

BALAJI AGRO OILS LIMITED

Regd. Office: 74-2-19, Old Check Post Centre,
Krishna Nagar, Vijayawada – 520007.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the members of **Balaji Agro Oils Limited (L15143AP1994PLC017454)** will be held on Thursday, the 30th day of September, 2021 at 11.00 AM at the Registered Office of the Company situated at Door. No. 74-2-19, Old Check Post Centre, Krishna Nagar, Vijayawada - 520007, to transact the following Business:

Ordinary Business:

1. To receive, consider and adopt the Audited Statements of Profit & Loss for the year ended 31st March 2021 and the Balance Sheet as on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Smt Sangeetha Vallabhaneni (DIN No. 07437197) who retires by rotation and being eligible offers herself for re-appointment.
3. 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 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Members of the Company hereby ratifies the appointment of Sri P. Janardhan, Chartered Accountant, Membership No. 26498, as Statutory Auditor of the Company to hold office from the conclusion of this meeting to the rest of the tenure (without further ratification) and upto the Annual General Meeting to be held for the financial year 2021-22 on such remuneration as may be determined by the Board of Directors from time to time.”

Special Business:

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

“RESOLVED THAT pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors consent of the Members be and is hereby accorded to the re-designation and re-appointment of Sri V. Venkataramaiah (DIN-00227148) as Chairman-cum-Non

Executive Director of the Company for a period of 5 (five) years with effect from July 1, 2021 at a remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand Only) per month and the Board be sanctioned with an authority to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Sri V. Venkataramaiah”.

“RESOLVED FURTHER THAT the total overall managerial remuneration payable to all the directors of the Company in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act”.

“RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 188, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on recommendation of the Board, Nomination & Remuneration Committee approval of the members be and is hereby accorded to re-appoint Sri V. Suraj Kumar (DIN - 00227360), as a Joint Managing Director of the Company for a period of 5 (five) years with effect from July 1, 2021 at a remuneration of Rs.150,000/- (Rupees One Lakh Fifty Thousand Only) per month with terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit”.

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

“RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary 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 pursuant to the provisions of Sections 196, 197, 188, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on recommendation of the Board, Nomination & Remuneration Committee approval of the members be and is hereby accorded to re-appoint Sri V. Balaji (DIN - 00227309), as a Joint Managing Director of the Company for a period of 5 (five) years with effect from July 1, 2021 at a remuneration of Rs.150,000/- (Rupees One Lakh Fifty Thousand Only) per month with terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit”.

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

“RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary 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 the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri. Nagendra Babu Koduru (DIN - 09270735) who has been appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective 14th August, 2021 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 14th August, 2021 to 13th August, 2026, not subject to retirement

by rotation, upon such remuneration as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary 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 pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri. Koteswara Rao Kodali (DIN - 09270701) who has been appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective 14th August, 2021 in terms of Section 161 of the Companies Act, 2013, and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 14th August, 2021 to 13th August, 2026, not subject to retirement by rotation, upon such remuneration as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution.”

9. 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 Sections 149(10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 (‘Act’) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Sri Bapuji Gottipati (DIN: 00227436), Independent Director of the Company who has submitted a declaration that he meets the criteria for

independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from November 1, 2021 till October 31, 2026, upon such remuneration as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

10. 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 Sections 149(10), 150 and 152 of the Companies Act, 2013 read with Schedule IV of the Companies Act, 2013 and the Companies (Amendment) Act, 2017 ('Act') read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Sri Gottipati Ramesh Babu (DIN : 02870978), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director on the Board of the Company, not liable to retire by rotation for a second term of five consecutive years commencing from November 1, 2021 till October 31, 2026, upon such remuneration as may be determined by the Board of Directors of the Company from time to time within the overall limits of remuneration under the Companies Act, 2013".

"RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

By Order of the Board
For **BALAJI AGRO OILS LIMITED**

Sd/-

SRIDEVI CHINTADA
COMPANY SECRETARY
ACS 34261

Place : Vijayawada
Date : 14th August, 2021

Notes

1. In accordance with the Provisions of Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Explanatory Statement in respect of item No. 4, 5, 6, 7, 8, 9 and 10 being items of Special Business, is annexed.
2. A Member entitled to attend and vote at a Meeting is entitled to appoint one or more Proxies to attend and vote on a poll on his behalf and such proxy need not be a Member of the Company. A Proxy Form is enclosed. Proxy Form in order to be effective, duly completed, must be received by the Company at the Registered Office not less than 48 hours before the time fixed for the Meeting.
3. Members / proxies are requested to bring with them the Attendance slip sent with the Annual Report duly completed and signed and hand it over at the entrance.
4. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of persons seeking appointment/re-appointment as Directors at the Annual General Meeting is annexed hereto.
5. Pursuant to Sec.91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for 7 days i.e. from **24.09.2021 to 30.09.2021** (both days inclusive).
6. Non-resident Indian Shareholders are requested to inform us immediately the changes in Residential status on return to India for permanent settlement the particulars of Bank NRE Account, if not furnished earlier.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / XL Softech Systems Ltd.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
9. Members desiring any information on the financial statements at the Annual General Meeting are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
10. Members are requested to quote Folio Number/ Client ID No in all correspondence. Members are requested to update their Email ID with their respective depository participant and with the Company's Registrar and Transfer Agents.

11. As the Company's equity shares are compulsorily traded in demat mode, shareholders holding shares in physical form are requested to dematerialize the same.
12. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the Company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.

13. E-VOTING

Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules of the Act and Regulations 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility the members to exercise their right to vote by electronic means.

The e-voting period will commence at 10:00 a.m. on **25th September, 2021** and will end at 5:00 p.m. on **29th September, 2021**. The Company has appointed Mr. Mahesh Grandhi (FCS No. 7120, CP No. 7160), Practicing Company Secretary to act as the Scrutinizer to scrutinize the voting and remote e-voting process (including the ballot form received from the members who do not have access to the e-voting process) in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure one-voting given hereinafter.

