S. NARAYANA & CO.**

Company Secretaries

ICSI Unique Code: S2009AP122301

(NEKKANTI S.R.V.V.S. NARAYANA)

Proprietor

M.No. F7157 C.P.No.7839,

PR. No.1709/2022

UDIN: F007157E000316884

Date : 16-05-2023

Place : Hyderabad

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****a Industry Structure and Developments :**

The Company is engaged in the manufacture of Stearic Acid, Fatty Acids, Refined Glycerine, Soap Noodles, Toilet Soap, Industrial Oxygen and in the generation of Power from biomass and wind. Non edible vegetable oils and Fat distillates, both indigenous and imported, are used as raw materials for the manufacture of the finished products. The products manufactured are marketed directly from the factory as well as through Depots and C&F Agents located in major cities across the country. The Company also undertakes to manufacture Soap Noodles and Toilet Soap on contract basis for reputed customers.

The Company is having 6 Mw Biomass Cogeneration Captive Power Plant located within the factory premises. It is also having four Wind Energy Generators (WEGs) of total 6.30 MW setup in Tamil Nadu and the power generated from these plants is sold to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).

Majority of the Fatty Acids produced in the industry are consumed as raw material in Toilet Soap industry for making Soap Noodles and Toilet Soap. Hence performance of that industry will also have its impact on the demand for fatty acids. Stearic Acid is used in rubber, plastic, metal polish, cosmetics, paints and number of other industries and any changes in demand by the major user industries may lead to fluctuations in demand. Glycerine and Industrial Oxygen are the by-products.

The country is short of both edible and non-edible vegetable oils. However, in India, refineries with huge capacities have been setup for processing Crude Vegetable Oils like Palm Oil mainly imported from Malaysia and Indonesia and some that is available domestically. By-products generated from these refineries viz., RBD Palm Stearine (RBDPS) and Palm Fatty Acid Distillate (PFAD) are the raw materials to the Company. As a result, the Company indirectly depends on imports of crude vegetable oils for refining. Consequently the supply and demand position in the international market for vegetable oils influence the domestic market.

The Malaysian and Indonesian Governments vary export duty from time to time on crude oil to encourage value addition within their country prior to exports. This turns out as additional cost to consumers in India. Further, fluctuation in crude oil (fossil) prices also have impact on edible and nonedible oils due to their usage in production of bio-fuels.

The fuels intended for running the biomass power plant are Rice Husk, fire wood like Cotton Stalk, Chili Stalk, English Thumma etc., available in the surrounding areas. Their availability is seasonal and also depends on availability of labour and farm works during the season. Transportation and storage of biomass fuels are the other problems due to their low bulk density. They are also fire hazardous.

Scheduled maintenance activities are being carried out regularly for optimum capacity utilization of the power plant. Steam and power requirements of Process Plants are met from the Biomass Power Plant and surplus power after internal consumption is sold to Indian Energy Exchange through PTC India Ltd.

Continuous development efforts are being made to absorb the latest technologies and practices. Quality Management Systems (QMS) Standard ISO 9001:2015 obtained from a renowned certification agency, TUV SUD South Asia Pvt. Ltd., Mumbai is being followed by the Company, Det Norske Veritas (DNV) also confirmed ISO 22716:2007 on the Company for following GMP Guidelines of Standard in the manufacture of Stearic Acid and Glycerine.

Raw materials and semi-finished soap products are tested in Company's laboratory having Micro-organism Testing Equipment for reliable and consistent results. It also saves time involved in sending samples to outside laboratories situated far away from the Company.

**b. Opportunities and Threats:**

Raw material cost is a major component in the cost of production of fatty acids and soap products. International market prices of edible and non-edible oils highly influence the raw material prices in the domestic market. During the year under review prices of raw materials have increased enormously but now the prices have been stabilized. Competitors having backward integration have an edge over the Company because of cheaper and secured source of raw materials. Volatility of raw material prices and demand by bulk consumers of fatty acids and soap products for contracts of large quantities for future delivery is a big challenge to the Company when similar facility for advance coverage of raw materials is not available to hedge the risks. Retention of high volume customers is considered very important and hence very competitive rates are having to be quoted with hidden risks.

GST refund/benefit is continuing for North-eastern states and Jammu & Kashmir and will be available upto 30 June 2027. However, these benefits may not be attractive enough to overcome the increased logistical costs for marketing in the south. As a result, the opportunities have improved for manufacturers in non-exempt areas especially for those catering to the Southern markets. Company is able to sustain reasonable volume of orders for soap products from major customers and accordingly, capacity utilization of Soap Plant has not been impacted much during the year.

Company commenced sale of surplus Power w.e.f 24 June 2022 to Indian Energy Exchange (IEX) through PTC India Limited by way of Open Access arrangement.

The generation of power from Wind Energy Generators (WEGs) has declined to 110.74 lakh units as against 124.28 lakh units in the previous year. As a result, revenue from sale of power from Wind Energy Generators decreased to ₹ 320.96 lakhs from ₹ 358.60 lakhs. It is mainly due to increase of low wind from 39.86% to 42.35% and also due to failure of transformer in sub-station from 27 May 2022 and breakdown of one machine from 19 February 2023. Payments from TANGEDCO are being received as per Late Payment Surcharge (LPSC) Scheme opted by TANGEDCO.

**c. Segment-wise or Product-wise performance:**

Segment-wise performance of the Company is at Note No. 31 to the Accounts.

**d. Outlook:**

The demand for Stearic Acid is expected to improve due to improvement of additional geographical segment. However the demand for Toilet Soap, Soap Noodles and Glycerine may slightly decline in the forthcoming period due to anticipated lower customer base.

**e. Risks and Concerns:**

Inverted duty structure for imports (higher duty for raw materials and lower duty for finished products) is a major problem for manufacturers of Soap Noodles. There is no customs duty on Soap Noodles imported from Asian countries under Indian Free Trade Agreement. Whereas, Lauric Acid and PFAD, the major raw materials in the manufacture of Soap Noodles attracts basic customs duty at 7.5% and 5% respectively. As a result indigenous manufacturers are placed at a disadvantage in competing with import of Soap Noodles. The Company expects the Government to recognize the inverted duty structure for Soap Noodles and correct the anomaly to enable the industry to face the competition from import of soap noodles effectively.

The wide fluctuations in raw material prices in the international market affect the prices of final products which may result in conditions sometimes favourable or at other times unfavourable to the Company, in spite of taking precautions to avoid risks in price fluctuations.

At present availability of Palm Fatty Acid (PFAD) and RBD Palm Stearine, the major raw materials for fatty acids production is a bit of concern as processing of Crude Palm Oil (from which PFAD & RBD Palm Stearine are derived as by products) has come down substantially at refineries and refineries are interested to import Palm Olein, pack and sell in the local market due to lower duties. As a result, Company may have to import PFAD & RBD Palm Stearine at increased costs in case of shortage.

Generation of power by Biomass Power Plant depends on availability of biomass and its cost. Generation of power by windmills depends on wind velocity and the policy of TANGEDCO to prioritize evacuation over the other sources of energy available to it. The profitability of Wind Energy Generators largely depends upon the purchase price fixed by the Government for purchase of energy from renewable sources of energy as a promotional measure.

**f. Internal Control System and their adequacy:**

The Company has proper and adequate internal control procedures commensurate with its size and nature of business. These internal control procedures ensure protection to the resources of the Company and compliance with the policies, procedures and statutes.

The internal controls are supplemented by internal audit by M/s. Mastanaiah & Co., Chartered Accountants, Guntur. The internal controls and internal audit ensure that appropriate financial records are available for preparing financial statements and other data for maintaining accountability of assets. The Report of the Auditors on Internal Financial Controls under Sec.143(3)(i) of the Act is provided as Annexure-B to the Independent Auditors' Report.

**g. Discussion on Financial Performance with respect to Operational Performance:**

The operations of Toilet Soap & Soap products and Fatty Acids increased by around 17.36% and 8.53% respectively. The operation of Biomass Power Plant vastly improved by around 35% due to commencement of sale of power to Indian Energy Exchange (IEX) through PTC India Ltd. However, the operations of Wind Power decreased by around 11%. The profit before interest & depreciation increased by around 19% due to increase in sales volume of Fatty Acids and Soap Noodles.

**h. Material developments in Human Resources / Industrial Relations front, including number of people employed:**

The Company employed 794 persons as on 31st March 2023 both in the factory and office. The Management of the Company maintains good relations with the employees. There have been no labour problems since the inception of the Company in 1980.

**i. Details of significant changes in Key Financial Ratios.**

Ratio	Formula	2022-23	2021-22	Change % increase/ (decrease)	Explanation for change
Debtors Turnover	Net credit sales /Avg. Accounts receivable	12.47	9.43	32.29	Increase in Turnover
Inventory Turnover	Net sales / Average Inventory	9.60	8.11	18.39	-
Interest Coverage Ratio	EBIT / Interest	19.22	194.90	(90.14)	Increase in Interest expense
Current Ratio	Current Assets / Current Liabilities	4.64	3.93	18.20	-
Debt Equity Ratio	Debt / Equity	0.01	0.02	(63.64)	Decrease in short term borrowings
Operating Profit Margin(%)	Operating Profit / Sales	1.47	1.28	14.49	-
Net Profit Margin (%)	Net Profit / Sales	1.09	0.95	15.01	-

**j. Details of change in Return On Net Worth**

Ratio	Formula	2022-23	2021-22	Change % increase/ (decrease)	Explanation for change
Return on Net Worth	Profit after tax/ Net worth	4.88	3.57	36.74	Increase in PAT due to increase in sales volume of Fatty Acids and Soap Noodles and also due to commencement of sale of surplus Power to IEX through PTC India Ltd.

**REPORT ON CORPORATE GOVERNANCE**  
(Para C of Schedule V to the Listing Regulations)

**1. Company's Philosophy on Code of Corporate Governance:**

The philosophy of Company's Governance is based on trusteeship, transparency, professionalism, accountability, honesty and integrity in its functions and conduct of business with due respect to laws and regulations. The company believes that healthy Corporate Governance leads to operations and actions that serve the underlying goal of continuously enhancing the value that the Company can create for the stakeholders viz., Shareholders, Employees, Customers, Suppliers, Lenders, Government and other parties having association with the company.

The Company's governance framework is based on the following principles :

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains.
- Availability of information to the members of the Board and its Committees to enable them to discharge their fiduciary duties.
- Timely disclosure of material operational and financial information to the stakeholders.
- Systems and Procedures in place for internal control.
- The Management is the trustee of the shareholders capital and not the owner.

**2. Board of Directors :**

a. Composition -

As on 31 March 2023 the Board consists of ten members out of which nine are Non-Executive Directors including five Independent Directors.

b. In the Financial Year 2022-23, the Board met four times. The meetings were held on -  
26 May 2022, 04 August 2022, 08 November 2022 and 08 February 2023.

c. Familiarization programmes for Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and its committee meetings on business and performance updates of the Company and business strategy. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. Site visit to plant is organized for the Directors to enable them to understand the operations of the company. Details of familiarization programmes imparted to Independent Directors are disclosed at the website [www.jocil.in](http://www.jocil.in)

d. The details of the composition of the existing Board of Directors, their shareholding, attendance of each Director at the Board Meetings and at the last Annual General Meeting, number of other Directorships and Membership in Committees of other Companies held are as follows:

Name of the Director & Designation	Shares held in the company by Non-Executive Directors as on 31-3-2023	Status*	No. of other Directorships & Chairmanships held			Memberships & Chairmanships in committees of other companies held		No. of Board Meetings attended	Attendance at last AGM held Y / N	Relation with other Directors
			Public	Private	Chairman	Member	Chairman			
P. Narendranath Chowdary, Chairman	25,000	NE	7	-	4	3	1	4	Y	Father of Sri Mullapudi Mrutyumjaya Prasad
J. Murali Mohan, Managing Director	Not Applicable	E	1	-	-	1	1	4	Y	
Mullapudi Thimmaraja, Director	4,500	NE	2	-	-	2	1	2	N	
K. Srinivasa Rao, Director	3,25,092	NE	-	6	-	-	-	3	Y	Son of Sri Mullapudi Thimmaraja
V.S. Raju, Director	-	INE	3	-	-	3	1	4	Y	
Subbarao V. Tipirneni, Director (upto 30.09.2022)	-	INE	-	3	-	-	-	2	N	
Mullapudi Mrutyumjaya Prasad, Director	2250	NE	-	1	-	-	-	4	Y	
Dr. Manjulata Dasari, Director	1006	INE	2	1	-	2	-	4	N	
K. Rama Seshayya, Director	-	INE	-	1	-	-	-	4	N	
P. A. Chowdary, Director	-	INE	1	-	-	3	1	3	N	
P. Kesavulu Reddy, Director (from 24.09.2022)	-	INE	-	-	-	-	-	2	N	

Chairmanships / Memberships of Committees only includes Audit Committee and Stakeholders Relationship Committee in public limited Companies other than Jocil Limited.

\*E - Executive; NE - Non-Executive; INE - Independent & Non-Executive

**e) Details of Directors directorships in other Listed Entities.**

Sl. No.	Name of the Director	Name of the listed entities where he/she is a Director	Category
1	P. Narendranath Chowdary	The Andhra Sugars Limited	Executive Director
2	J. Murali Mohan	The Andhra Petrochemicals Limited	Executive Director
3	Mullapudi Thimmaraja	-	-
4	K. Srinivasa Rao	The Andhra Sugars Limited	Executive Director
5	V.S. Raju	The Andhra Petrochemicals Limited	Non-Executive Director
6	Mullapudi Mrutyumjaya Prasad	-	-
7	Dr. Manjulata Dasari	The Andhra Sugars Limited	Non-Executive Independent Director
		The Andhra Petrochemicals Limited	Non-Executive Independent Director

Sl. No.	Name of the Director	Name of the listed entities where he/she is a Director	Category
8	K. Rama Seshayya	-	-
9	Sri P.A. Chowdary	The Andhra Sugars Limited	Non-Executive Independent Director
10	P. Kesavulu Reddy	-	Non-Executive Independent Director

**f. Skills / expertise / competence of the Board of Directors**

The Board in consultation with Nomination & Remuneration Committee identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Skill Area	Description	Essential/ Desirable
<b>1. Risk &amp; Compliance</b>		
a. Operational Risk Compliance	Identify key risks to the organisation related to each key area of operations.	Essential
b. Legal Risk & Compliance	Ability to monitor risk and compliance and knowledge of legal and regulatory requirements.	Essential
c. Financial & Audit	Experience in accounting and finance to analyse statements, assess financial viability, contribute to financial planning, oversee budgets and oversee funding arrangements.	Essential
d. Technology	Knowledge of IT governance and systems including privacy, data management and security.	Desirable
<b>2. Strategy &amp; Policy</b>		
a. Strategy	Ability to identify and critically assess strategic opportunities and threats to the organisation. Develop strategies in context to our policies and business objectives.	Essential
b. Policy Development	Ability to identify key issues for the organisation and develop appropriate policy parameters within which the organisation should operate.	Essential
c. Crisis Management	Ability to constructively manage crisis, provide leadership around solutions and contribute to communications strategy with stakeholders.	Essential
<b>3. Industry</b>		
a. Industry Specific Skills	Experience and knowledge with respect to the industry in which the Company operates.	Essential

Skill Area	Description	Essential/ Desirable
<b>4. Management &amp; Leadership</b>		
a. Executive Management	Experience in evaluating performance of senior management, and oversee strategic human capital planning. Experience in industrial relations and organisational change management programmes.	Essential
b. Leadership	Make decisions and take necessary actions in the best interest of the organisation, and represent the organisation favourably. Analyse issues and contribute at board level to solutions.	Essential
c. Negotiation	Possess excellent negotiation skills, with the ability to drive stakeholder support for board decisions.	Desirable
<b>5. Board Conduct</b>		
a. Ethics and Integrity	Understand role as director and continue to self-educate on legal responsibility, ability to maintain board confidentiality, declare any conflicts.	Essential
b. Contribution	Ability to constructively contribute to board discussions and communicate effectively with management and other directors.	Essential
<b>6. Personal</b>		
a. Diversity	Adds gender, age and/or ethnic diversity to the Board. Diversity can lead to better board outcomes.	Desirable
b. Previous Board Experience	Has director experience (past or present) on other public company or private company Boards.	Essential
c. Board Training	Has completed formal training in director role and duties including training in governance and risk.	Desirable

At present, all our Directors possess the above skills. The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/fields from where they come.

- g. The Board confirms in their opinion, the independent directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. All the Independent Directors of the Company have given declarations and confirmed that they meet the criteria of independence as provided under section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.
- h. During the year under review no independent director has resigned from the Board.

### 3. Audit Committee :

The Audit Committee comprises four members and the Chairman is an Independent Director. All the members including the Chairman of the Committee are Non-Executive Directors.

The composition of the Audit Committee and the details of meetings held and attended are as follows:

Director	Position	Meetings held	Meetings attended
V.S. Raju	Chairman -INED	4	4
Mullapudi Thimmaraja	Member - NED	4	2
Subbarao V. Tipirneni (upto 30-09-2022)	Member -INED	4	2
P.A. Chowdary	Member -INED	4	4
P. Kesavulu Reddy (from on 08.02.2023)	Member -INED	4	-

INED – Independent Non-Executive Director, NED – Non-Executive Director

During the period under review, four meetings of the Committee were held on 26 May 2022, 04 August 2022, 08 November 2022 and 08 February 2023.

Managing Director, Internal Auditors, Statutory Auditors and Cost Auditors attended the Audit Committee Meetings to answer the queries raised by the Committee members.

Secretary & DGM (Finance) acts as a Secretary to the Committee.

Broad terms of reference of the Audit Committee include –

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company and their payment for any other services rendered by them.
- Oversight of financial reporting process and the disclosure of financial information.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process. Examination of the financial statements and the auditor's report thereon.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- Investigation of any activity within its terms of reference.
- Compliance with listing and other legal requirements relating to financial statements.
- Review of the functioning of Whistle Blower Mechanism.
- Appointment of Internal Auditors and review of internal audit reports.
- Appointment of Chief Financial Officer (CFO).
- Review of compliance of the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**4. Nomination and Remuneration Committee :**

As on 31 March 2023 the Nomination and Remuneration Committee comprises of six members and four of them are Independent Directors. All the members are Non-Executive Directors. The composition of the Nomination and Remuneration Committee and the details of meetings held and attended are as follows:

Director	Position	Meetings held	Meetings attended
V.S. Raju	Chairman - INED	3	3
P. Narendranath Chowdary	Member - NED	3	3
Mullapudi Thimmaraja	Member - NED	3	2
Subbarao V. Tipirneni (upto 30-9-2022)	Member - INED	3	2
Dr. Manjulata Dasari	Member -INED	3	3
K. Rama Seshayya	Member -INED	3	-
P.A. Chowdary	Member -INED	3	-

INED – Independent Non-Executive Director      NED – Non-Executive Director

During the period under review, three meetings of the Committee were held on 26 May 2022, 04 August 2022 and 08 November 2022. The Managing Director attended the meetings to answer the queries raised by the Committee members. Secretary & DGM (Finance) acts as a Secretary to the Committee.

Terms of reference in brief as specified by the Board of Directors –

- To identify 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 for their appointment and removal.
- To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors and to review its implementation and compliance.
- To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Company is having Nomination and Remuneration Policy formulated by Nomination and Remuneration Committee and approved by the Board of Directors. The policy contains criteria for performance evaluation of Independent Directors. The criteria, among others - exercise of objective independent judgment in the best interests of the Company, ability to contribute and monitor corporate governance practices, adherence to code of conduct, willingness to devote time, contribution in development of strategy, ability to present his/ her views convincingly in a diplomatic way, listens and takes on Board the views of other members etc.

**5. Remuneration of Directors**

- a. Sitting fees is paid to Non-Executive Directors in accordance with the provisions of the Companies Act, 2013.

Name of the Director	Sitting fees paid for attending meetings of the Board of Directors / Committees of Directors ₹
P. Narendranath Chowdary	2,20,000
Mullapudi Thimmaraja	1,90,000
K. Srinivasa Rao	75,000
V.S. Raju	2,40,000
Subbarao V. Tipirneni	1,30,000
Mullapudi Mrutyumjaya Prasad	1,00,000
Dr. Manjulata Dasari	1,80,000
K. Rama Seshayya	2,00,000
P.A. Chowdary	1,55,000
P. Kesavulu Reddy	50,000
<b>Total</b>	<b>15,40,000</b>

- b. Non-Executive Directors do not have any pecuniary relationship with the Company except for the payment of sitting fee payable to them.
- c. Shri J. Murali Mohan, Managing Director has been paid the following remuneration during the year in accordance with the provisions of the Companies Act, 2013 read with Schedule V therein:

Salary	: ₹	1,00,09,821
House Rent Allowance	: ₹	50,04,911
Commission	: ₹	28,21,990
Contribution to Provident Fund and other Funds	: ₹	27,02,652
Other Perquisites	: ₹	5,19,811
Value of Earned Leave provided	: ₹	16,36,525
Value of Group Gratuity provided	: ₹	5,19,231
<b>Total</b>	<b>₹</b>	<b><u>2,32,14,941</u></b>

Except commission, no other performance linked incentive is paid to Managing Director and the performance criteria for payment of remuneration to Managing Director is determined by the Board of Directors as per the recommendation of the Nomination and Remuneration Committee. The same is finally approved by the shareholders.

The appointment of Managing Director is on a contract for a period of 3 years w.e.f. 16 February 2021 and there is no provision for notice period or severance fee on either side.

None of the Directors are provided with Stock options.

## 6. Stakeholders Relationship Committee

Company has Stakeholders Relationship Committee comprising of five directors under the Chairmanship of a Non-executive Director to specially look into shareholders issues including share transfer, transmission, issue of duplicate certificates and redressing of shareholder complaints.

The composition of Stakeholders Relationship Committee and the details of meetings held are given below.

Director	Position	Meetings held	Meetings attended
P. Narendranath Chowdary	Chairman	1	1
J. Murali Mohan	Member	1	1
Mullapudi Thimmaraja	Member	1	1
M. Mrutyumjaya Prasad	Member	1	-
Dr. Manjulata Dasari	Member	1	1

During the period under review one meeting of the Committee was held on 26 May 2022.

M/s. XL Softech Systems Ltd, 3, Sagar Society, Road No.2, Banjara Hills, HYDERABAD - 500 034 acts' as the Company's Share Registrar and Transfer Agent (RTA). Sri K. Raghuram, Secretary & DGM (Finance) of the Company acts as the Compliance Officer to the Committee.

Details of complaints received during the financial year 2022-23 are as follows.

No. of complaints received	:	1
No. of complaints resolved	:	1
No. of pending complaints	:	Nil

## 7. General Body Meetings :

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Place
2019-2020	24-09-2020	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.
2020-2021	22-09-2021	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.
2021-2022	24-09-2022	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.

The special resolutions passed by the members at the previous three Annual General Meetings are as follows:

- a. 2019-20
  - i. Reappointment of Managing Director for a period of 3 years w.e.f. 16 February 2021
  - ii. Alteration of Articles of Association of the Company for revision of Sitting Fees payable to Directors for attending Board and Committee Meetings.
- b. 2020-21
  - i. Appointment of Shri P. A. Chowdary as a Director
  - ii. Appointment of Shri P. A. Chowdary as an Independent Director
- c. 2021-22
  - i. Appointment of Shri P. Kesavulu Reddy as a Director
  - ii. Appointment of Shri P. Kesavulu Reddy as an Independent Director

There was no occasion to pass Special Resolutions through postal ballot on any of the matters required to be so passed under the provisions of the Companies Act 2013.

Further no such proposal is under consideration for the shareholders' approval in the forthcoming Annual General Meeting.

#### 8. Means of Communication

Quarterly results approved by the Board are usually published in Business Standard (English) and Visalandhra (Telugu) newspapers. In addition to this, the Company is communicating its results to National Stock Exchange where the shares are listed. Further, the quarterly results are also placed on the company's website, www.jocil.in. However, Company has not released any official news. Also, no presentations have been made to institutional investors or to the analysts.

#### 9. General Shareholder Information

##### a. Annual General Meeting

Date and Time : 23 September 2023 at 3.30 p.m.

Venue : Registered Office :  
Jocil Ltd., Dokiparru, Medikondur Mandal, Guntur District, A.P.

##### b. Financial Year : 2022-23

##### c. Dividend Payment Date : 27-09-2023

Date of Book Closure : 9 September 2023 to 16 September 2023

##### d. Listing on Stock Exchanges : National Stock Exchange of India Ltd., (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

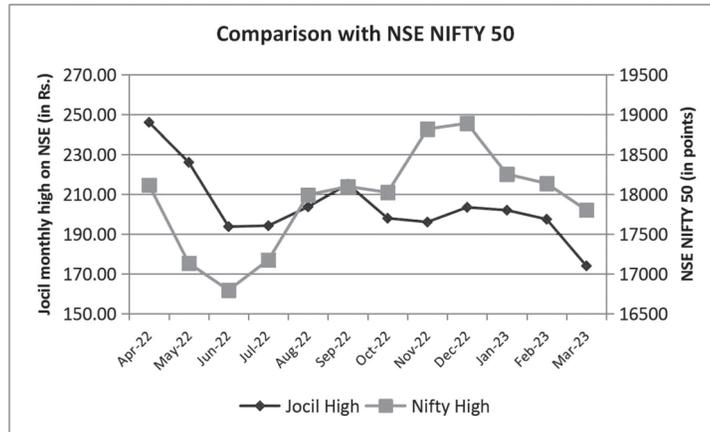
The Company has paid the Listing Fees for the year 2022-2023 to NSE.

##### e. Stock Code : ISIN – INE839G01010

##### f. Stock Market data -

Month	In ₹ per Share				Total Traded Shares Qty. in Nos.
	High Price	Low Price	Close Price	Average Price	
Apr-22	246.00	193.00	210.95	216.65	13,23,510
May-22	226.00	167.75	187.25	193.67	3,73,384
Jun-22	193.70	142.20	164.55	166.82	1,97,504
Jul-22	194.15	161.20	179.00	178.12	3,01,439
Aug-22	203.65	175.35	198.65	192.55	3,49,558
Sep-22	215.00	175.35	188.20	192.85	4,50,076
Oct-22	197.90	180.35	190.45	189.57	1,00,671
Nov-22	196.00	181.05	190.00	189.02	1,08,917
Dec-22	203.40	171.30	191.05	188.58	1,95,663
Jan-23	201.95	185.25	196.30	194.50	1,23,954
Feb-23	197.40	166.55	167.60	177.18	1,03,810
Mar-23	173.95	150.95	151.50	158.80	1,07,769

g. Comparison of performance in comparison with NSE NIFTY 50



h. The company has been complying with all the listing requirements of the stock exchange and the securities of the company continue to be traded in the exchange without any suspension from the beginning.

i. Registrar and Transfer Agents (RTA) : XL Softech Systems Ltd.,  
 3, Sagar Society, Road No. 2  
 Banjara Hills, Hyderabad-500 034.  
 Tel : 040-23545913/914/915  
 Fax : 040-23553214  
 Email : xlfield@gmail.com

j) Share transfer system : The Board of Directors delegated the power of transfer of securities to the Share Registrar and Transfer Agents (RTA). In accordance with the Proviso to Regulation 40(1) of the Listing Regulations, effective from April 01, 2019, transfer of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Also, as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/ 2022/8 Dated 25-1-2022, requests for -

- I. Issue of duplicate securities certificate
- II. Claim from Unclaimed Suspense Account
- III. Renewal /Exchange of securities certificate
- IV. Endorsement
- V. Sub-division / Splitting of securities certificate
- VI. Consolidation of securities certificates/ folios
- VII. Transmission and
- VIII. Transposition

shall be adhered only through demat form. No physical share certificates shall be issued for the said requests. In case a shareholder is unable to open demat account, shares pertaining to above requests shall be transferred to Suspense Escrow Demat Account of the Company. Hence, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

## k. Shareholding pattern as on 31st March 2023.

S.No.	Category	No. of shares	% of holding
1	Promoters	48,86,500	55.02
2	Financial Institutions	--	--
3	Mutual Funds	--	--
4	Banks	--	--
5	Foreign Institutional Investors	--	--
6	Non-Resident Indians	57048	0.64
7	Bodies Corporate	225473	2.54
8	Clearing Members	476	0.01
9	HUF	120934	1.36
10	Trust	1000	0.01
11	Indian Public	3589719	40.42
	Total	88,81,150	100.00

## Distribution of Shareholding as on 31st March 2023.

Shareholdings of nominal value of shares held (₹)	Shareholders		Share Amount	
	Nos.	%	In Rs.	%
Upto 5,000	7656	90.21	6817060	7.68
5,001 - 10,000	396	4.67	3022620	3.40
10,001 - 20,000	194	2.29	2808140	3.16
20,001 - 30,000	65	0.77	1637790	1.84
30,001 - 40,000	30	0.35	1040110	1.17
40,001 - 50,000	36	0.42	1644020	1.85
50,001 - 1,00,000	55	0.65	3821190	4.30
1,00,001 & above	55	0.65	68020570	76.59
Total :	8487	100.00	88811500	100.00

## l. Dematerialisation of Shares

Electronic / Physical	%
NSDL - 1592024	17.93
CDSL - 6540468	73.64
Physical - 748658	8.43

91.57% of Company's Paid-up Equity Share Capital has been dematerialised upto 31st March 2023 (91.15% upto 31st March 2022). Trading in Equity Shares of the Company is permitted only in dematerialized form.

- m. Outstanding GDRs/ADRs/ Warrants or any convertible instruments: Nil
- n. The risk of price variation in raw materials and finished goods in which the Company deals is partly covered by purchasing raw materials as and when sales are booked for future delivery. There is no market provision for hedging the risks in price variations of the commodities in which the Company deals. Foreign exchange requirements for imports are partially covered by foreign exchange earnings from exports. As majority of imported material is covered by the major customers themselves, no hedging is done for imports and the decision of hedging is left to the customers. Also, due to insignificant quantities of exports made, no hedging is done for exports.

o. Plant locations : Dokiparru Village, Medikondur Mandal, Guntur District, A.P., Pin : 522 438.