The e-voting facility is available at the link:

EVSN (e-voting Sequence Number)	Commencement of e-voting	End of e-voting
210827032	25-09-2021	29-09-2021

Members have an option to vote either through e-voting or through physical ballot form. If a member has opted for e-voting, then he/she should not vote by physical ballot also and vice versa. However, in case members cast their vote both via physical ballot and e-voting then e-voting shall prevail and voting done through physical ballot shall be treated as invalid. The Company has signed an agreement with CDSL for facilitating e-voting.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Managing Director or a person authorized by him in writing who shall counter sign the same.

The results declared along with the Scrutinizer's Report will be placed on the website of Company, CDSL and communicated to Stock Exchange where the shares are listed.

1. The instructions for members for voting electronically are as under:

The voting period begins on Saturday, the **25th September, 2021** at 10:00 a.m. and ends on Wednesday, the **29th September, 2021** at 5:00 p.m. 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 **23.09.2021**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted through e-voting prior to the meeting date would not be entitled to vote at the meeting venue.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	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.
OR	
Date of Birth	If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for evoting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant Balaji Agro Oils Limited on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the 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.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from google play store. iPhone and windows phone users can download the app from app store and the windows phone store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all the material facts relating to the special business mentioned in the accompanying Notice:

Item No. 2:

To appoint a Director in place of Smt Sangeetha Vallabhaneni (DIN No. 07437197) who retires by rotation and being eligible and offers herself reappointment Smt Sangeetha Vallabhaneni (DIN : 07437197) aged 49 years is a Graduate in B.SC (Computers) and having rich experience in Solvent extraction and rice milling industries.

The terms as set out in the resolution and explanatory statement may be treated may be treated as an abstract of the terms and conditions governing the appointment and remuneration and memorandum of interest pursuant to Section 190 of the Companies Act, 2013.

Item No. 4:

As per the provision of Section 197 of the Companies Act, 2013 (Act), except with the approval of the Company in general meeting by a special resolution, the payment of remuneration to Non-Executive Directors shall not exceed 1% of the net profits of the Company, in case the Company has a managing or whole-time director.

The Ministry of Corporate Affairs has on March 18, 2021, notified certain amendments to the provisions of Companies Act, 2013 which allows payment of remuneration to the Non Executive Directors, including Independent Directors (referred as "NEDs") in the event of no profits or inadequate profits in any financial year. The said remuneration can be in addition to the sitting fees paid to NEDs for attending the meetings of the Board or Committees or reimbursement of expenses, if any. Schedule V has also been amended suitably to include enabling provisions and limits for allowing payment of remuneration to the NEDs in the event of no profit or inadequate profit. Prior to this amendment, a company making losses or inadequate profits could not remunerate the NEDs.

For the financial year ended on March 31, 2021, the Company did not have adequate profits in accordance with section 198 of the Companies Act 2013. Pursuant to the said amendments and based on the recommendation of the Nomination and Remuneration Committee, the

Board of Directors have at their meeting held on June 30, 2021, approved the payment of remuneration to Sri Venkataramaiah Vallabhaneni with effect from July 1, 2021 for a period of 5 years, subject to the approval of the shareholders by way of a special resolution.

The details of Sri Venkataramaiah Vallabhaneni and other information as required under Schedule V (Part II) (Section II) of the Companies Act, 2013, are stated separately hereunder.

The remuneration proposed by the Board as stated in item no. 4 is after considering time spent by him for the Company, his valuable guidance for various business initiatives and for Board's decision making.

Sri Venkataramaiah Vallabhaneni and their relatives are interested, financially or otherwise, with regard to their respective remuneration, in the resolution as set out in Item No. 4 of the Notice. Sri Balaji vallabhaneni, Sri Suraj Kumar Vallabhaneni and Smt Sangeetha Vallabhaneni, being relatives of Sri Venkataramaiah Vallabhaneni, interested in the said resolution.

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

Your Directors recommend the resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members by way of a special resolution.

STATEMENT OF INFORMATION REQUIRED TO BE DISCLOSED UNDER SCHEDULE V (PART II) (SECTION II) OF THE COMPANIES ACT, 2013 IS AS FOLLOWS:

1. Nature of Industry	The Company is engaged in Solvent Extraction, Power Generation, Manufacture of Steel Ingots and operations of Rice Mill
2. Date or expected date of commencement of commercial production	The Company was incorporated under Companies Act, 1956 on May 6, 1994.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4. Financial performance based on given indicators	Financial Performance as per audited financial results for the year ended March 31, 2021: Revenue from operations : 8803.49 Lakhs; Total Expenditure: 8690.53 Lakhs; Net Profit before tax: 140.12 Lakhs and Profit after tax: 103.68
5 Foreign investments or collaborations, if any :	Not applicable

II. Information about the NON Executive Director

1. Background details	Refer brief profile below
2. Past remuneration	Rs.75,000/- per month
3. Recognition or awards	Not applicable
4. Job profile and his suitability	The Company has under the leadership of Sri Venkataramaiah Vallabhaneni has diversified into Solvent Extraction, Power Generation, Manufacture of Steel Ingots and operations of Rice Mill He has more than three decades experience in Rice milling Industry and in solvent and Pisciculture. With his expertise and experience in the above sectors has brought tremendous value to the Company.
5. Remuneration Proposed	As mentioned above in the statement pursuant to the provisions of Section 102 of the Companies Act, 2013
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)	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointee in other companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any.	1991131 Equity Shares in his name and he is the father of the Key Managerial Personnel i.e., Mr. Suraj Kumar Vallabhaneni and Sri Balaji Vallabhaneni

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits

The Company is under manufacturing sector and strictly depends upon availability of labour. One of our steel division fully depends on labour and availability of Raw material. During the First half of the financial year, the plant was shut down due to non availability of labour and raw material. This was caused mainly due to ongoing Covid-19 pandemic.

One of our Oil Division also affected due to ongoing Covid-19 pandemic and also due to lack of Agriculture and availability of Paddy. Hence, the Raw material is also not available to utilize the optimum capacity of machinery.

2. Steps taken or proposed to be taken for improvement

The Company has started new Rice Mill with a 12MT during the end of the financial year and another was taken on lease. This will be a positive factor to improve our profitability by having the bi-product for our Rice Bran Oil Division.

3. Expected increase in productivity and profits in measurable terms:

Considering the market recovery would be a gradual process alongwith the uncertainty brought by the Covid-19 pandemic, it is extremely difficult in the present scenario to predict profits in measurable terms.