Wind Power Units :

Kurichampatti Village, V.K. Pudur Taluk, Tirunelveli Dist., T.N., Pin : 627 860.

Surandai Village, V.K. Pudur Taluk, Tirunelveli Dist., T.N., Pin : 627 860.

Kasturirangapuram Village, Radhapuram Taluk, Tirunelveli Dist., T.N., Pin : 627 112

Velayuthampalayam Village, Dharapuram Taluk, Tirupur Dist., T.N., Pin : 638702

p. Address for correspondence : Dokiparru, Medikondur Mandal, Guntur Dist., A.P, Pin : 522 438.

Telephone No. : 0863-2290190/92

Mobile No. : 9848139135

E-mail : [jocil@jocil.net](mailto:jocil@jocil.net)

Website : [www.jocil.in](http://www.jocil.in)

**q. Credit ratings**

Company has not accepted any debt instruments and fixed deposits in India or abroad. Hence, no credit ratings for such instruments were carried out.

**r. Dividend Declared for the last 7 Years**

Financial Year	Dividend Declaration Date	Dividend per Share of ₹ 10 each - ₹
2022-23	23 September 2023	2.50
2021-22	24 September 2022	2.00
2020-21	22 September 2021	3.00
2019-20	24 September 2020	3.00
2018-19	21 September 2019	1.00
2017-18	29 September 2018	2.00
2016-17	28 September 2017	3.00

s) Transfer of unpaid/unclaimed amounts/shares to Investor Education and Protection Fund

During the year under review, the Company has credited ₹ 3,87,036 being the unpaid/unclaimed dividend for the year 2014-15 to the Investor Education and Protection Fund (IEPF) pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('The Rules').

Further, pursuant to the provisions of The Rules, 329 (Cumulative Total of 39,381) equity shares being the shares of those shareholders who have not claimed the dividends for a continuous period of 7 years were credited to the IEPF. Out of 39,381 shares, 200 (cumulative total of shares with IEPF as on 31.03.2023 is 39,181 shares) shares were transferred from IEPF to shareholders.

**10. Other Disclosures :**

i. There were no materially significant pecuniary or business transactions of the Company with its promoters, Directors or the Management, or their relatives etc., that may have potential conflict with the interests of the Company at large.

The Company enters into contracts from time to time with its Holding Company, Directors, Companies and Firms in which the Directors are interested. These contracts are in the ordinary course of Company's business and the concerned Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest. Full particulars of contracts entered into with the parties in which Directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 189(1) of the Companies Act, 2013 and the same is placed at every Audit Committee Meeting and Board Meeting for information and approval.

ii. There were no instances of non-compliance by the Company and no penalties, strictures on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to Capital markets during the last three years.

iii. The Company has established Vigil Mechanism as required under Section 177(10) of the Companies Act, 2013 for directors and employees to report genuine concerns as prescribed in the policy. The policy provides adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee.

iv. The Company has complied with all the mandatory requirements. The non-mandatory requirements not complied with will be adopted at the appropriate time.

v. The Company is not having any subsidiaries.

vi. Policy on dealing with related party transactions of the Company is available at [www.jocil.in](http://www.jocil.in)

vii. Hedging for commodity price risks is as discussed in Item No. 9 (n) above.

- viii. The company has not raised any funds through preferential allotment or qualified institutional placement.
- ix. Certificate from a company secretary in practice with respect to non-disqualification of Directors is annexed vide Annexure - 1.
- x. There are no instances of non-acceptance of any recommendations of any committee of the Board.
- xi. Details of total fees for all services paid by the company to the statutory auditors, M/s. Chevuturi Associates, Vijayawada are as follows.

For Statutory Audit	₹ 4,00,000
For Limited Review Report	₹ 30,000
Total	<u>₹ 4,30,000</u>

- xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
    - a. Number of complaints filed during the financial year : Nil
    - b. Number of complaints disposed off during the financial year : Nil
    - c. Number of complaints pending as on end of the financial year : Nil
  - xiii. Company has not provided any loans and advances in the nature of loans to firms/companies in which directors are interested.
11. The Company has complied with all the requirements of Corporate Governance under Sub Para 2 to 10 in Para C of Schedule V to the Listing Regulations.
12. Implementation of discretionary requirements under Part E of Schedule II to Listing Regulations
- a. The Chairman's office expenses incurred in performance of his duties are not reimbursed by the Company.
  - b. Half yearly declaration of financial results including summary of significant events have not been sent to the household of shareholders.
  - c. There are no audit qualifications in the Company's financial statement for the year under reference. It is always the Company's endeavour to present financial statements without any qualification.
  - d. The Company is having separate persons appointed to the posts of Chairman and Managing Director.
  - e. The Internal Auditors to the Company reports directly to the Audit Committee.
13. Compliance with provisions dealing with Corporate Governance in Listing Regulations.
- a. The constitution of Board of Directors, Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee are in accordance with Regulation 17 to 20 of Listing Regulations. In terms of the company's corporate governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of

supervision of the company as trustees of the Shareholders.

Adequate powers are delegated to the Committees to take suitable decisions on the issues arising to meet the exigencies of the business of the Company.

- b. Regulation 21 dealing with constitution of Risk Management Committee is not applicable to the Company.
- c. The Company is having Vigil Mechanism for Directors and the Employees to report genuine concerns as required under Regulation 22.
- d. The Company formulated a policy on materiality of related party transactions and on dealing with related party transactions in compliance with Regulation 23 and complies with the same.
- e. The Company is not having subsidiary companies.
- f. The Company complies with the obligations with respect to Independent Directors and Employees including Senior Management, Key Managerial Persons, Directors and Promoters under Regulation 25 and 26.
- g. Quarterly Compliance Report on Corporate Governance is filed with the NSE along with material related party transactions if any as required under Regulation 27.
- h. The Company maintains functional website www.jocil.in containing the information required under Clauses (a) to (z) of Regulation 46 (2).

#### Annexure - 14

##### Related Party Disclosure under Para A of Schedule V to Listing Regulations

(Amount in ₹)

S. No.	Name of the Company / Firm in which the Directors are interested	Amount of loans / advances / investments / outstanding as on 31-03-2023	Max. amount of loans / advances / investments outstanding during the year 2022-23
1.	-	-	-

#### Annexure - 15

##### Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account

Equity shares in the Demat Suspense Account or Unclaimed Suspense Account -- NIL

Jocil Limited

**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

Jocil Limited

Dokiparru (V), Medikondur (M),

Guntur (Dist), Andhra Pradesh - 522438

We have examined the following documents:

- i. Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii. Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents')

as submitted by the Directors of Jocil Limited ('the Company') bearing CIN: L28990AP1978PLC002260 and having its registered office at Dokiparru (V), Medikondur (M), Guntur (Dist), Andhra Pradesh - 522438, to the Board of Directors of the Company ('the Board') for the financial year 2022-23 and relevant registers, records, forms and returns maintained by the Company and as made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory/Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for 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.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended 31st March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sl. No.	Name of Director	DIN
1.	Pendyala Narendranath Chowdary	00015764
2.	Jagarlamudi Murali Mohan	00114341
3.	Mullapudi Thimmaraja	00016711
4.	Kandimalla Srinivasa Rao	00381090
5.	Vuppalapati Sitarama Raju	00101405
6.	Mullapudi Mrutyumjaya Prasad	01500271
7.	Dasari Manjulatha	02788338
8.	Kanuri Rama Seshayya	05162760
9.	Popuri Adeyya Chowdary	02936505
10.	Kesavulu Reddy Posem	09643485

Note: Tipirneni Venkata Subbarao having DIN: 00337027 is ceased as Director w.e.f. 1st October, 2022 due to completion of his tenure.

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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended 31st March, 2023.

**For NEKKANTI S.R.V.V.S. NARAYANA & CO.**

**Company Secretaries**

ICSI Unique Code: S2009AP122301

**(NEKKANTI S.R.V.V.S. NARAYANA)**

Proprietor

M.No.F7157, C.PNo.7839

PR. No.1709/2022

UDIN: F007157E000316697

Place : Hyderabad

Date : 16th May, 2023

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To

The Members of Jocil Limited

We have examined the compliance of conditions of corporate governance by Jocil Limited for the year ended 31st March, 2023, as stipulated in Para E of Schedule V to Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of 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, and based on the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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 CHEVUTURI ASSOCIATES.,  
Chartered Accountants  
Firm Regn. No. 0006325

RAGHUNADHA RAO BALINENI  
Partner  
ICAI Memb. No. 28105  
UDIN : 23028105BGTNQW2822

Camp : Guntur  
Date : 25-05-2023

**DECLARATION BY THE MANAGING DIRECTOR UNDER PARA D OF  
SCHEDULE V TO LISTING REGULATIONS**

To

The Members of Jocil Limited

This is to affirm that the Board of Directors of Jocil Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of para D of Schedule V to Listing Regulations. Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March 2023.

Place : Guntur  
Date : 25 May 2023

J. MURALI MOHAN  
Managing Director

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF JOCIL LIMITED

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Jocil Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the State of affairs of the Company as at March 31, 2023, its Profit, total comprehensive Income, changes in equity and cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is

sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "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 and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer note no. 32 to the Financial Statements.)
  - ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts during the year ended 31st March, 2023.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or

invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - b. As stated in Note no.42 of the financial statements, the Board of Directors of the Company proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Chevuturi Associates**

Chartered Accountants

Firm Registration No.0006325

**(RAGHUNADHA RAO BALINENI)**

Partner

(Membership No: 028105)

Camp : Guntur

Date : 25 May 2023

UDIN: 23028105BGTNQU2240

**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT**

**The Annexure referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our report to the members of JOCIL LIMITED for the year ended March 31, 2023.**

**We report that:**

1. In respect of its Property, plant and equipment and intangible assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.
  - b. The Company has maintained proper records showing full particulars of intangible assets.
  - c. The company has a programme of physical verification to cover all items in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the said programme, certain property, plant and equipment were physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies have been noticed on such verification.
  - d. According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
  - e. The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - f. There are no proceedings initiated or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. In respect of its inventories:
  - a. According to the information and explanations furnished to us, the Company has physically verified its inventories during the year and no discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
  - b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of value of stock of inventory, receivables and payables filed by the Company with such bank are in agreement with the audited books of account of the Company of the respective quarters.
3. The Company has not made any investments or provided any securities or guarantees or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLP's or other parties and hence reporting under clauses (iii) of the Order is not applicable.
4. The company has not granted any loans or provided any guarantees or securities in respect of which the provisions of section 185 and 186 of the Act are applicable.

5. The company has not accepted any deposits or the amounts which are deemed to be deposits. Hence reporting under clauses (v) of the Order is not applicable.
6. We have broadly reviewed the books of account and records 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, we have not carried out a detailed audit of the same.
7. a. According to the information furnished to us, the Company is regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs duty, Cess and any other statutory dues wherever applicable to it during the year.
- b. There were no undisputed statutory dues in arrears in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs duty, Cess and other material statutory dues as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.
- c. According to the information furnished to us, the following amounts of Value added tax, Customs Duty and Income Tax have been disputed by the Company, and hence were not remitted to the authorities concerned at the date of the Balance Sheet under report.

Name of the Statute	Nature of Dues	Amount involved (Rs.in lakhs) ₹	Amount unpaid (Rs.in lakhs) ₹	Period to which it relates	Forum where dispute is pending
AP VAT	Availment of Input tax credit	15.90	10.40	2005-06	STAT, Vizag
		13.05	2.24	2006-07	
		6.44	0.43	2007-08	
	Purchase tax on Biomass	25.92	-	2012-16	
		40.98	30.73	2008-11	
Customs Act, 1962	Classification of goods imported	32.03	30.43	2012-13	CESTAT, Chennai
Income-tax Act, 1961	Income-tax (Wrong computation of tax liability on completion of assessment)	88.93	21.83	2020-21	Rectification petition filed before jurisdictional AO

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9.
  - a. In our opinion and according to the information and explanations furnished to us by the Company, there were no defaults in repayment of loans or other borrowings or in the payment of interest thereon to the lenders.
  - b. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
  - c. The term loans borrowed by the company during the year were applied for the purpose for which they were borrowed.
  - d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - e. The company does not have any subsidiaries, associates and Joint ventures and hence reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
10.
  - a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
11.
  - a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year under report.
  - c. According to the information and explanations furnished to us by the company, no whistle blower complaints has been received by the Company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14.
  - a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
  - b. We have considered the internal audit reports for the year under audit issued to the Company during the year in determining the nature, timing and extent of our audit procedures.
15. In our opinion, the Company has not entered into any non-cash transactions during the year with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year and hence the reporting requirement in terms of clause (xviii) of the order is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. In respect of ongoing projects, considering the total amount spend under the provisions of section 135 of the Act, there are no unspent amounts required to be transfer u/s 135(5) of the Act and hence the reporting under clause (3)(xx)(b) of the order is not applicable for the year under report.

**For Chevuturi Associates**

Chartered Accountants

Firm Registration No.000632S

Camp : Guntur

Date : 25th May 2023

UDIN : 23028105BGTNQU2240

**(RAGHUNADHA RAO BALINENI)**

Partner

(Membership No: 028105)

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of JOCIL LIMITED ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Chevuturi Associates**

Chartered Accountants

Firm Registration No.0006325

**(RAGHUNADHA RAO BALINENI)**

Partner

(Membership No: 028105)

Camp : Guntur

Date : 25th May 2023

UDIN : 23028105BGTNQU2240

**BALANCE SHEET AS AT 31st March, 2023**

(All amounts are in ₹ lakhs except share data and where otherwise stated)

	Note	As at 31-3-2023	As at 31-3-2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and equipment	3	4,423.00	4,696.30
Right-of-use assets	-	-	-
Capital Work-in-progress	3	18.67	273.83
Intangible Assets	3	0.24	7.26
Financial Assets			
Investments	4	502.47	938.67
Loans	5	-	-
Other financial assets	6	89.22	82.33
Other non-current Assets	7	88.40	220.69
Total non-current assets		5,122.00	6,219.08
<b>Current Assets</b>			
Inventories	8	8,311.71	10,759.58
Financial Assets			
Investments	4	2,965.44	-
Trade receivables	9	7,286.69	7,402.23
Cash and cash equivalents	10	539.79	225.45
Bank balances other than (iii) above	10	125.36	129.51
Other financial assets	6	4.32	1.16
Current tax assets (Net)	11	42.85	79.56
Other Current assets	7	962.74	906.89
Total current assets		20,238.90	19,504.37
<b>Total Assets</b>		25,360.90	25,723.45
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	888.16	888.16
Other Equity	12	19,751.58	19,476.49
Total equity		20,639.74	20,364.65
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	-	-	-
Lease liabilities	-	-	-
Other financial liabilities	13	17.91	8.91
Provisions	14	135.82	111.59
Deferred Tax Liabilities (Net)	15	210.26	275.03
Other non-current liabilities	16	-	-
Total non-current liabilities		363.99	395.53
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	17	160.14	434.53
Lease liabilities	-	-	-
Trade payables	18		
Total outstanding dues of Micro and Small enterprises		299.53	212.91
Total outstanding dues of creditors other than Micro and small enterprises		2,338.85	3,009.83
Other financial liabilities	13	352.76	279.20
Other current liabilities	16	1,086.53	922.13
Provisions	14	119.36	104.67
Current tax liabilities (Net)	11	-	-
Total current liabilities		4,357.17	4,963.27
Total liabilities		4,721.16	5,358.80
<b>Total equity and liabilities</b>		25,360.90	25,723.45
Corporate information	1		
Significant accounting policies and notes forming integral part of financial statements	2-45		

As per our report of even date :

For CHEVUTURI ASSOCIATES.,  
Chartered Accountants  
Firm's Registration No.000632S  
RAGHUNADHA RAO BALINENI, Partner  
Membership No. 028105  
Camp : Guntur  
25th May 2023  
UDIN : 23028105BGTNQU2240

For and on behalf of the Board

P. NARENDRANATH CHOWDARY  
J. MURALI MOHAN  
K. RAGHURAM

Chairman  
Managing Director  
Secretary & DGM (Fin.) (CFO)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2023**

Jocil Limited

(All amounts are in ₹ lakhs except share data and where otherwise stated)

	Note	Year ended 31-3-2023	Year ended 31-3-2022
<b>REVENUE</b>			
Revenue from operations	19	<b>91,927.93</b>	75,358.98
Other income	20	<b>238.86</b>	113.20
<b>Total Income</b>		<b>92,166.79</b>	75,472.18
<b>EXPENSES</b>			
Cost of materials consumed	21	<b>73,811.99</b>	64,131.18
(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	22	<b>1,183.03</b>	(2,139.72)
Employee benefits expense	23	<b>3,270.92</b>	3,183.72
Finance costs	24	<b>113.61</b>	17.32
Depreciation and amortization expense	25	<b>621.01</b>	682.20
Other expenses	26	<b>11,891.95</b>	8,639.64
<b>Total Expenses</b>		<b>90,892.51</b>	74,514.33
<b>Profit before exceptional items and tax</b>		<b>1,274.28</b>	957.85
Exceptional Items		-	-
<b>Profit before tax</b>		<b>1,274.28</b>	957.85
<b>Tax Expense:</b>	27		
Current tax		<b>355.00</b>	327.00
(Excess)/Short provision of Current tax in earlier years		<b>(15.49)</b>	0.01
Deferred tax (Credit)		<b>(64.77)</b>	(81.83)
<b>Profit after tax</b>		<b>999.54</b>	712.67
<b>Other Comprehensive Income (OCI)</b>			
A. Items that will not be reclassified subsequently to profit and Loss account (net of tax)			
a. Changes in fair value of investments		<b>(436.18)</b>	310.14
b. Remeasurement of defined employee benefit plans		<b>(110.65)</b>	(2.75)
Total Comprehensive Income for the year		<b>452.71</b>	1,020.05
<b>Earnings per Share - Basic and Diluted</b>	36	<b>11.25</b>	8.02
(PAT before OCI/Weighted average no. of shares)			
Corporate information	1		
Significant accounting policies and notes forming integral part of financial statements	2 - 45		

As per our report of even date :

For CHEVUTURI ASSOCIATES.,  
Chartered Accountants  
Firm's Registration No.000632S  
RAGHUNADHA RAO BALINENI, Partner  
Membership No. 028105  
Camp : Guntur  
25th May 2023  
UDIN : 23028105BGTNQU2240

For and on behalf of the Board

P. NARENDRANATH CHOWDARY

Chairman

J. MURALI MOHAN

Managing Director

K. RAGHURAM

Secretary &amp; DGM (Fin.) (CFO)

**CASH FLOW STATEMENT**

(All amounts are in ₹ lakhs except share data and where otherwise stated)

**2022-23****2021-22****CASH FLOW FROM OPERATING ACTIVITIES**

Net Profit before tax	1,274.28	957.85
Add/Less: Adjustments for :		
Depreciation	621.01	682.20
Finance Costs	113.61	17.32
Interest income	(47.18)	(23.47)
Assets Written off	0.30	0.37
Profit on sale of assets	-	(0.44)
Fair value changes in current Investments	(0.91)	(2.91)
Profit on Sale of Investments	(5.52)	-
Re-measurement of Defined Benefit Plans	(110.65)	(2.75)
Dividends received	(98.13)	(65.87)
Operating profit before working capital changes	1,746.80	1,562.29
Add/Less: Adjustments for working capital		
Inventories	2,447.87	(3,004.33)
Trade and other receivables	240.80	530.65
Trade payables	(298.50)	(417.21)
Cash generated from operations	4,136.98	(1,328.60)
Less: Direct taxes paid	347.02	370.67
Net cash from /(Used in) Operating activities (A)	3,789.95	(1,699.27)

**CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of fixed assets/Capital work in progress	(94.05)	(218.95)
Proceeds from sale of fixed assets	0.01	0.89
Investment in mutual funds	(9,574.13)	(5,032.31)
Proceeds from Redemption of mutual funds	6,608.72	6,432.85
Interest received	47.18	23.47
Dividend received	98.13	65.87
Other Bank balances	4.15	113.23
Net cash (used in) / from Investing activities (B)	(2,910.00)	1,385.05

**CASH FLOW FROM FINANCING ACTIVITIES**

Proceeds from fresh borrowings	6,000.00	434.53
Repayment of borrowings	(6,274.39)	(203.73)
Finance Costs	(113.61)	(17.32)
Dividends paid	(177.62)	(266.43)
Net cash used in financing activities (C)	(565.61)	(52.93)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	314.34	(367.15)
Cash and cash equivalents at the beginning of the period	225.45	592.60
Cash and cash equivalents at the end of the period(Refer note.no.10A)	539.79	225.45
Net Increase / (Decrease) in cash and cash equivalents	314.34	(367.15)

a. The above cash flow statement has been prepared under "Indirect Method" as set out in Ind AS-7

**b. Reconciliation of liabilities from financing activities for the year ended 31-3-2023.**

Particulars	Opening Balance	Net Cash Flow	Non Cash Changes (Forex)	Closing Balance
Long term borrowings	-	-	-	-
Short term borrowings (refer note no.17)	434.53	(274.39)	-	160.14

**c. Reconciliation of liabilities from financing activities for the year ended 31-3-2022.**

Particulars	Opening Balance	Net Cash Flow	Non Cash Changes (Forex)	Closing Balance
Long term borrowings	-	-	-	-
Short term borrowings (refer note no.17)	203.73	230.80	-	434.53

As per our report of even date :

For CHEVUTURI ASSOCIATES.,  
Chartered Accountants  
Firm's Registration No.0006325  
RAGHUNADHA RAO BALINENI, Partner  
Membership No. 028105  
Camp : Guntur  
25th May 2023

For and on behalf of the Board

P. NARENDRANATH CHOWDARY

Chairman

J. MURALI MOHAN

Managing Director

K. RAGHURAM

Secretary & DGM (Fin.) (CFO)

UDIN : 23028105BGTNQU2240

**Statement of changes in equity for the year ended 31.03.2023**

(All amounts are in ₹ lakhs except share data and where otherwise stated)

**A. Equity Share Capital**

Particulars	No's
As at 1st April, 2021	888.12
Add: Forfeited shares (Amount originally paid up)	0.04
Changes in equity share capital	888.16
As at 31st March, 2022	888.16
Changes in equity share capital	-
As at 31st March, 2023	888.16

**B. Other Equity**

Particulars	Reserves and Surplus			Retained Earnings	Items of Other Comprehensive Income	Actuarial Gains / (Losses)	Total
	Capital Reserve	Securities Premium	Other Reserves (General reserve)				
<b>Balance at the beginning of reporting period - 1st April, 2021</b>	39.66	783.75	12,700.00	4,712.51	494.32	(7.37)	18,722.87
Profit for the year	-	-	-	712.67	-	-	712.67
Other Comprehensive Income	-	-	-	-	310.14	(2.75)	307.38
Total Comprehensive Income for the year	-	-	-	712.67	310.14	(2.75)	1,020.05
Transfer from General Reserve	-	-	-	-	-	-	-
Payment of dividends	-	-	-	(266.43)	-	-	(266.43)
<b>Balance at the end of reporting period - 31st March 2022</b>	39.66	783.75	12,700.00	5,158.74	804.46	(10.12)	19,476.49
Profit for the Year	-	-	-	999.54	-	-	999.54
Other Comprehensive Income	-	-	-	-	(436.18)	(110.65)	(546.83)
Total Comprehensive Income for the year	-	-	-	999.54	(436.18)	(110.65)	452.71
Transfer from General Reserve	-	-	-	-	-	-	-
Payment of dividends	-	-	-	(177.62)	-	-	(177.62)
<b>Balance at the end of reporting period - 31st March 2023</b>	39.66	783.75	12,700.00	5,980.66	368.27	(120.77)	19,751.58

As per our report of even date :  
 For CHEVUTURI ASSOCIATES.,  
 Chartered Accountants  
 Firm's Registration No.000632S  
 Raghunatha Rao Balineni, Partner  
 Membership No. 028105  
 Camp : Guntur  
 25th May 2023  
 UDIN : 23028105BGTNQ2240

For and on behalf of the Board

P. NARENDRANATH CHOWDARY

Chairman

J. MURALI MOHAN

Managing Director

K. RAGHURAM

Secretary & DGM (Fin.) (CFO)

## **I. NOTES TO THE FINANCIAL STATEMENTS**

### **1. CORPORATE INFORMATION**

Jocil Limited (hereinafter referred to as Jocil) is engaged in the manufacture of Stearic Acid, Fatty Acids, Soap Noodles, Toilet Soap, Glycerine and Industrial Oxygen. The manufacturing facilities of Jocil and its Registered Office are located at Dokiparru Village, Medikondur Mandal, Guntur District, Andhra Pradesh. It is also having a 6 MW Biomass Cogeneration Captive Power Plant to meet the power requirements of the manufacturing activity and surplus power is sold to IEX through PTC India Ltd. Jocil is also having 4 Wind Energy Generators in the State of Tamil Nadu and the power generated is sold to Tamil Nadu Generation and Distribution Corporation Limited. Jocil is a subsidiary to The Andhra Sugars Limited (ASL), Tanuku, W.G.District, Andhra Pradesh. As on date, ASL owns 55.02% of Jocil's equity share capital.

### **2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

#### **a) Statement of compliance**

These Financial Statements are prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act ("The Act") read together with Companies (Indian Accounting Standards) Rules 2015 (as amended). The financial statements have also been prepared with relevant presentation requirements of the Act.

#### **b) Basis of preparation of financial statements**

These financial statements have been prepared under historical cost convention on accrual basis of accounting except for certain financial instruments which are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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.

#### **c) Operating cycle**

All assets have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the schedule III to the act and Ind AS-I Presentation of Financial statements, based on the nature of the products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**d) Use of estimates and judgments**

The preparation of the company's financial statements in conformity with Ind AS requires the management of the Company to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgments and estimates that have been made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

**i) Depreciation / amortization and useful lives of property plant and equipment and intangible assets:**

Property, plant and equipment and intangible assets are depreciated/amortised based on the useful lives specified under schedule II of Companies Act, 2013. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortization to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortization for future periods is revised if there are significant changes from previous estimates.

**ii) Recoverability of trade receivable:**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, past history of receivables, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**iii) Fair value measurement of financial instruments:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

**iv) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably

estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**v) Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**vi) Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**vii) Income Taxes:**

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

**viii) Defined benefit obligations:**

The Company uses actuarial assumptions viz., discount rate, mortality rates, expected rate of return on plan assets, salary escalation rate etc., to determine such employee benefit obligations.

**ix) Other estimates:**

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an ongoing basis. Accounting estimates could change from period to period. Actual results could differ from these estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

## **II. SIGNIFICANT ACCOUNTING POLICIES**

### **a) Property, plant and equipment**

An item of Property, Plant and Equipment that qualified as an asset is measured at initial recognition at Cost. Following initial recognition, items of property, plant and equipment (PPE) are carried at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

The company identifies and determines cost of each part of PPE separately, if the part has a cost which is significant to the total cost of that items of PPE and has useful life that is materially different from that of the remaining items.

Advances paid for acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Cost of the assets not put to use before such date are disclosed under 'Capital Work-in-progress'. Any subsequent expenditure relates to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. Items of spare parts are recognized as Property, plant and equipment when they meet the definition of PPE. The cost and related depreciation are eliminated from the PPE upon sale or retirement of the asset and the resultant gain or losses are recognized in statement of profit and loss.

### **b) Intangible assets**

Intangible assets are stated at cost of acquisition less accumulated amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis from the date they are available for use.

### **c) 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 capitalised 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.

### **d) Depreciation and amortization**

Depreciation is recognized so as to write off the cost of assets less their residual values based on useful lives as specified in Schedule II of the Companies Act, 2013 as follows:

- i) Under straight line method in respect of plant and machinery of wind power division.
- ii) Under written down value method on the remaining assets of the company.
- iii) The intangible assets, being computer software is amortized over a period of 5 years on straight line method.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end.

**e) Inventories**

- i) Finished goods are valued at lower of cost or net realizable value.
- ii) Cost of work-in-progress and finished goods includes appropriate portion of overheads etc.,
- iii) Raw materials, stores and spares are valued at cost using weighted average method.
- iv) Work-in-progress, raw materials, stores, spares, material in transit, 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 book values, they are valued at replacement cost.
- v) By-products and scrap are valued at net realizable value.

**f) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

- i) Revenue from sale of products is recognised when the entity satisfies performance obligation by transferring the promised goods to customers and the goods are transferred when the customer obtains control over the goods and the company retains no effective control over the goods sold. Revenue is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of discounts offered as part of contract.

When there is any uncertainty as to the measurement or collectability of consideration, revenue recognition to the extent of amount of uncertainty is postponed until such uncertainty is resolved.

- ii) Amounts collected on behalf of third parties such as GST are excluded from Revenue.
- iii) Revenue realized on processing charges is recognized to the extent of completion of job as per the agreements/arrangements with the concerned parties.
- iv) Power purchased from other units is accounted at market price at which the power is purchased from external party.
- v) Interest income is recognized using effective interest method.
- vi) Dividend income is recognized when the right to receive payment is established.

**g) Taxes on income**

Income tax expense comprises the sum of tax currently payable and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax is determined at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred tax assets is reviewed at the end of each year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities are recognized as income or expense in the year of enactment. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

**h) Segment reporting**

The operating segments of the entity are identified based on the revenues earned and expenses incurred whose operating results are regularly reviewed by the entity's decision maker to make decisions about resources to be allocated to the segment and assess its performance for which discrete financial information is available.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

Inter segment revenue has been accounted for based on the market related prices.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses".

**i) Retirement benefits**

The Company provides retirement benefits in the form of Provident Fund, Superannuation and Gratuity etc., contribution to Provident Fund, a defined contribution scheme, is made at the prescribed rates to the Provident Fund Commissioner and is charged to the Statement of Profit and Loss. There is no other obligation other than the contribution payable.