Necessary disclosures have been made in the Board of Director's Report under the heading Corporate Governance attached to the financial statements for FY 2020-21 and shall be continued as per the requirements of the Companies Act, 2013.

BRIEF PROFILE/RESUME OF SRI VENKATARAMAIAH VALLABHANENI

Sri V. Venkataramaiah is the chairman of the Group and he was little educated but got richest experience of more than three decades in Rice milling, Solvent and Pisciculture. He is one of the leading entrepreneurs in the district.

Item No. 5:

The Board of Directors of the Company ("the Board"), at its meeting held on June 30, 2021 has, subject to the approval of members, re-appointed Sri Suraj Kumar Vallabhaneni (DIN - 00227360) as a Joint Managing Director for a period of 5 (five) years from the expiry of his present term, i.e., with effect from July 1, 2021, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board.

It is proposed to seek members' approval for the reappointment of and remuneration payable to Sri Suraj Kumar Vallabhaneni as a Joint Managing Director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Broad particulars of the terms of re-designation and re-appointment of and remuneration payable to Sri Suraj Kumar Vallabhaneni are as under:

(i) Salary :

1,50,000/- per month with liberty to the Board of Directors to sanction any further increase but within the overall maximum limit of remuneration as mentioned hereinafter, as it may in its absolute discretion, determine.

(ii) Perquisites :

In addition to the aforesaid Salary, Sri Suraj Kumar Vallabhaneni shall be entitled to perquisites like medical reimbursement, leave travel allowance, personal accident insurance, driver's salary, performance linked incentive by whatever name called, etc. in accordance with the Rules of the Company, for the purposes of which limit perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in absence of any such Rule, perquisites shall be evaluated at actual cost.

However, the following shall not be included in the aforesaid perquisite limit :

a) Contribution to Provident Fund and Superannuation Fund up to 27% of basic salary and contribution to Gratuity Fund up to 5% of basic salary as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the Rules there under for this purpose.

b) Gratuity at the rate not exceeding half a month's basic salary for each completed year of service, Gratuity payable at the time of retirement/cessation of service.

c) Encashment of unavailed leave as per the Rules of the Company at the time of retirement/cessation of service.

d) Costs and expenses incurred by the Company in connection with transfer from one location to another as per the Rules of the Company.

e) Reimbursement of expenses incurred for business such as travelling, boarding and lodging, provision of car(s) while on business trips and communication expenses incurred for business purpose at residence shall be reimbursed at actual and not considered as perquisites.

(iii) Overall maximum limit of remuneration:

The overall managerial remuneration (including all components of remuneration above) payable to Sri Suraj Kumar Vallabhaneni shall be such amount as may be fixed by the board of directors from time to time on recommendation of nomination and remuneration committee but not exceeding Rs. 36.00 Lakhs per annum.

(iv) Minimum Remuneration :

Notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the period of his re-appointment as a Joint Managing Director, Sri Suraj Kumar Vallabhaneni shall be entitled to a minimum remuneration as detailed herein above in (i) & (ii) (including the remuneration as may be approved by the board of directors of the Company from time to time) but subject to overall maximum limit fixed as above in (iii). The aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Joint Managing Director, subject to applicable laws and such other approvals as may be necessary.

Sri Suraj Kumar Vallabhaneni has rich and varied experience in the Solvent Extraction Industry, Power Generation Industry and Manufacturing of Iron Ingots industry and has been maintaining the Company for more than 20 years in positive phase. Your Directors consider that it would be appropriate and in the interest of the Company to continue to avail of his considerable expertise and to re-appoint him as a Joint Managing Director.

Sri Suraj Kumar Vallabhaneni shall not be liable to retire by rotation during the currency of his tenure as a Joint Managing Director.

Subject to the superintendence, control and direction of the Board of Directors, Sri Suraj Kumar Vallabhaneni shall manage and conduct the business and affairs of the Company. Sri Suraj Kumar Vallabhaneni will not be entitled to any sitting fee for attending Meetings of the Board or of any Committee thereof.

The aforesaid reappointment and remuneration payable to Sri Suraj Kumar Vallabhaneni may be further varied, altered or modified, within the overall maximum limit of remuneration as fixed in (iii) above, as may be agreed to by the Board of Directors and Sri Suraj Kumar Vallabhaneni, in the light of any amendment/modification of the Companies Act or any re-enactment thereof or any other applicable law as prevailing or in such manner as may be required.

Section 197(1) of the Companies Act, 2013 inter alia provides that subject to the provisions of Schedule V to the Companies Act, 2013, a Company may pay to its Directors, including managing director, whole-time director and manager, remuneration exceeding 11% of net profits of the Company, after complying with the conditions of Schedule V.

Further, the second proviso to Sub-section (1) of Section 197 inter-alia provides that with the approval of shareholders in the General Meeting by way of special resolution, the remuneration payable to any one managing director; or whole-time director or manager may exceed five percent of the net profits of the company.

Based on the projections, it appears that the remuneration (including perquisite) proposed to be payable to Sri Suraj Kumar Vallabhaneni as determined above may exceed 5% of the net profits of the Company. Further, it may be likely that the Company may have a scenario wherein there is Losses or inadequacy of profits as per the provisions of the Companies Act during his tenure of re-appointment as Joint Managing Director. Accordingly, as a matter of abundant caution shareholders' approval is also being sought for payment of remuneration as mentioned in (i), (ii), (iii) and (iv) above as per the provisions of Companies Act, 2013.

Accordingly, it is proposed to seek approval of shareholders by way of Special Resolution.

Further, as a matter of abundant caution, pursuant to Schedule V of Companies Act, 2013, that provides the remuneration in excess of the limits for payment of managerial remuneration by Companies in case of loss or inadequacy of profits in any financial year and inter alia, requires members approval for payment of managerial remuneration to the managerial person for a period of not exceeding 3 years by way of special resolution, the Board recommends the resolution for your approval by way of special resolution contained in Item No. 5 of the Notice.