Certain employees of the company are eligible for superannuation and company has no obligation beyond its monthly contribution to LIC. The periodic contribution is charged to the statement of profit and loss account.

Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial losses and gains, the effect of changes to the asset ceiling and actual return on plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation, is reflected in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Such re-measurement losses/gains are not reclassified to profit or loss subsequently.

The liability in respect of compensated absences due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation using projected unit credit method at the end of each year.

**j) Research & development expenditure**

Revenue expenditure is charged to Statement of Profit & Loss and Capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

**k) Foreign exchange transactions**

The functional currency of the company is the Indian rupee and the financial statements are presented in Indian rupee.

Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the year.

**At each Balance Sheet date**

i) Foreign currency denominated monetary items are translated into the relevant functional currency at exchange rate at the balance sheet date. The gains and losses resulting from such translations are included in net profit in the statement of profit and loss.

ii) Foreign currency denominated non-monetary items are reported using the exchange rate at which they were initially recognized.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in statement of profit and loss.

**l) Impairment of assets**

i) Financial assets (other than at fair value)

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all trade receivables that do not constitute a

financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of the fair value less cost of sale and value in use) is determined on an individual asset basis unless the asset does not generates cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount and the carrying amount of the asset is increased to its revised recoverable amount subject to maximum of carrying amount.

**m) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when there is a present obligation as a result of past event, it is probable that the company will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Where the effect of time value of money is material, the amount of provision is the present value of the expenditure to be required to settle the obligation. 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 recognized in the financial statements since this may result in the recognition of income that may never be realized.

**n) Financial instruments**

Initial recognition:

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than the financial assets and liabilities at fair value through profit and loss) are added to or deducted

from the fair value of financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities at fair value through profit or loss are recognized immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Subsequent measurement:**

**i) Financial assets carried at amortized cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through other comprehensive income.**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

De-recognition of financial asset

The company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

**iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. The effective method is a method of calculating the amortization cost of a financial liability and of allocating interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liability

The company de-recognises financial liabilities when the company's obligations are discharged, cancelled or expired. The difference between the initial carrying amount of the financial liabilities and

their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest method.

**o) Earning per equity share**

Basic earning per equity share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares during the period. The company did not have any potentially dilutive securities in any of the years presented.

The number of equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of financial statements by the board of directors.

**p) Cash flow statement**

Cash flows are reported using indirect method whereby the profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financial activities of the company are segregated.

**q) Dividends**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders i.e the year in which the dividends are approved and interim dividends are recorded as a liability on the date of declaration by the company's board of directors.

**r) Government Grants**

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognized as deferred revenue in the Balance sheet and transferred to the statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

Export benefits available under prevalent schemes are accrued as revenue in the year in which goods are exported when there is reasonable assurance that the conditions attached to them will be complied and the amounts will be received.

**s) RECENT ACCOUNTING PRONOUNCEMENTS**

Ministry of Corporate Affairs (MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

**Ind AS 1 - Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

**Ind AS 12 - Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements,

The Company will evaluate these amendments to give effect as required by law.

**3. PROPERTY, PLANT AND EQUIPMENT**

(All amounts are in ₹ lakhs except share data and where otherwise stated)

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Gross Carrying Value</b>							
- At cost (Deemed Cost)							
As at 31st March 2021	87.05	567.15	7,387.80	107.69	142.53	78.90	8,371.12
Additions	-	-	563.19	3.37	1.04	2.99	570.59
Disposals	-	-	-	1.05	0.41	2.02	3.48
As at 31st March 2022	87.05	567.15	7,950.99	110.01	143.16	79.88	8,938.23
Additions	-	6.72	327.39	5.13	-	1.74	340.98
Disposals	-	-	-	0.60	-	1.45	2.05
As at 31st March 2023	87.05	573.87	8,278.38	114.54	143.16	80.17	9,277.16
<b>Accumulated Depreciation</b>							
As at 31st March 2021	-	258.91	3,135.79	90.95	53.38	50.24	3,589.27
Depreciation charge for the year	-	28.94	585.09	6.09	26.22	8.98	655.32
On disposals	-	-	-	0.81	0.03	1.82	2.66
As at 31st March 2022	-	287.85	3,720.88	96.23	79.57	57.40	4,241.93
Depreciation charge for the year	-	26.48	557.13	5.78	18.17	6.42	613.98
On disposals	-	-	-	0.52	-	1.22	1.74
As at 31st March 2023	-	314.33	4,278.01	101.49	97.74	62.60	4,854.17
<b>Net Book Value</b>							
As at 31st March 2022	87.05	279.30	4,230.11	13.78	63.59	22.48	4,696.30
As at 31st March 2023	87.05	259.54	4,000.37	13.05	45.42	17.57	4,423.00

Carrying amounts of	As at 31st March, 2023	As at 31st March, 2022
Land	87.05	87.05
Buildings	259.54	279.30
Plant and Equipment	4,000.37	4,230.11
Furniture and Fixtures	13.05	13.78
Vehicles	45.42	63.59
Office Equipment	17.57	22.48
Total	4,423.00	4,696.30

Note:

- Working capital loans availed by the company from Union Bank of India and SBI are secured by way of second charge on fixed assets of the company on pari passu basis.
- None of the assets were acquired/transferred by way of business combinations.
- The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.
- The title deeds of immovable properties were held in the name of the company.
- No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

**3. CAPITAL WORK-IN-PROGRESS (CWIP)**

**Carrying value - At Cost**

As at 31st March, 2021	552.01
Additions	283.98
Capitalised during the year	(562.16)
As at 31st March, 2022	273.83
Additions	64.74
Capitalised during the year	(319.90)
As at 31st March, 2023	18.67

**Capital Work-in-progress (CWIP) ageing schedule as on 31.3.2023**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	18.67	-	-	-	18.67
Projects temporarily suspended	-	-	-	-	-

Note: None of the above projects were overdue for its completion and have not exceeded its cost compared to its original plan.

**Capital Work-in-progress ageing schedule as on 31.3.2022**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	190.95	46.45	29.12	7.32	273.83
Projects temporarily suspended	-	-	-	-	-

Note: None of the above projects were overdue for its completion and have not exceeded its cost compared to its original plan.

**3. INTANGIBLE ASSETS**

	Computer Software	Total	
Gross Carrying value			
- At Cost (Deemed Cost)			
As at 31st March, 2021	142.01	142.01	
Additions	-	-	
Disposals	-	-	
As at 31st March, 2022	142.01	142.01	
Additions	-	-	
Disposals	-	-	
As at 31st March, 2023	142.01	142.01	
Depreciation			
As at 31st March, 2021	107.87	107.87	
Depreciation charge for the year	26.88	26.88	
On disposals	-	-	
As at 31st March, 2022	134.75	134.75	
Depreciation charge for the year	7.02	7.02	
On disposals	-	-	
As at 31st March, 2023	141.77	141.77	
Net Book Value			
As at 31st March, 2022	7.26	7.26	
As at 31st March, 2023	0.24	0.24	
<b>Net Book Value</b>		<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>
Computer software		<b>0.24</b>	<b>7.26</b>

- None of the intangible assets were acquired/transferred by way of business combinations.
- The carrying values of any of the assets does not include any changes made on account of revaluation as on date of balance sheet.

4. NON CURRENT INVESTMENTS	As at 31st March, 2023	As at 31st March, 2022
<b>A. Investment in equity instruments</b>		
(At fair value through Other Comprehensive Income)		
i. Quoted - Trade		
a. 4,436 Equity shares of ₹ 10 each fully paid up in Union Bank of India	2.95	1.72
ii. Quoted - Non Trade		
a. 10,07,981 Equity shares of ₹ 10 each fully paid up in The Andhra Petro Chemicals Limited	494.21	931.88
b. 200 Equity shares of ₹ 10 each fully paid up in The Industrial Finance Corporation of India	0.02	0.02
c. 11,360 Equity shares of ₹ 10 each fully paid up in Industrial development bank of India	5.11	4.86
Total Investment in Quoted Equity Instruments (A)	<u>502.30</u>	<u>938.48</u>
<b>B. Investment in Government securities</b>		
National savings certificates	0.17	0.19
Total investment in Government securities (B)	<u>0.17</u>	<u>0.19</u>
Total investment (A+B)	<u>502.47</u>	<u>938.67</u>
Aggregate amount of quoted investments		
- At cost	135.36	135.36
- Market value	502.30	938.48
- Aggregate amount of unquoted investments	0.17	0.19

**Category wise - Investments as per Ind AS 109 Classification**

	As at 31st March, 2023		As at 31st March, 2022	
	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised
Financial assets measured at:				
Fair value through other comprehensive income				
a. 4,436 Equity shares of ₹ 10 each fully paid up in Union Bank of India	2.95	0.08	1.72	-
b. 10,07,981 Equity shares of ₹ 10 each fully paid up in The Andhra Petrochemicals Ltd.	494.21	15.12	931.88	30.24
c. 200 Equity shares of ₹ 10 each fully paid up in The Industrial Finance Corporation of India	0.02	-	0.02	-
d. 11,360 Equity shares of ₹ 10 each fully paid up in Industrial development bank of India	5.11	-	4.86	-
Total	<u>502.30</u>	<u>15.20</u>	<u>938.48</u>	<u>30.24</u>

**4. CURRENT INVESTMENTS (At FVTPL\*)**

	As at 31st March, 2023	As at 31st March, 2022
Quoted and non-trade investments in mutual funds		
ABSL Liquid Fund - Dividend - Daily Reinvest Plan 514854.121 Units @100.195 each (P.Y. Nil)	515.86	-
SBI Savings Fund - Regular Plan Growth 567353.957 Units @35.409 each (P.Y. Nil)	200.90	-
HDFC-Liquid Fund - Dividend - Daily Reinvest Plan 200840.928 Units @1019.82 each (P.Y. Nil)	2,048.22	-
Nippon Mutual Fund - Daily Dividend Reinvest Plan 13113.189 Units @1528.74 each (P.Y. Nil)	200.47	-
Total current investments	<u>2,965.44</u>	<u>-</u>
Aggregate book value of quoted investments-Cost	<u>2,964.53</u>	<u>-</u>
- Market value	<u>2,965.44</u>	<u>-</u>

\* FVTPL :- Fair value through Profit and Loss

**5. LOANS**

Particulars	Non-Current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Unsecured, considered good				
a. Loans	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**6. OTHER FINANCIAL ASSETS**

	Non-Current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Security deposits with Government authorities and others	89.22	82.33	-	-
Claims and other advances receivable	-	-	4.32	1.16
Total	<u>89.22</u>	<u>82.33</u>	<u>4.32</u>	<u>1.16</u>

**7. OTHER ASSETS**

	Non-Current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Unsecured, considered Good</b>				
a. Advances for Capital goods	19.70	27.93	-	-
b. Advances to creditors against supplies			701.41	735.72
c. Prepaid expenses			128.75	103.65
d. Balances with Statutory Authorities:				
Taxes paid under protest			111.43	44.34
Taxes Refund Receivable			18.80	18.80
GST and other tax deposits			-	-
e. Accrued interest			2.35	4.39
f. Balance in Gratuity Fund (net of obligations)	68.70	192.76	-	-
Total	88.40	220.69	962.74	906.89

Note:- No Loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

The above does not includes any amount due from related parties.

**8. INVENTORIES**

(At lower of cost and realisable value)

	As at 31st March, 2023	As at 31st March, 2022
a. Raw materials	2,332.64	3,825.16
b. Raw material in transit	-	-
c. Work-in-progress	2,389.11	3,290.55
d. Finished goods	2,049.66	2,331.24
e. Stock-in-trade	-	-
f. Stores and spares	1,540.31	1,312.62
Total	8,311.71	10,759.58

Note:

- All the above inventories are offered as security in respect of working capital loans availed by the company from Union Bank and SBI.
- The cost of inventories recognised as an expense during the year was ₹ 83869.44/- Lakhs. (Previous year ₹ 71175.97/- Lakhs)
- There are no inventories expected to be recovered after more than 12 months.
- The mode of valuation of inventories has been stated in note no.2 (II) (e) of Significant accounting policies.

9. TRADE RECEIVABLES	As at 31st March, 2023	As at 31st March, 2022
Secured, considered good	-	-
Unsecured, considered good	7,286.69	7,402.23
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired	-	-
Less: Allowance for doubtful trade receivables	-	-
Total	<u>7,286.69</u>	<u>7,402.23</u>

#### Trade Receivables ageing schedule as on 31.3.2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
i. undisputed trade Receivables considered good	6597.32	6.13	359.20	268.44	55.60	7286.69
ii. undisputed trade Receivables which have significant increase in credit risk	-	-	-	-	-	-
iii. undisputed trade Receivables credit impaired	-	-	-	-	-	-
iv. Disputed trade Receivables considered good	-	-	-	-	-	-
v. Disputed trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed trade Receivables credit impaired	-	-	-	-	-	-

#### Trade Receivables ageing schedule as on 31.3.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
i. undisputed trade Receivables considered good	6648.09	214.49	324.04	145.25	70.36	7402.23
ii. undisputed trade Receivables which have significant increase in credit risk	-	-	-	-	-	-

iii. undisputed trade Receivables credit impaired	-	-	-	-	-	-
iv. Disputed trade Receivables considered good	-	-	-	-	-	-
v. Disputed trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi. Disputed trade Receivables credit impaired	-	-	-	-	-	-

Note:

- a. The average credit period of trade receivables varies from 15-45 days.
- b. The above does not include any amount due from related parties.
- c. The company has used practical expedient by computing the expected credit loss for doubtful trade receivables based on the ageing of receivables, history of recoverability from the customers, credit worthiness of the customers etc.,
- d. During the year, the company has recognised loss allowance of ₹ Nil under 12 months expected credit loss model.
- e. Of the above trade receivables balances ₹ 4252.54 Lakhs (₹ 4533.97 Lakhs as at 31st March 2022) is due from Company's large customers, who represent more than 10% of trade receivables.

**10. CASH AND CASH EQUIVALENTS**

	As at 31st March, 2023	As at 31st March, 2022
<b>a. Balances with Banks</b>		
a. Balances In Current accounts	-	-
b. Balances In Working Capital Loans	26.57	214.86
c. In EEFC account	-	-
d. Fixed deposit accounts (Short-term)	502.52	-
d. Cash on hand	10.70	10.58
	<u>539.79</u>	<u>225.45</u>
<b>b. Other Bank balances</b>		
a. Earmarked balances with banks held as margin money against LC and guarantees	102.41	63.52
b. Fixed deposit repayment reserve	1.80	43.00
c. Earmarked balances with banks towards unclaimed dividends	21.15	22.99
	<u>125.36</u>	<u>129.51</u>
Total - A	<u>539.79</u>	<u>225.45</u>
Total - B	<u>125.36</u>	<u>129.51</u>
Total (A+B)	<u>665.14</u>	<u>354.95</u>

**11. CURRENT TAX ASSET**

	<b>As at 31st March, 2023</b>	As at 31st March, 2022
Provision for income-tax	<b>355.00</b>	1,297.00
Less: Taxes paid	<b>397.85</b>	1,376.56
Current tax liability/(Asset)	<b>(42.85)</b>	(79.56)

**12. EQUITY SHARE CAPITAL****Authorised share capital**

	<b>Equity</b>	
	<b>No's</b>	
As at 31st March 2021	1,00,00,000	1000
Changes in equity	-	-
As at 31st March 2022	1,00,00,000	1000
Changes in equity	-	-
As at 31st March 2023	<u>1,00,00,000</u>	<u>1000</u>

**Issued share capital**

Equity shares of ₹ 10 each issued, subscribed and fully paid

	<b>No's</b>	
As at 31st March 2021	88,81,150	888.16
Changes in equity	-	-
As at 31st March 2022	88,81,150	888.16
Changes in equity	-	-
As at 31st March 2023	<u>88,81,150</u>	<u>888.16</u>

The above amount includes ₹ 4,750 being shares forfeited and amount originally paid up on forfeited shares.

**Rights, preferences and restrictions attached to Equity Shares**

The Company has only one class of Equity shares having a face value of ₹ 10 each. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

**Details of shareholders holding more than 5% of total number of shares**

Name of the Shareholder	As at 31st March 2023		As at 31st March 2022	
	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company
The Andhra Sugars Limited	48,86,500	55.02	48,86,500	55.02
	<u>48,86,500</u>	<u>55.02</u>	<u>48,86,500</u>	<u>55.02</u>

**Details of equity shares held by promoters as on 31.3.2023**

Name of the promoters	Type of share	FY 2022-23		% Change during the FY 2022-23
		No. of shares	% of total shares	
The Andhra Sugars Limited	Equity	48,86,500	55.02	Nil

**Details of equity shares held by promoters as on 31.3.2022**

Name of the promoters	Type of share	FY 2021-22		% Change during the FY 2021-22
		No. of shares	% of total shares	
The Andhra Sugars Limited	Equity	48,86,500	55.02	Nil

Out of total equity shares issued and subscribed, 48,86,500 shares are held by holding company The Andhra Sugars Limited, Tanuku.

No bonus shares were issued out of last five financial years.

None of the shares were issued pursuant to a contract without payment being received in cash.

**12. OTHER EQUITY****Capital reserves**

As at 31st March 2021	39.66
Changes during the year	-
As at 31st March 2022	<u>39.66</u>
Changes during the year	-
As at 31st March 2023	<u>39.66</u>

**Securities premium**

As at 31st March 2021	783.75
Changes during the year	-
As at 31st March 2022	<u>783.75</u>
Changes during the year	-
As at 31st March 2023	<u>783.75</u>

**General reserve**

As at 31st March 2021	12700.00
Changes during the year	-
As at 31st March 2022	12700.00
Changes during the year	-
As at 31st March 2023	12700.00

**Surplus in statement of profit and loss**

<b>As at 31st March, 2021</b>	<b>5,199.46</b>
Add: Profit for the year transferred from statement of profit and loss	1,020.05
	<u>6,219.51</u>
Less: Final dividend for the financial year 2020-21 proposed & paid during the year	266.43
<b>As at 31st March, 2022</b>	<b>5,953.08</b>
Add: Profit for the year transferred from statement of profit and loss	452.71
	<u>6,405.79</u>
Less: Final dividend for the financial year 2021-22 proposed & paid during the year	177.62
<b>As at 31st March, 2023</b>	<b>6,228.17</b>

**Summary of other equity**

	<b>As at 31st March, 2023</b>	As at 31st March, 2022
Capital reserves	39.66	39.66
Securities Premium	783.75	783.75
General Reserve	12700.00	12700.00
Surplus in Statement of Profit and Loss (Incl. OCI)	6,228.17	5,953.08
	<u>19,751.58</u>	<u>19,476.49</u>

**Nature of reserves:**

- a. Capital reserve : Capital reserve represents incentive given by the Government in the year 1995 for furtherance of industry.
- b. Securities premium : Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of Companies Act, 2013.
- c. General reserve : The general reserve is created by way of transfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- d. Retained earnings : Retained earnings are the profits that the company has earned till date less transfers to general reserves and dividends paid to shareholders.

**13. OTHER FINANCIAL LIABILITIES**

	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
a. Refundable security deposits from agents	17.91	8.91	-	-
b. Unclaimed dividend	-	-	21.15	22.99
c. Employee related payments	-	-	262.90	194.28
d. Other liabilities	-	-	68.71	61.93
Total	17.91	8.91	352.76	279.20

**14. PROVISIONS**

	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Provision for employee benefits				
- Leave encashment (unfunded)	135.82	111.59	119.36	104.67
Total	135.82	111.59	119.36	104.67

**15. DEFERRED TAX LIABILITIES (NET)**

	As at 31st March 2023	As at 31st March 2022
Comprises temporary differences attributable to Liability:		
Depreciation	432.99	487.71
Asset:		
Employee benefits related and others	(222.73)	(212.68)
Net deferred tax liability	210.26	275.03

**Movement in deferred tax assets/liabilities**

	As at 31st March 2021	Charge/(Credit) to P&L a/c	As at 31st March 2022	Charge/(Credit) to P&L a/c	As at 31st March 2023
Deferred tax liabilities/ (Assets) in relation to:					
Depreciation	560.21	(72.50)	487.71	(54.72)	432.99
Expenses allowable under Income tax when paid	(203.35)	(9.33)	(212.68)	(10.05)	(222.73)
Total	356.86	(81.83)	275.03	(64.77)	210.26

**16. OTHER LIABILITIES**

	Non-Current		Current	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
a. Advance received against sales	-	-	26.03	3.00
b. Statutory liabilities	-	-	1,060.50	919.13
Total	-	-	1,086.53	922.13

**17. SHORT TERM BORROWINGS**

	As at 31st March 2023	As at 31st March 2022
<b>A. Secured</b>		
Loans repayable on demand :		
Working capital loans from banks		
Union Bank of India	-	-
State Bank of India	160.14	434.53
Total	160.14	434.53

Note:

- Working capital loans from Union Bank of India and SBI are secured by way of hypothecation of current assets of the company on pari passu basis.
- The above loans carries interest at following rates:  
Union bank of India @ 9.4% and SBI @ 8.95% as on date of balance sheet.
- All the borrowings were utilised for the purpose for which they were raised.
- The company availed working capital loans against security of current assets.  
The statement of current assets as filed with the banks in the returns submitted were in agreement with the books of accounts.
- The company has not declared as wilful defaulter by any of the bank or any other institution.

**18. TRADE PAYABLES**

	As at 31st March, 2023	As at 31st March, 2022
Dues to : Small and Micro Enterprises	299.53	212.91
Other than Small and Micro Enterprises	2,338.85	3,009.83
Total	2,638.38	3,222.74

**Ageing of Trade Payables as on 31.3.2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		
i. MSME	299.53	-	-	-		299.53
ii. Others	2,238.81	29.76	6.13	64.15		2,338.85
iii. Unbilled Dues	-	-	-	-		-
iv. Disputed dues MSME	-	-	-	-		-
v. Disputed dues others	-	-	-	-		-
				Total		2,638.38

**Ageing of Trade Payables as on 31.3.2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years		
i. MSME	212.91	-	-	-		212.91
ii. others	2,885.35	22.62	7.96	93.90		3,009.83
iii. Unbilled Dues	-	-	-	-		-
iv. Disputed dues MSME	-	-	-	-		-
v. Disputed dues others	-	-	-	-		-
				Total		3,222.74

**Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006.**

Based on, and to the extent of information received from the suppliers with regard to their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), on which the auditors have relied, the disclosure requirements with regard to the payments made/due to Micro, Small and Medium Enterprises are given below:

	2022-23	2021-22
1. Amount remaining unpaid beyond the appointed/agreed date at the end of the year		
a. Principal	Nil	Nil
b. Interest due thereon	Nil	Nil
2. Payments made to suppliers during the year beyond appointed/agreed date		
a. Principal	Nil	Nil
b. Interest paid on such payments	Nil	Nil
c. Interest remaining unpaid as on date of balance sheet	Nil	Nil
3. Total amount of interest for the year accrued and remaining unpaid at the end of the year	Nil	Nil
4. Total amount of interest including that arising in earlier years accrued and remaining unpaid at the end of the year	Nil	Nil

**19. REVENUE FROM OPERATIONS:**

	2022-23	2021-22
a. Sale of products (refer note (i) below)	91,584.48	75,099.43
b. Sale of services (refer note (ii) below)	326.44	244.91
c. Other operations (refer note (iii) below)	17.01	14.64
Total	<u>91,927.93</u>	<u>75,358.98</u>

i. Sale of Products	2022-23		2021-22	
	MT		MT	
<b>Name of the product</b>				
Fatty Acids	49,741	51,378.62	42,382	41,297.89
Soap Products	38,242	38,024.48	35,236	31,916.10
Glycerine	709	774.29	758	715.57
Pitch	2,168	582.60	2,330	536.29
Industrial Oxygen (cu.mtrs)	5,59,263	73.67	6,16,057	102.38
Biomass Power (kwh)	51,07,757	224.38	-	-
Wind Power (kwh)	1,10,53,081	320.96	1,23,75,271	358.61
Others		205.46		172.59
Revenue from sale of products (A)		<u>91,584.48</u>		<u>75,099.43</u>

Note: The sale of Bio mass power does not include 1,93,94,640 kwh value of ₹ 1290.87 lakhs (P.Y.1,81,76,102 kwh value of ₹ 1078.29 lakhs) consumed internally.

ii. Sale of services	2022-23		2021-22	
	MT		MT	
<b>Processing Charges Received</b>				
Toilet soap	3,421	308.51	3,365	243.78
Soap noodles	144	16.62	5	1.13
Glycerine	19	1.31	-	-
Revenue from services (B)		<u>326.44</u>		<u>244.91</u>
<b>iii. Other Operating Revenue</b>		<b>2022-23</b>		<b>2021-22</b>
Export incentives - Duty drawback		5.64		-
MEIS incentives		6.24		14.64
RODTEP Incentives		5.14		-
Other operating revenue (C)		<u>17.01</u>		<u>14.64</u>
Total revenue from operations (A+B+C)		<u>91,927.93</u>		<u>75,358.98</u>

**20. OTHER INCOME**

	2022-23	2021-22
Interest received from Banks & others (From financial assets recognised at amortised cost)	47.18	23.47
Dividend received - Current investment (From financial assets recognised at FVTPL*)	82.92	35.63
Dividend received- Non-current investment (From financial assets recognised at FVTOCI**)	15.20	30.24
Rental charges received	0.60	0.75
Fair Value Changes in Current Investments	0.91	2.91
Profit on sale of assets	-	0.44
Profit on Sale of Investments	5.52	-
Miscellaneous receipts	1.18	0.84
Claims/Refunds received	0.01	3.80
Difference in Foreign Exchange (net)	-	12.40
Weighment Charges received	4.39	2.73
Credit balances written back	28.95	-
Excess Provision made in earlier years reversed	51.99	-
Total	<b>238.86</b>	113.20

\*FVTPL : Fair value through profit and loss.

\*\*FVTOCI : Fair value through other comprehensive income.

Note:

- a. Interest from banks and others includes interest earned on fixed deposits with banks and from customers on delays in payments. These financial assets are measured at amortised cost.
- b. The dividend income is earned from current investments designated as at FVTPL and from non-current investments designated as at FVTOCI.

**21. COST OF MATERIAL CONSUMED**

	2022-23	2021-22
Opening stock	3,825.39	3,042.63
Purchases	72,422.62	66,183.76
	<b>76,248.01</b>	69,226.39
Less: Sale of raw material	104.21	1,269.81
Closing stock	2,331.81	3,825.39
Total	<b>73,811.99</b>	64,131.18

**Components of materials consumed :**

	2022-23		2021-22	
	Qty (MT)	2022-23	Qty (MT)	2021-22
Non edible oils	11,948	11,438.11	12,295	12,360.99
Fatty acid distillates	68,980	62,373.89	58,228	51,770.19
Total		73,811.99		64,131.18

**Comparison between consumption of imported and indigenous raw materials during the year**

	2022-23		2021-22	
	%		%	
Imported	11	8,213.38	8	5,174.26
Indigenous	89	65,598.61	92	58,956.92
Total	100	73,811.99	100	64,131.18

**22. (Increase)/Decrease in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress**

	2022-23	2021-22
<b>A. Opening stock</b>		
Finished goods	2,331.24	1,792.69
Work-in-progress	3,290.55	1,689.39
Stock-in-trade	-	-
	5,621.80	3,482.08
<b>B. Closing stock</b>		
Finished goods	2,049.66	2,331.24
Work-in-progress	2,389.11	3,290.55
Stock-in-trade	-	-
	4,438.77	5,621.80
(Increase)/decrease in stocks (A-B)	1,183.03	(2,139.72)

**Details of opening and closing stock of Finished Goods:**

	2022-23		2021-22	
	Qty (MT)	2022-23	Qty (MT)	2021-22
<b>a. Opening stocks:</b>				
Fatty acids	1,018	1,035.00	1120	725.35
Soap products	1,108	880.89	1625	1,033.11
Glycerine	0	0.84	22	16.07
Industrial oxygen (cu.mtrs)	1,869	0.20	623	0.07
Others	-	414.31		18.09
		2,331.24		1,792.69

**b. Closing stocks:**

Fatty acids	1069	920.99	1018	1,035.00
Soap products	1437	1,049.57	1108	880.89
Glycerine	68	30.52	0	0.84
Industrial oxygen (cu.mtrs)	2085	0.27	1869	0.20
Others		48.31		414.31
		<u>2,049.66</u>		<u>2,331.24</u>

**Details of opening and closing stock of work-in-progress:**

	2022-23	2021-22
<b>Opening WIP:</b>		
Fatty acids	1,455.91	1,197.08
Soap products	636.43	184.75
Glycerine	1,198.21	307.55
	<u>3,290.55</u>	<u>1,689.39</u>
<b>Closing WIP:</b>		
Fatty acids	1,491.73	1,455.91
Soap products	494.85	636.43
Glycerine	402.53	1,198.21
	<u>2,389.11</u>	<u>3,290.55</u>

**23. EMPLOYEE BENEFITS EXPENSE**

	2022-23	2021-22
Salaries, wages and bonus	2,801.87	2,741.91
Contribution to PF, Gratuity, ESI and other funds	443.09	407.30
Workmen and staff welfare expenses	25.96	34.51
Total	<u>3,270.92</u>	<u>3,183.72</u>

**24. FINANCE COSTS**

	2022-2023	2021-22
Interest paid to banks and others	69.93	4.94
Other borrowing costs	43.67	12.38
Total	<u>113.61</u>	<u>17.32</u>

**25. DEPRECIATION AND AMORTISATION**

	2022-2023	2021-22
Depreciation	613.98	655.32
Amortisation	7.02	26.88
Total	<u>621.01</u>	<u>682.20</u>