The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The information to be provided to the shareholders, as specified in Schedule V to the Companies Act, 2013 are as below:

STATEMENT OF INFORMATION REQUIRED TO BE DISCLOSED UNDER SCHEDULE V (PART II) (SECTION II) OF THE COMPANIES ACT, 2013 IS AS FOLLOWS:

I. General Information:

1. Nature of Industry	The Company is engaged in Solvent Extraction, Power Generation, Manufacture of Steel Ingots and operations of Rice Mill
2. Date or expected date of commencement of commercial production	The Company was incorporated under Companies Act, 1956 on May 6, 1994.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4. Financial performance based on given indicators	Financial Performance as per audited financial results for the year ended March 31, 2021: Revenue from operations : 8803.49 Lakhs; Total Expenditure: 8690.53 Lakhs; Net Profit before tax: 140.12 Lakhs and Profit after tax: 103.68
5. Foreign investments or collaborations, if any :	Not applicable

II. Information about the Executive Director

1. Background details	Refer brief profile below
2. Past remuneration	Rs.75,000/- per month
3. Recognition or awards	Not applicable
4. Job profile and his suitability	The Company has under the leadership of Sri Suraj Kumar Vallabhaneni has diversified into Solvent Extraction, Power Generation, Manufacture of Steel Ingots and operations of Rice Mill He has rich and varied experience in the Solvent Extraction Industry, Power Generation Industry and Manufacturing of Iron Ingots industry and has been maintaining the Company for more than 20 years in positive phase With his expertise and experience in the above sectors has brought tremendous value to the Company.
5. Remuneration Proposed	As mentioned above in the statement pursuant to the provisions of Section 102 of the Companies Act, 2013
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)	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointee in other companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any.	1074142 Equity Shares in his name and he is the son and brother of the Key Managerial Personnel i.e., Sri Venkataramaiah Vallabhaneni and Sri Balaji Vallabhaneni

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits

The Company is under manufacturing sector and strictly depends upon availability of labour. One of our steel division fully depends on labour and availability of Raw material. During the First half of the financial year, the plant was shut down due to non availability of labour and raw material. This was caused mainly due to ongoing Covid-19 pandemic.

One of our Oil Division also affected due to ongoing Covid-19 pandemic and also due to lack of Agriculture and availability of Paddy. Hence, the Raw material is also not available to utilize the optimum capacity of machinery.

2. Steps taken or proposed to be taken for improvement

The Company has started new Rice Mill with a 12MT during the end of the financial year and another was taken on lease. This will be a positive factor to improve our profitability by having the bi-product for our Rice Bran Oil Division.

3. Expected increase in productivity and profits in measurable terms:

Considering the market recovery would be a gradual process alongwith the uncertainty brought by the Covid-19 pandemic, it is extremely difficult in the present scenario to predict profits in measurable terms.

Necessary disclosures have been made in the Board of Director's Report under the heading Corporate Governance attached to the financial statements for FY 2020-21 and shall be continued as per the requirements of the Companies Act, 2013.

Details of Sri Suraj Kumar Vallabhaneni are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Interest of Directors

Excepting Sri Suraj Kumar Vallabhaneni, Sri Balaji Vallabhaneni, Sri Venkataramaiah Vallabhaneni and Smt Sangeetha Vallabhaneni, who are interested in his appointment and the remuneration/minimum remuneration payable to him, no other Director, Key Managerial Personnel or their relatives of your Company is concerned or interested in the said Resolution. This may be treated as his memorandum issued pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors consider that it would be appropriate and desirable to re-appoint him as his experience will be beneficial to the Company. Sri Suraj Kumar Vallabhaneni continues to hold office as the Joint Managing Director of the Company. As re-appointment and

remuneration are subject to compliance with the requirement of Section 188 and other applicable provisions of the Companies Act, 2013, your Directors recommend passing of the Special Resolution set out in the Notice of the Meeting

BRIEF PROFILE/RESUME OF SRI SURAJ KUMAR VALLABHANENI

Sri Suraj Kumar Vallabhaneni is the Managing Director of your Company. A Graduate of Mechanical Engineering from JNTU and did post graduation in United States. He has got an experience of more than 20 years in solvent plant business and more than 15 years experience in power & steel Plant business.

Name of the Director	Suraj Kumar Vallabhaneni
Designation	Joint Managing Director
DIN	00227360
Effective Date of Re-Appointment	01.07.2021
Date of Birth & Age	27-05-1968 and 53 years
Expertise	He has rich and varied experience in the Solvent Extraction Industry, Power Generation Industry and Manufacturing of Iron Ingots industry and has been maintaining the Company for more than 20 years in positive phase
Qualifications	Post Graduate in Mechanical Engineering
Remuneration Last drawn	Rs.75,000/- per month
Number of Board Meetings attended during the Financial year 2020-21	4
Directorship held in other Listed companies as at 31.03.2021	Nil
Committee position held in other Companies as at 31.03.2021	Nil
Relationship with other Directors as at 31.03.2021	Yes
Number of Shares held in the company as at 31.03.2021	1074142 Equity Shares

Item No. 6:

The Board of Directors of the Company ("the Board"), at its meeting held on June 30, 2021 has, subject to the approval of members, re-appointed Sri Balaji Vallabhaneni (DIN - 00227309) as a Joint Managing Director for a period of 5 (five) years from the expiry of his present term, i.e., with effect from July 1, 2021, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board.

It is proposed to seek members' approval for the reappointment of and remuneration payable to Sri Balaji Vallabhaneni as a Joint Managing Director, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Broad particulars of the terms of re-designation and re-appointment of and remuneration payable to Sri Balaji Vallabhaneni are as under:

(i) Salary :

1,50,000/- per month with liberty to the Board of Directors to sanction any further increase but within the overall maximum limit of remuneration as mentioned hereinafter, as it may in its absolute discretion, determine.

(ii) Perquisites :

In addition to the aforesaid Salary, Sri Balaji Vallabhaneni shall be entitled to perquisites like medical reimbursement, leave travel allowance, personal accident insurance, driver's salary, performance linked incentive by whatever name called, etc. in accordance with the Rules of the Company, for the purposes of which limit perquisites shall be evaluated as per Income Tax Rules, wherever applicable, and in absence of any such Rule, perquisites shall be evaluated at actual cost.

However, the following shall not be included in the aforesaid perquisite limit :

a) Contribution to Provident Fund and Superannuation Fund up to 27% of basic salary and contribution to Gratuity Fund up to 5% of basic salary as defined in the Rules of the respective Funds, or up to such other limit as may be prescribed under the Income Tax Act, 1961 and the Rules there under for this purpose.

b) Gratuity at the rate not exceeding half a month's basic salary for each completed year of service, Gratuity payable at the time of retirement/cessation of service.

c) Encashment of unavailed leave as per the Rules of the Company at the time of retirement/cessation of service.

d) Costs and expenses incurred by the Company in connection with transfer from one location to another as per the Rules of the Company.

e) Reimbursement of expenses incurred for business such as travelling, boarding and lodging, provision of car(s) while on business trips and communication expenses incurred for business purpose at residence shall be reimbursed at actual and not considered as perquisites.

(iii) Overall maximum limit of remuneration:

The overall managerial remuneration (including all components of remuneration above) payable to Sri Balaji Vallabhaneni shall be such amount as may be fixed by the board of directors from time to time on recommendation of nomination and remuneration committee but not exceeding Rs. 36.00 Lakhs per annum.

(iv) Minimum Remuneration :

Notwithstanding anything contained herein, in the event of loss or inadequacy of profits in any financial year during the period of his re-appointment as a Joint Managing Director, Sri Balaji Vallabhaneni shall be entitled to a minimum remuneration as detailed herein above in (i) & (ii) (including the remuneration as may be approved by the board of directors of the Company from time to time) but subject to overall maximum limit fixed as above in (iii). The aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to the Joint Managing Director, subject to applicable laws and such other approvals as may be necessary.

Sri Balaji Vallabhaneni shall not be liable to retire by rotation during the currency of his tenure as a Joint Managing Director.

Sri Balaji Vallabhaneni has rich and varied experience in the Solvent Extraction Industry, Power Generation Industry and Manufacturing of Iron Ingots industry and has been maintaining the Company for more than 20 years in positive phase. Your Directors consider that it would be appropriate and in the interest of the Company to continue to avail of his considerable expertise and to re-appoint him as a Joint Managing Director.

Subject to the superintendence, control and direction of the Board of Directors, Sri Balaji Vallabhaneni shall manage and conduct the business and affairs of the Company. Sri Balaji Vallabhaneni will not be entitled to any sitting fee for attending Meetings of the Board or of any Committee thereof.

The aforesaid reappointment and remuneration payable to Sri Balaji Vallabhaneni may be further varied, altered or modified, within the overall maximum limit of remuneration as fixed in (iii) above, as may be agreed to by the Board of Directors and Sri Balaji Vallabhaneni, in the light of any amendment/modification of the Companies Act or any re-enactment thereof or any other applicable law as prevailing or in such manner as may be required.

Section 197(1) of the Companies Act, 2013 inter alia provides that subject to the provisions of Schedule V to the Companies Act, 2013, a Company may pay to its Directors, including managing director, whole-time director and manager, remuneration exceeding 11% of net profits of the Company, after complying with the conditions of Schedule V.

Further, the second proviso to Sub-section (1) of Section 197 inter-alia provides that with the approval of shareholders in the General Meeting by way of special resolution, the remuneration payable to any one managing director; or whole-time director or manager may exceed five percent of the net profits of the company.

Based on the projections, it appears that the remuneration (including perquisite) proposed to be payable to Sri Balaji Vallabhaneni as determined above may exceed 5% of the net profits of the Company but will be within the overall maximum limit of remuneration as mentioned above. Further, it may be likely that the Company may have a scenario wherein there is Losses or inadequacy of profits as per the provisions of the Companies Act during his tenure of re-appointment as Joint Managing Director. Accordingly, as a matter of

abundant caution shareholders' approval is also being sought for payment of remuneration as mentioned in (i), (ii), (iii) and (iv) above as per the provisions of Companies Act, 2013.

Accordingly, it is proposed to seek approval of shareholders by way of Special Resolution.

Further, as a matter of abundant caution, pursuant to Schedule V of Companies Act, 2013, that provides the remuneration in excess of the limits for payment of managerial remuneration by Companies in case of loss or inadequacy of profits in any financial year and inter alia, requires members approval for payment of managerial remuneration to the managerial person for a period of not exceeding 3 years by way of special resolution, the Board recommends the resolution for your approval by way of special resolution contained in Item No. 5 of the Notice.

The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The information to be provided to the shareholders, as specified in Schedule V to the Companies Act, 2013 are as below:

STATEMENT OF INFORMATION REQUIRED TO BE DISCLOSED UNDER SCHEDULE V (PART II) (SECTION II) OF THE COMPANIES ACT, 2013 IS AS FOLLOWS:

I. General Information:

1. Nature of Industry	The Company is engaged in Solvent Extraction, Power Generation, Manufacture of Steel Ingots and operations of Rice Mill
2. Date or expected date of commencement of commercial production	The Company was incorporated under Companies Act, 1956 on May 6, 1994.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4. Financial performance based on given indicators	Financial Performance as per audited financial results for the year ended March 31, 2021: Revenue from operations : 8803.49 Lakhs; Total Expenditure: 8690.53 Lakhs; Net Profit before tax: 140.12 Lakhs and Profit after tax: 103.68
5. Foreign investments or collaborations, if any :	Not applicable

II. Information about the Executive Director

1. Background details	Refer brief profile below
2. Past remuneration	Rs.75,000/- per month
3. Recognition or awards	Not applicable
4. Job profile and his suitability	The Company has under the leadership of Sri Balaji Vallabhaneni has diversified into Solvent Extraction, Power Generation, Manufacture of Steel Ingots and operations of Rice Mill He has rich and varied experience in the Solvent Extraction Industry and Rice Milling Operations and has been associating in developing the Company for more than 20 years in positive phase With his expertise and experience in the above sectors has brought tremendous value to the Company.
5. Remuneration Proposed	As mentioned above in the statement pursuant to the provisions of Section 102 of the Companies Act, 2013
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)	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointee in other companies.
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any.	1115400 Equity Shares in his name and he is the son and brother of the Key Managerial Personnel i.e., Sri Venkataramaiah Vallabhaneni and Sri Suraj Kumar Vallabhaneni

III. OTHER INFORMATION

1. Reasons of loss or inadequate profits

The Company is under manufacturing sector and strictly depends upon availability of labour. One of our steel division fully depends on labour and availability of Raw material. During the First half of the financial year, the plant was shut down due to non availability of labour and raw material. This was caused mainly due to ongoing Covid-19 pandemic.