**26. OTHER EXPENSES**

	<b>2022-2023</b>	2021-22
Stores and Spares consumed (including process chemicals and packing materials)	<b>6,026.27</b>	4,433.44
Power and Fuel (Includes materials used for generation of power)	<b>3,598.52</b>	2,135.34
Rents	<b>17.42</b>	29.03
Repairs to Machinery	<b>683.86</b>	700.98
Repairs to Buildings	<b>9.99</b>	16.62
Repairs to other Assets	<b>10.87</b>	10.45
Insurance	<b>149.53</b>	122.99
Rates & Taxes	<b>30.41</b>	33.59
Payment to Auditors towards:		
Statutory Audit	<b>4.50</b>	4.00
Payment to Tax Auditors towards:		
Tax Audit	<b>2.10</b>	2.00
Tax representation	<b>0.65</b>	1.10
Fee to Cost Auditors	<b>1.85</b>	1.70
Other expenses:		
Tools written off	<b>0.48</b>	0.26
Advertisement and Sales Promotion expenses	<b>5.05</b>	4.66
Freight Outward, Export Sales & Consignment expenses	<b>606.05</b>	496.68
Commission on Sales	<b>511.37</b>	406.81
Directors sitting fees and travelling expenses	<b>16.13</b>	14.60
Donations	<b>0.05</b>	0.05
CSR expenses	<b>31.30</b>	23.07
Difference in Foreign Exchange (net)	<b>30.98</b>	-
Assets written off	<b>0.30</b>	0.37
Miscellaneous expenses	<b>154.28</b>	201.89
Total	<b>11,891.95</b>	8,639.64

**27. INCOME -TAX**

	<b>2022-23</b>	2021-22
Current-tax		
Provided for current year	<b>355.00</b>	327.00
Deferred tax		
Charge / (Credit) taken during the year	<b>(64.77)</b>	(81.83)
Total income-tax expense recognised during the year	<b>290.23</b>	245.17

Reconciliation of income-tax expense with the tax on accounting profit as follows:

Profit before tax	1274.28	957.85
Income-tax expense @ 25.17%	320.74	241.09
Tax effect on depreciation difference	54.64	72.52
Tax on expenses disallowed	33.51	25.92
Tax on incomes exempt/not taxable	(1.62)	(0.84)
Tax effect on expenses allowed	(52.27)	(11.69)
<b>Current Tax Provision - (A)</b>	<b>355.00</b>	<b>327.00</b>
Decrease of deferred tax liability on account of fixed assets	(54.72)	(72.50)
Decrease/(Increase) of deferred tax on account financial assets and other assets	(10.05)	(9.33)
<b>Deferred tax charge / (credit) - (B)</b>	<b>(64.77)</b>	<b>(81.83)</b>
Total income Tax expense (A+B)	<u>290.23</u>	<u>245.17</u>

**28. PARTICULARS OF PRODUCTION**

	Production	
	2022-23	2021-22
	TPA	TPA
Fatty Acids	72,514	63,048
Toilet Soap	6,539	6,620
Soap Products	38,353	35,266
Glycerine	1,386	1,019
Industrial Oxygen (cu. mtrs)	5,61,732	6,19,424
Biomass Power (kWh)	2,45,02,397	1,81,76,102
Wind Power (kWh)	1,10,73,930	1,24,41,968

TPA = Tonnes per annum

Note:

- Production of Fatty Acids includes 22,813 MT (Previous year 20,691 MT) utilized for captive consumption at Soap Plant and Nil MT (Previous year – Nil MT) processed on behalf of others.
- Production of Glycerine includes 610 MT (Previous year 283 MT) consumed for captive consumption at Soap Plant.
- Production of Industrial Oxygen includes captive consumption of 2,284 cubic meters (Previous year 2,121 cu. mtrs).
- Power Generation includes 1,93,94,640 units (Previous year 1,81,76,102 units) utilized for captive consumption.

## 29. Value of imports made by the Company during the financial year calculated on CIF basis.

	2022-23	2021-22
Raw Materials	6,592.46	5,620.58
Stores and spares	-	7.46
Books & Periodicals	0.53	1.78
Total	6,592.99	5,629.83

Company incurred expenditure in foreign currency \$ 2,125 (₹ 1,70,531) (previous year \$2125) (₹ 1,57,866) on Consultancy Services and certification fees € 2,000 (₹ 1,62,100) during the year (previous year- € 2000 equivalent ₹ 1,74,721).

## 30. Comparison between consumption of imported and indigenous spares and components during the year charged to appropriate heads of account.

	2022-23		2021-22	
	Value	%	Value	%
Imported	-	-	-	-
Indigenous	10006.69	100.00	7028.51	100.00
	10006.69	100.00	7028.51	100.00

## 31. SEGMENT INFORMATION

(Current year figures are in bold font)

	Chemicals	Soap	Power	Unallocated	Eliminations	Consolidated
<b>Revenue</b>						
External Revenue	52858.13	38406.18	663.62			91927.93
	41938.55	32962.38	458.05			75358.98
Inter-segment Revenue	24826.69		3146.88		(27973.57)	
	22314.13		2309.31		(24623.44)	
Total Revenue (See Note below)	77684.82	38406.18	3810.50		(27973.57)	91927.93
	64252.68	32962.38	2767.36		(24623.44)	75358.98
<b>Result</b>						
Segment Result	1316.58	992.03	143.16			2451.77
	1523.12	427.86	157.96			2108.94
Unallocated expenditure net of unallocated income				(1111.06)		(1111.06)
				(1157.24)		(1157.24)
Operating Profit						1340.71
						951.70
Interest expenses				113.61		113.61
				17.32		17.32

Jocil Limited

	Chemicals	Soap	Power	Unallocated	Eliminations	Consolidated
Interest income				47.18		47.18
				23.47		23.47
Profit before tax						1274.28
						957.85
Provision for tax						355.00
						327.00
Deferred Tax (Provision)/ Withdrawal						64.77
						81.83
(Excess) / Short Provision of I.T. in earlier years						15.49
						0.01
Profit after Taxation						999.53
						712.67
<b>Other Information</b>						
Segment assets	12017.62	3685.99	2659.12			18362.73
	15018.96	5586.75	2664.06			23269.77
Unallocated corporate assets				6998.15		6998.15
				2453.68		2453.68
						25360.90
Total assets						25723.45
Segment liabilities	3113.30	786.80	336.30			4236.40
	3211.35	560.91	502.32			4274.58
Unallocated corporate liabilities				484.75		484.75
				1084.22		1084.22
Total liabilities						4721.15
						5358.80
Capital employed	8904.32	2899.19	2322.82	6513.39		20639.72
	11807.61	5025.84	2161.74	1369.46		20364.65
Capital expenditure during the year	8.85	318.50	11.14	2.50		340.98
	504.57	60.41	0.00	5.61		570.59
Depreciation for the year	351.50	82.47	159.58	27.46		621.01
	390.42	72.79	163.85	55.14		682.20

## Note:

- a. The Company has considered business segment as the primary segment for disclosure. The products included in each of the reported domestic business segments are
- Chemicals – Fatty acids
  - Soap – Toilet soap and Soap products
  - Power – Power generated by Biomass Power Plant and Wind Energy Generators (WEGs)
- b. Segment revenue relating to each of the above domestic business segments includes income from processing on behalf of others wherever applicable.
- c. The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operations segments have been identified considering the following.
- the nature of products and services
  - the differing risks and returns
  - the organization structure and
  - the internal financing reporting systems
- d. The Company predominantly operates in Indian market and has no production facilities or any significant sales outside India. Hence there are no separate reportable geographical segments.
- e. Inter segment transfers are priced at market related rates.

	As at 31-03-2023	As at 31-03-2022
<b>32. Contingent liabilities not provided for –</b>		
a. Estimated amount of contracts remaining to be executed and not provided for which commitment is made (towards raw materials and stores)	<b>3,977.75</b>	9,092.98
b. Claims against the Company not admitted as debts relating to:		
i. Excise, customs and service tax	<b>32.03</b>	32.03
ii. Income-tax	<b>88.93</b>	-
iii. State levies	<b>102.31</b>	102.31
iv. Electricity Related Matters	<b>38.34</b>	38.34
<b>33. Foreign exchange earnings on exports during the year calculated on FOB basis ₹ 421.25 Lakhs (Previous year ₹ 12.96 Lakhs).</b>		

**34. RELATED PARTY DISCLOSURES****a. List of related parties and description of relationship:**

1. Holding Company : The Andhra Sugars Ltd.
2. Key Managerial Personnel : J. Murali Mohan, Managing Director
3. Relatives of Key Managerial Personnel

Jocil Limited

J. Sunita Mohan	Wife
J. Namrata	Daughter
V. Indira	Sister
J. Murali Mohan	HUF
J. Ganga Bhavani (late)	Mother

**b. Related Party transactions**

(Current year figures are in bold font)

Particulars	Holding Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
<b>Purchase of goods</b>	<b>443.55</b>	-	-
	900.69	-	-
<b>Sale of goods</b>	<b>17.42</b>	-	-
	22.36	-	-
<b>Rendering of services</b>	<b>6.38</b>	-	-
	39.29	-	-
<b>Receiving of services</b>			
J. Sunita Mohan	-	-	<b>0.57</b>
	-	-	0.57
<b>Interest Paid</b>	<b>30.79</b>	-	-
	-	-	-
J. Ganga Bhavani	-	-	-
	-	-	0.04
J. Namrata	-	-	-
	-	-	0.42
<b>Remuneration paid</b>	-	<b>232.15</b>	-
	-	208.43	-
<b>Dividend paid</b>	<b>97.73</b>	<b>0.05</b>	-
	146.59	0.08	-
J. Murali Mohan (HUF)	-	-	<b>0.35</b>
	-	-	0.53
J. Sunita Mohan	-	-	<b>0.11</b>
	-	-	0.16
J. Ganga Bhavani	-	-	<b>0.08</b>
	-	-	0.12
J. Namrata	-	-	<b>0.04</b>

Particulars	Holding Company	Key Managerial Personnel	Relatives of Key Managerial Personnel
	-	-	0.05
V. Indira	-	-	<b>0.15</b>
	-	-	0.22
Inter Corporate Loan received	<b>3500</b>	-	-
Repayment of Inter Corporate Loan	<b>3500</b>	-	-
<b>c. Details of material transactions with related parties – Nil</b>			
Balances as at 31-3-2023			
<b>d. Share Capital of the company held by</b>	<b>488.65</b>	<b>0.46</b>	
	488.65	0.26	
J.Murali Mohan (HUF)	-	-	<b>1.75</b>
	-	-	1.75
J.Sunita Mohan	-	-	<b>0.53</b>
	-	-	0.53
J.Ganga Bhavani	-	-	-
	-	-	0.40
J.Namrata	-	-	<b>0.18</b>
	-	-	0.18
V. Indira	-	-	<b>0.95</b>
	-	-	0.75
<b>e. Remuneration payable</b>	-	<b>34.57</b>	-
	-	29.21	-

### 35. Disclosure required by Ind AS - 19 "Employee benefits"

#### i. Defined contribution plans

During the year, the Company has recognized the following contribution amounts in the Statement of Profit and Loss.

	Year ended 31-3-2023	Year ended 31-3-2022
Employer's contribution to Provident Fund	<b>241.48</b>	228.08
Employer's contribution to Superannuation Fund	<b>71.28</b>	62.41
Employer's contribution to Employees State Insurance	<b>52.90</b>	52.90
Total recognized in the statement of profit and loss	<b>365.66</b>	343.38

**II. Defined benefit plans :**

	<b>Gratuity</b>	
	<b>31-3-2023</b>	<b>31-3-2022</b>
Present value of obligations at beginning of the year	1213.59	1119.39
Interest cost	86.12	74.73
Current service cost	107.42	91.02
Past service cost	-	-
Benefits paid	(77.30)	(75.75)
Net actuarial loss	108.50	4.19
<b>Present value of obligations at end of the year</b>	<b>1438.33</b>	<b>1213.59</b>
<b>Reconciliation for changes in fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	1406.35	1295.85
Expected return	103.08	90.19
Contribution by employer	77.06	94.62
Benefits paid	(77.30)	(75.75)
Re-measurements - return on assets	(2.15)	1.44
Fair value of plan assets at end of the year	1507.04	1406.35
<b>Reconciliation of present value of defined benefit obligations and fair value of plan assets</b>		
Present value of defined benefit obligations at end of the year	1438.33	1213.59
Fair value of plan assets at end of the year	1507.04	1406.35
Fund balance recognised in the Balance Sheet	68.71	192.76
<b>Expenses recognized in the Statement of Profit and Loss</b>		
Current Service cost	107.42	91.02
Interest cost (net)	(16.95)	(15.46)
Net expenses recognized in the Statement of Profit and Loss	90.47	75.56
<b>Expenses recognized in Other Comprehensive Income</b>		
Return on plan assets	2.15	(1.44)
Actuarial losses	108.50	4.19
	<b>110.65</b>	<b>2.75</b>

**Obligations and fund balance of gratuity for the last 5 financial years**

	31.3.2023	31.3.2022	31.3.2021	31.3.2020	31.3.2019
Obligations at the end of each year	1438.33	1213.59	1119.39	1060.22	906.31
Plan assets at the end of each year	1507.04	1406.35	1295.85	1193.43	1090.98
<b>Fund status</b>	<b>68.71</b>	<b>192.76</b>	<b>176.45</b>	<b>133.21</b>	<b>184.67</b>

**Sensitivity analysis**

Discount Rate, Salary escalation rate and withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 Basis points from the assumed assumption is given below.

**Summary of financial & demographic assumptions:-**

Scenario	DBO	Percentage Change %
Under Base Scenario	1438.34	0.00
Salary Escalation - Up by 1%	1615.50	12.32
Salary Escalation - Down by 1%	1285.86	(10.60)
Withdrawal Rates - Up by 1%	1425.32	(0.91)
Withdrawal Rates - Down by 1%	1453.18	1.03
Discount Rate - Up by 1%	1284.63	(10.69)
Discount Rate - Down by 1%	1621.62	12.74
Mortality rates – Up by 10%	14.38	(0.03)
Mortality rates – Down by 10%	14.39	0.03

**Maturity profile of defined benefit obligation**

Year 1	76.08	Year 6	106.73
Year 2	32.06	Year 7	135.03
Year 3	72.23	Year 8	127.14
Year 4	69.09	Year 9	139.17
Year 5	62.91	Year 10	139.19

**Participant Data**

The defined benefit obligation for the period ending 31st March 2023 is based on the member data provided by the Company.

The summary statistics for the data is as follows:

Summary of membership status	31.03.2023	31.03.2022
Number of Employees	1,205	1,253
Total Monthly Salary	172.74	159.28
Average Monthly Salary	0.14	0.13
Average Past Service (Years)	10.38	9.86
Average Age (Years)	38.67	37.70
Average Future Service (Years)	21.33	22.29
Adjusted Average future service	17.70	18.32
		(In %)
Actuarial assumptions	<b>Gratuity</b>	
	2022-23	2021-22
a. Discount rate	7.49	7.33
b. Salary escalation rate per unit	7.10	8

The major category of plan assets as a % of total plan assets are funded with Life Insurance Corporation of India.