One of our Oil Division also affected due to ongoing Covid-19 pandemic and also due to lack of Agriculture and availability of Paddy. Hence, the Raw material is also not available to utilize the optimum capacity of machinery.

2. Steps taken or proposed to be taken for improvement

The Company has started new Rice Mill with a 12MT during the end of the financial year and another was taken on lease. This will be a positive factor to improve our profitability by having the bi-product for our Rice Bran Oil Division.

3. Expected increase in productivity and profits in measurable terms:

Considering the market recovery would be a gradual process alongwith the uncertainty brought by the Covid-19 pandemic, it is extremely difficult in the present scenario to predict profits in measurable terms.

Necessary disclosures have been made in the Board of Director's Report under the heading Corporate Governance attached to the financial statements for FY 2020-21 and shall be continued as per the requirements of the Companies Act, 2013.

Details of Sri Balaji Vallabhaneni are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Interest of Directors

Excepting Sri Balaji Vallabhaneni, Sri Suraj Kumar Vallabhaneni, Sri Venkataramaiah Vallabhaneni and Smt Sangeetha Vallabhaneni, who are interested in his appointment and the remuneration/minimum remuneration payable to him, no other Director, Key Managerial Personnel or their relatives of your Company is concerned or interested in the said Resolution. This may be treated as his memorandum issued pursuant to the provisions of Section 190 of the Companies Act, 2013.

Your Directors consider that it would be appropriate and desirable to re-appoint him as his experience will be beneficial to the Company. Sri Balaji Vallabhaneni continues to hold office as the Joint Managing Director of the Company. As re-appointment and remuneration are subject to compliance with the requirement of Section 188 and other applicable provisions of the Companies Act, 2013, your Directors recommend passing of the Special Resolution set out in the Notice of the Meeting

ANNEXURE – 2

BRIEF PROFILE/RESUME OF SRI BALAJI VALLABHANENI

Sri Balaji Vallabhaneni is the Joint Managing Director of your Company. A Post Graduate of Commerce and has got rich experience in the Solvent Extraction Industry and Rice Milling Operations and has been associating in developing the Company for more than 20 years in positive phase.

Name of the Director	Balaji Vallabhaneni
Designation	Joint Managing Director
DIN	00227309
Effective Date of Re-Appointment	01.07.2021
Date of Birth & Age	29.05.1967 and 54 years
Expertise	He has got an experience of more than 20 years in Rice milling and solvent extraction plant business
Qualifications	Postgraduation in M.Com
Remuneration Last drawn	Rs.75,000/- per month
Number of Board Meetings attended during the Financial year 2020-21	4
Directorship held in other Listed companies as at 31.03.2021	Nil
Committee position held in other Companies as at 31.03.2021	Nil
Relationship with other Directors as at 31.03.2021	Yes
Number of Shares held in the company as at 31.03.2021	1115400 Equity Shares

Item No. 7:

The Board of Directors of the Company had appointed, on the recommendations of the Nomination and Remuneration Committee, Sri Nagendra Babu Koduru (DIN : 09270735) as an Additional Director of the Company with effect from 14th August, 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Sri Nagendra Babu Koduru shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from Sri Nagendra Babu Koduru signifying his candidature as an Independent Director of the Company.

Further, the Company has also received Sri. Nagendra Babu Koduru (DIN - 09270735)'s consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

A brief profile of Sri Nagendra Babu Koduru, including nature of his expertise, is provided below. The Company has received a declaration of independence from Sri Nagendra Babu Koduru. In the opinion of the Board, Sri Nagendra Babu Koduru fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company.

PARTICULARS	SRI. NAGENDRA BABU KODURU
Date of Birth	02-05-1971
Date of Appointment	14-08-2021
Qualification	B.Com
Expertise	Business
Directorships held in other public limited companies	Nil
No. of shares held in the Company	Nil

None of the Directors or Key Managerial Personnel and their relatives, except Sri Nagendra Babu Koduru, are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Special Resolution set out in the notice for approval of the Members

Item No. 8:

The Board of Directors of the Company had appointed, on the recommendations of the Nomination and Remuneration Committee, Sri. Koteswara Rao Kodali (DIN : 09270735) as an Additional Director of the Company with effect from 14th August, 2021. In accordance with the provisions of Section 161 of Companies Act, 2013, Sri Nagendra Babu Koduru shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. The Company has received notice under Section 160 of the Companies Act, 2013 from Sri Nagendra Babu Koduru signifying his candidature as an Independent Director of the Company.

Further, the Company has also received Sri. Koteswara Rao Kodali (DIN - 09270735)'s consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

A brief profile of Sri. Koteswara Rao Kodali, including nature of his expertise, is provided below. The Company has received a declaration of independence from Sri Koteswara Rao Kodali. In the opinion of the Board, Sri Sri. Koteswara Rao Kodali fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company.

PARTICULARS	SRI. KOTESWARA RAO KODALI
Date of Birth	17-05-1968
Date of Appointment	14-08-2021
Qualification	B.E.
Expertise	Business
Directorships held in other public limited companies	Nil
No. of shares held in the Company	Nil

None of the Directors or Key Managerial Personnel and their relatives, except Sri. Koteswara Rao Kodali, are concerned or interested (financially or otherwise) in this Resolution. The Board recommends the Special Resolution set out in the notice for approval of the Members

Item No. 9:

Sri Bapuji Gottipati was appointed as an Independent Director to hold office for a term of 5 years at the Annual General Meeting held in the year 2016. Accordingly, the tenure of Sri Bapuji Gottipati as an Independent Director is due for expire on October 30, 2021. In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/reappointment of a Director.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Company has received the consent from Sri Bapuji Gottipati to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act. After taking into account the performance evaluation, during his first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by Sri Bapuji Gottipati during his tenure as an Independent Director since his appointment, the Nomination and Remuneration Committee at its meeting held on August 14, 2021 has considered, approved and recommended the re-appointment of Sri Bapuji Gottipati as an Independent Directors for a second term of five years with effect from November 1, 2021, to the Board of Directors for their approval

The Board of Directors at its meeting held on August 14, 2021 has approved the proposal for reappointment of Sri Bapuji Gottipati as an Independent Director for a second term of five consecutive years with effect from November 1, 2021. In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Sri Bapuji Gottipati, the Shareholders are requested to approve the re-appointment of Sri Bapuji Gottipati as an Independent Directors for a second term of five consecutive years with effect from November 1, 2021. The Board recommends the Resolution for approval of the Members as a Special Resolution as set out in the notice.

Except Sri Bapuji Gottipati, being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/ are concerned or interested, financially or otherwise, in the said Resolution.

Item No. 10:

Sri Gottipati Ramesh Babu was appointed as an Independent Director to hold office for a term of 5 years at the Annual General Meeting held in the year 2016. Accordingly, the tenure of Sri Gottipati Ramesh Babu as an Independent Director is due for expire on October 30, 2021. In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/ reappointment of a Director.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of a special resolution by the Shareholders of the Company and disclosure of such appointment in the Board's report.

The Company has received the consent from Sri Gottipati Ramesh Babu to act as the Director in the prescribed Form DIR-2 under Section 152(5) of the Act and Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 along with the declaration on criteria of Independence as per Section 149(6) of the Act. After taking into account the performance evaluation, during his first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by Sri Gottipati Ramesh Babu during his tenure as an Independent Director since his appointment, the Nomination and Remuneration Committee at its meeting held on August 14, 2021 has considered, approved and recommended the re-appointment of Sri Gottipati Ramesh Babu as an Independent Directors for a second term of five years with effect from November 1, 2021, to the Board of Directors for their approval

The Board of Directors at its meeting held on August 14, 2021 has approved the proposal for reappointment of Sri Gottipati Ramesh Babu as an Independent Director for a second term of five consecutive years with effect from November 1, 2021. In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Sri Gottipati Ramesh Babu, the Shareholders are requested to approve the re-appointment of Sri Gottipati Ramesh Babu as an Independent Directors for a second term of five consecutive years with effect from November 1, 2021. The Board recommends the Resolution for approval of the Members as a Special Resolution as set out in the notice.

Except Sri Gottipati Ramesh Babu, being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/ are concerned or interested, financially or otherwise, in the said Resolution.

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 27th Annual Report of the Company together with the Audited Statements of Accounts for the Financial Year ended March 31, 2021.

PARTICULARS	Current Year	Previous Year
	2020-21 (Rs. Lakhs)	2019-20 (Rs. Lakhs)
Total Income	8803.48	8756.81
Profit/(loss) before depreciation	194.87	114.63
Depreciation	54.45	45.91
Profit/(loss) before Tax	140.42	68.72
Provision for Taxation	23.96	17.18
Deferred Tax liability/(Asset)	12.78	4.43
profit (Loss) for the year	103.68	47.11
Balance B/F	1168.37	1121.26
Add: Shares forfeited adjusted to capital reserve	0	0
Add: Adjustment towards depreciation	0	0
Profit/(Loss) Balance C/F	1272.05	1168.37

Operations:

Once again, the Board of Directors herewith informs you that your Company's Shares were duly listed with Metropolitan Stock Exchange of India Limited (MSEI), Mumbai in 2020. Further, the Company has been striving to get the trading permission to enrich the shareholders wealth.

During the year the company continued the activities of Steel & Solvent extraction, Power generation and Rice Mill operations.

Solvent Extraction Division:

This division earned an after Tax Profit of Rs.133.48 lakhs as against profit of Rs.112.67lakhs during the previous year. It processed 30869.290 M.Ts of Rice Bran as against 27374.74 M.Ts of Rice Bran during the previous year.

Power Division:

This division earned an after tax Profit of Rs.74.63 lakhs as against profit of Rs.36.43 lakhs during the previous year. It has generated 258.499 lakhs of units as against 241.45 lakhs of units during the previous year.

Steel Division:

This division earned an after tax Loss of Rs.(42.30).lakhs as against profit of Rs.(97.56) lakhs during the previous year. It produced 2257.510 Mt of Iron Ingots as against 3097.170M.Ts of Iron Ingots during the previous year.

Rice Mill Division:

The Company successfully completed construction of 12MTs per hour Rice mill. It was duly commenced operations in the month of January 2021. During the year company earned an after tax Loss of Rs.(49.36). During the year, your company has paddy milling for Hire Work 4933.400MTS and paddy milling for Own 590.00 MTS.

Dividend & Reserves:

To keep the capital base of the Company stronger and with a view to make the Company cash rich, your Directors are not recommending any dividend for the year 2020-21.

Share Capital:

During the year under review, the Company has not issued Equity Shares/ shares with differential voting rights/ granted stock options/ sweat equity.

Deposits:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount of principal and interest was outstanding as on 31st March, 2021.

However, your Company availed Loans from the Directors and relatives of Directors and the amount of principal is Rs.720.00 Lakhs and interest of Rs.51.00 Lakhs is outstanding as at 31st March, 2021.

Details of Subsidiary/Joint Ventures/Associate Companies:

Information pursuant to sub-section (3) of section 129 of the Act, i.e., the statement containing the salient features of the financial statement of a Company's subsidiary or subsidiaries, associate Company or companies and joint venture or ventures is not applicable during the year, as there are no Subsidiary/Joint Venture Companies.

Presentation of Financial Statements:

The Financial Statements for the year ended 31st March, 2021 are prepared in due compliance with the Schedule III of the Companies Act, 2013.

Cash Flow Statement:

A Cash Flow Statement for the year 2020-21 is annexed to the Statement of Accounts.

PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Appointments:

In accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company following Directors are being appointed / re-appointed:

1. In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Smt Sangeetha Vallabhaneni, Director of the Company retires by rotation at this Annual General Meeting and being eligible offer herself for reappointment.
2. Sri. Venkataramaiah Vallabhaneni (DIN – 00227148), whose term has expired on 30th June, 2021 has been re-appointed and re-designated as a Chairman cum Non-Executive Director of the Company with effect from 01st July, 2021 for a period of 5 (five) years, subject to ratification in the Annual General Meeting.
3. Sri. Balaji Vallabhaneni (DIN - 00227309), whose term has expired as a Joint Managing Director on 30th June, 2021 has been re-appointed as such with effect from 1st July, 2021 for a period of 5 (five) years, subject to ratification in the Annual General Meeting.
4. Sri. Suraj Kumar Vallabhaneni (DIN - 00227360), whose term has expired as a Joint Managing Director on 30th June, 2021 has been re-appointed as such with effect from 1st July, 2021 for a period of 5 (five) years, subject to ratification in the Annual General Meeting.
5. Sri. Nagendra Babu Koduru (DIN - 09270735), has been appointed as an Additional Director in the capacity of Independent Director of the Company with effect from 14th August, 2021 for a period of 5 years subject to ratification in the Annual General Meeting.