### 36. EARNINGS PER SHARE

	2022-23	2021-22
Profit for the year	999.54	712.67
Weighted average number of Equity Shares of ₹ 10 each	88,81,150	88,81,150
Basic and diluted Earnings Per Share	11.25	8.02

### 37. CATEGORY WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

The carrying amounts and fair value of financial instruments by categories as at 31st March 2023 and 31st March 2022 are as follows.

	Carrying value		Fair Value	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
i. Cash and cash equivalents	665.14	354.95	665.14	354.95
ii. Trade receivables	7286.69	7402.23	7286.69	7402.23
iii. Other financial assets	93.54	83.49	93.54	83.49
iv. Loans and advances	-	-	-	-

**Measured at FVTOCI**

i. Investments in equity instruments	502.30	938.48	502.30	938.48
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**Measured at FVTPL**

i. Current investments - Mutual funds	2965.44	-	2965.44	-
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<b>Total financial assets</b>	<b>11513.10</b>	<b>8779.15</b>	<b>11513.10</b>	<b>8779.15</b>
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**Financial liabilities****Measured at amortised cost**

i. Borrowings	160.14	434.53	160.14	434.53
ii. Other financial liabilities	370.67	288.11	370.67	288.11
iii. Trade payables	2638.38	3222.74	2638.38	3222.74
<b>Total financial liabilities</b>	<b>3169.19</b>	<b>3945.38</b>	<b>3169.19</b>	<b>3945.38</b>

The Company has disclosed financial instruments such as cash and cash equivalents, trade receivables, trade payables and Short Term Borrowings at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

**Calculation of fair values**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2022.

**Financial assets and liabilities measured at fair value as at Balance Sheet date**

The fair values of investments in mutual funds is based on the net asset value ['NAV'] as stated by issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual funds and the price at which issuers will redeem such units from the investors.

**38. FAIR VALUE HIERARCHY**

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities. Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis. Some of the Company's financial assets are measured at the fair value at the end of each reporting period.

The following table gives information about how the fair value of these financial assets and financial liabilities are determined(in particular, the valuation technique and other inputs used).

Financial assets/ Financial liabilities		Fair value as at <b>March 31 2023</b>	March 31 2022	Fair value hierarchy	Valuation technique and key input
1) Investments in quoted Mutual Funds	Investment in Quoted mutual funds-aggregate fair value of -	<b>2965.44</b>	-	Level 1	Quoted bid prices in an active market
2) Investments in Equity instruments (quoted)	Listed Equity Securities in various companies domiciled in India aggregate fair value of -	<b>502.30</b>	938.48	Level 1	Quoted bid prices in an active market

Note: The fair value of trade receivables, trade payables, loans and other current financial assets and liabilities is considered to be equal to the carrying amount of these items due to their short-term nature.

### 39. Financial Risk Management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and foreign currency risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Board of Directors of the Company.

#### A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of the account receivables. Individual risk limits are set accordingly.

The following table gives details in respect of revenues generated from top customers and top five customers.

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Revenue from top customers from whom the company receives 10% or more of its revenues	49650	41267
Revenue from top five customers	67906	59075

#### Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis.

Historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

#### Other Financial Assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and money market liquid mutual funds.

The Company's maximum exposure of credit risk as at March 31, 2023, and March 31, 2022 is the carrying value of each class of financial assets.

#### B. Foreign currency risk management

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars.

The Company manages currency exposures within prescribed limits. The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2023 and March 31, 2022.

Particulars	31.3.2023	31.3.2022
	\$	\$
<b>Assets :</b>		
Trade receivables	5.58	-
Cash and cash equivalents	-	-
<b>Liabilities</b>		
Trade payables	(0.45)	(0.33)
Net assets / (liabilities)	5.13	(0.33)

**Foreign currency sensitivity analysis**

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional ₹ 0.26 Lakhs gain in the Statement of Profit and Loss (2021-22: ₹ 0.02 Lakhs gain). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates. The company has not entered into any derivative contracts like foreign exchange forward contracts to hedge the risk of exposure in foreign currency.

**C. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2022 and March 31, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities. All the payables such as trade payables and borrowings falls due for payment within one year.

**D. Capital Management**

Equity share capital and other equity are considered for the purpose of Company’s capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on Management’s judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

**40. Details of transactions with struck of Companies Under Section 248 of Companies Act 2013**

Sl No	Name of the Company	F.Y	Nature of Transaction	Transaction Value	Out standing as on 31st, Mar,2023	Outstanding as on 31st, Mar,2022
1.	DCW Limited	-	-	-	0.12	0.12

## 41. Disclosure of Ratios

Ratio	Numerator and Denominator	2022-2023	2021-2022	Change %	Explanation for Change
Current Ratio	Current Assets/Current Liabilities	4.64	3.93	(18.20)	-
Total Debt-Equity Ratio	Borrowings/Equity = (Non Current Borrowings + Short-term borrowings)/Equity	0.01	0.02	63.64	Due to decrease in short term borrowings
Debt Service Coverage Ratio	Earnings available for Debt Service / (Interest + Installments) (PAT + Depreciation+Interest)	7.35	3.19	(130.67)	Due to increase in Profit after Tax & decrease in Short term borrowings
Return on Equity	Net Profit after Taxes/(Average Shareholder funds)*100	4.88	3.57	(36.73)	Due to increase in Profit after Tax
Inventory Turnover Ratio	Net Sales/Average Inventory	9.60	8.11	(18.39)	-
Debtors Turnover Ratio	Net Credit Sales/Average Accounts Receivable	12.47	9.43	(32.29)	Due to increase in Turnover
Trade Payables Turnover Ratio	Net Credit Purchases/ Average Trade Payables	37.26	28.75	(29.61)	Due to increase in Purchases
Net Capital Turnover Ratio	Net Sales / Average Working Capital	6.02	5.31	(13.29)	
Net Profit Ratio	Net Profit/Net Sales	1.09	0.95	(15.01)	
Return on Capital Employed	EBIT/Capital Employed	6.51	4.73	(37.76)	Due to Decrease in EBIT
Return on Investment (Mutual Fund Investment)	Income Generated from invested funds/Average Investment Fund				
a) Daily Dividend Reinvestment Fund		4	4	-	
b) Growth Fund		5	2	150	Due to increase in NAV

**42. Dividend**

The board of directors at its meeting held on 26th May, 2023 have recommended a dividend of ₹ 2.50 per share of face value of ₹ 10/- each for the financial year ended 31.3.2023. The above is subject to approval of shareholders at the ensuing Annual general meeting of the company and hence is not recognised as a liability.

43. i. Loans and advances in the nature of loans given to company in which Directors are interested ₹ NIL. (March 31, 2023 : ₹ NIL).
- ii. Details of investments, loans/guarantees made u/s 186 of Companies Act 2013 : ₹ NIL  
(March 31, 2023 : ₹ NIL).
44. a. Balances in personal accounts of various parties are subject to confirmation by and reconciliation with the said parties.
- b. In the opinion of the management, Current Assets, Loans and advances have a value on realization in the ordinary course of business equal to the values at which they are stated.
- c. There are no transactions that have been surrendered or disclosed as income during the year in tax assessments under Income-Tax which have not been recorded in the books of account.
- d. There are no charges or satisfaction of charges yet to be registered in the ROC beyond statutory period.
- e. The company has not traded or invested in crypto currency/virtual currency during the year.
- f. The company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the intermediaries shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or provide any guarantee/security to or on behalf of ultimate beneficiaries.

The company has not received any funds from any person or entity, including foreign entities (funding party) with the understanding that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee/security on behalf of ultimate beneficiaries.

45. Disclosure with regard to CSR activities.	2022-23 ₹	2021-22 ₹
i. Amount required to be spent by the company during the year	27.59	22.97
ii. Amount of expenditure incurred -	31.30	23.07
iii. Shortfall at the end of the year -	Nil	Nil
iv. Total of previous years shortfall -	Nil	Nil
v. Reason for shortfall -	NA	NA
vi. Nature of CSR activities - Promoting Education, setting up of old age homes.		
vii. Details of related party transactions - ₹ Nil		
viii. Provision made with respect to a liability incurred by entering into a contractual obligation - ₹ Nil		

46. Previous year's figures have been regrouped wherever necessary to confirm to the current year classification.

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Signatures to Note Nos. 1 to 46 forming part of the Accounts

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As per our report of even date :  
For CHEVUTURI ASSOCIATES.,  
Chartered Accountants  
Firm's Registration No.000632S  
RAGHUNADHA RAO BALINENI, Partner  
Membership No. 028105  
Camp : Guntur  
25th May 2023  
UDIN : 23028105BGTNQU2240

For and on behalf of the Board

P. NARENDRANATH CHOWDARY	Chairman
J. MURALI MOHAN	Managing Director
K. RAGHURAM	Secretary & DGM (Fin.)





# Jocil Limited

(A Subsidiary of The Andhra Sugars Limited)

Box 216, Arundelpet P.O., GUNTUR-522 002, AP. • Factory & Regd. Office : DOKIPARRU, GUNTUR-522 438, AP.  
CIN : L28990AP1978PLC002260 • Ph : +91 863 2290190 • Fax : +91 863 2290090 • Email : jocil@jocil.net • Web : www.jocil.in

Form No. MGT-11

## PROXY FORM

(Pursuant to section 105(6) of Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014))

Name of the Member(s): .....

Registered Address : .....

E-mail Id : .....

Folio No. / Client ID No.: ..... DP ID No. .... :

I/We, being the member(s) of ..... shares of Jocil Limited, hereby appoint

1. Name : ..... Email Id : .....

Address : .....

..... Signature .....

2. Name : ..... Email Id : .....

Address : .....

..... Signature: .....

3. Name : ..... Email Id : .....

Address : .....

..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Forty Fifth Annual  
General Meeting of the Company to be held on Saturday, the 23 September, 2023 at 3.30 p.m.

at the Registered Office, Jocil Limited, Dokiparru – 522 438, Medikondur Mandal, Guntur Dist., A.P. and at any adjournment thereof in respect of such resolutions as are indicated below :

1. Adoption of Audited Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended 31 March, 2023.
2. Declaration of Dividend for the year 2022-23.
3. Re-appointment of Sri Mullapudi Mrutyumjaya Prasad (DIN : 01500271) who retires by rotation.
4. Ratification of Cost Auditor's remuneration.
5. Re-appointment of Sri J. Murali Mohan (DIN : 00114341) as Managing Director.
6. Appointment of Sri G.S.V. Prasad (DIN : 08797795) as a Director.
7. Appointment of Sri G.S.V. Prasad as an Independent Director
8. Appointment of Dr. V.N. Rao (DIN : 00861884) as a Director.
9. Appointment of Dr. V.N. Rao as an Independent Director
10. Appointment of Smt. Bhargavi Vangala (DIN : 06950741) as a Director.
11. Appointment of Smt. Bhargavi Vangala as an Independent Director.
12. Continuation of appointment of Sri V.S. Raju (DIN : 00101405) as a Non-independent & Non-executive Director.

Signed this ..... day of ..... 2023.



x

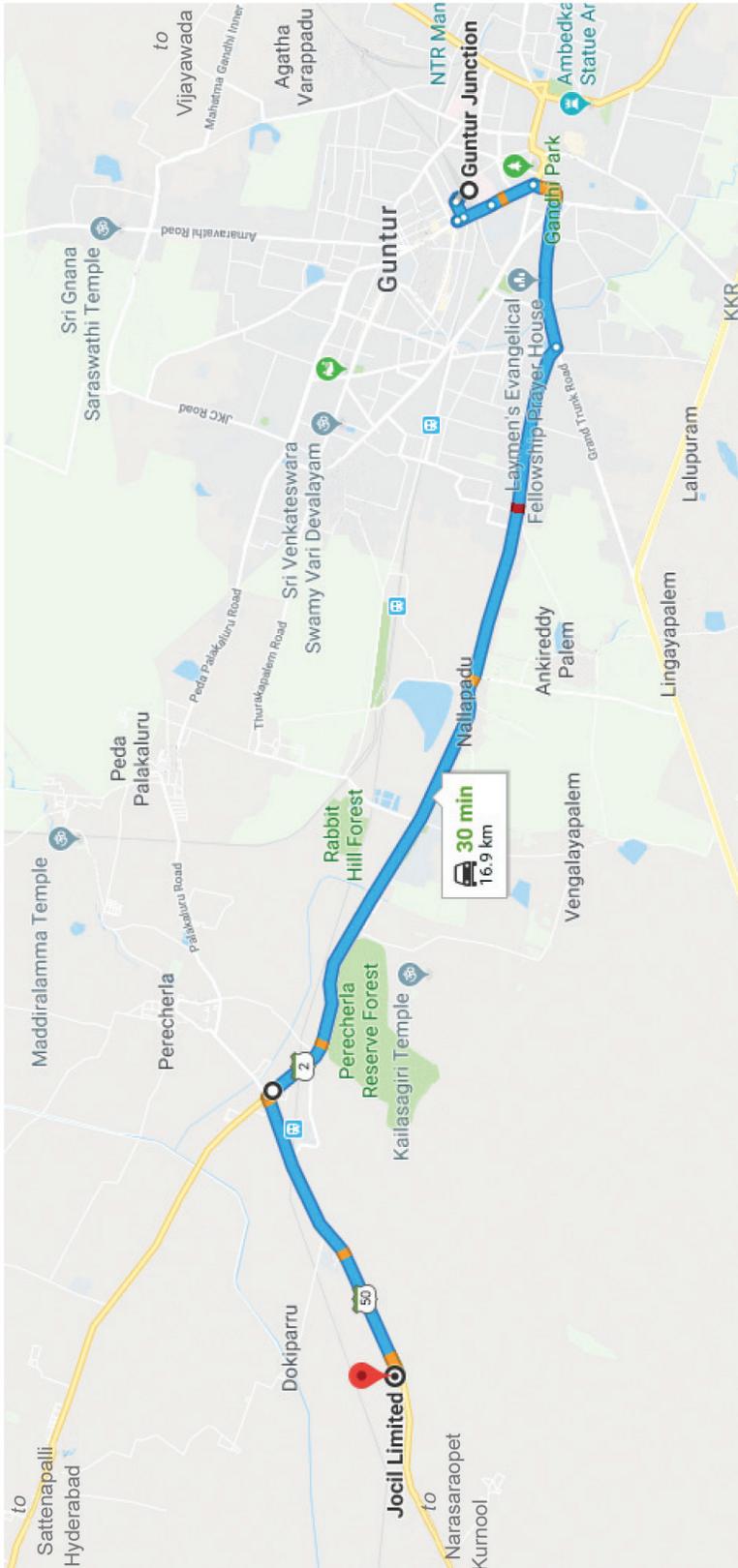
Signature of the Shareholder

x

Signature of the Proxy holder(s)

Notes : This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Dokiparru – 522438, Medikondur Mandal, Guntur Dist, A.P., not less than 48 hours before the commencement of the Meeting.

# Route Map for attending 45th AGM



Box 216, Arundelpet P.O., GUNTUR-522 002, AP, India  
Factory & Regd. Office : DOKIPARRU, GUNTUR-522 438, AP, India  
Ph : +91 9848139135 • email : [jocil@jocil.net](mailto:jocil@jocil.net) • web : [www.jocil.in](http://www.jocil.in)