6. Sri. Koteswara Rao Kodali (DIN - 09270701), has been appointed as an Additional Director in the capacity of Independent Director of the Company with effect from 14th August, 2021 for a period of 5 years subject to ratification in the Annual General Meeting.
7. Sri. Bapuji Gottipati (DIN - 00227436), whose term to be expired as an Independent Director on 31st October, 2021 has been recommended to be re-appointed as such with effect from 1st November, 2021 for a further period of 5 (five) years.
8. Sri. Ramesh Babu Gottipati (DIN - 02870978), whose term has expired as an Independent Director on 31st October, 2021 has been recommended to be re-appointed as such with effect from 1st November, 2021 for a further period of 5 (five) years.

The Company has an optimum combination of Executive and Non-Executive Directors (except the requisite number of Independent Directors) in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). However, the Company is permitted to induct the new Independent Director within 3 months or in the next Board Meeting (after the date of vacancy), whichever is later.

As at 31st March, 2021, the Board of Directors consists of Sri Venkataramaiah Vallabhaneni, Chairman, Sri Suraj Kumar Vallabhaneni, Sri Balaji Vallabhaneni as Joint Managing Directors and Smt. Vallabhaneni Sangeetha as Woman Director, Sri Bapuji Gottipati, Sri Gottipati Ramesh Babu and Sri. Kandimalla Ravivarma as Directors of the Company continuing on the Board.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there has been no change in the circumstances which may affect their status as Independent Directors during the year.

Brief particulars of the Directors seeking appointment / re-appointment at this Annual General Meeting are being annexed to the Corporate Governance Report as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forming part of this Annual Report.

Cessation:

Sri. Medabalimi Bhanu Prasad (DIN - 02011885), who was an Independent Director on the Company's Board resigned from his position with effect from 01st February, 2021.

Key Managerial Personnel

There are no changes in the Key Managerial Personnel during the year 2020-21 except Re-Appointment as mentioned above.

Board evaluation and assessment

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and the Individual Directors.

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out performance evaluation taking into consideration, various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties, obligations and governance. The Performance evaluation of Independent Directors was completed. The Performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

None of the directors of the Company is disqualified under the provisions of the Act or under the Listing Agreement with the Stock Exchanges.

Policy on directors' appointment and remuneration and other details

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to the directors, key managerial personnel and senior management of the Company. The Company's policy on directors and KMP appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

Number of board meetings during the year

During the year, 4 (Four) Meetings of the Board, 4 (Four) Meetings of the Audit Committee, 3 (Three) Meetings of the Stakeholders Relationship Committee, 2 (Two) Meeting of the Nomination and Remuneration Committee and 3 (Three) Meetings of the CSR Committee were convened and held, the details of which form part of the report on the corporate governance.

Material Orders, if any, Passed by the Regulators, Courts Etc.:

There are no orders passed by the Regulators/Courts/Tribunals which have impact on the going concern status and the Company's operations in future.

Auditors:

The Statutory Auditor of the Company Sri P. Janardhan, Chartered Accountant, Vijayawada, retires at the conclusion of this Annual General Meeting of the company, who has been appointed as auditor of the company for a term of 5 years and who have confirmed their eligibility to be appointed as Auditor. In terms of provisions of section 141 of the Act and as amended, and rule 4 of the rules, be and are hereby confirmed and ratified to hold office of

Statutory Auditor of the company from the conclusion of the ensuing Annual General Meeting to the rest of the tenure (without further ratification) and upto the Annual General Meeting to be held for the financial year 2021-22 on such remuneration as may be agreed upon by the Audit committee/ Board of Directors in consultation with the Auditor

There are no qualifications or observations or remarks made by the Auditors in their Report.

Cost Audit Report:

The Cost Audit is not applicable to the Company for the year ended 31st March 2021.

Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Sri. Mahesh Grandhi, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2020-21. The Report of the Secretarial Auditor for Financial Year 2020-21 is annexed herewith as “**Annexure-1**”.

The Board of Directors herewith replies to the observations of the Secretarial Auditor that

- i. Company is very much keen on taking steps to comply with the restatement of IND-AS (Indian Accounting Standards) as specified and herewith undertake to do the compliance from next year.
- ii. We agree that there was a delay in intimating the details of share transfers done by the Inter-se between Promoters and a request made by the Company to the Stock Exchange to condone the delay as it was delayed due to ill health of the Promoter and not intentional.
- iii. In accordance with the provisions of the Companies Act, 2013 and in line with the SEBI (Listing Obligations and Regulations) 2015, a company can be allowed to induct new Independent Director in place of outgoing Independent Director not later than immediate next Board Meeting or three months from the date of such, whichever is later.

Apart from this, the Report does not contain any qualification, reservation or adverse remarks.

Internal Audit & Controls:

The Company has an effective internal control system in place and this is continually reviewed for effectiveness and is augmented by written policies and guidelines. The Company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control procedures.

The internal control system of the Company is subject matter of Audit Committee's periodical review and suggestions and recommendations, if any, made by the committee will be carried out.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

Particulars of Loans, Guarantees or Investments under Section 186:

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 have been disclosed as notes in the financial statements.

Particulars of Contracts or Arrangements with Related Parties:

All transactions entered into with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee as also the Board for approval, wherever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

The details of Related Party Transactions are annexed in Form AOC-2 as **Annexure-2** and Note No. 5 of Notes Forming part of the Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY:

- The Company's Corporate Social Responsibility (CSR) aims to extend beyond charity and enhance social impact. CSR Committee at its meeting held on **31st October, 2015**, framed a CSR Policy and the same was adopted by the Board. The Company's CSR policy covers the activities as under:
 - Uphold and promote the principles of inclusive growth and equitable development.
 - Develop Community Development Plans based on needs and priorities of host communities and measure the effectiveness of community development programmes.
 - Work actively in areas of preventive health and sanitation, education, skills for employability, livelihoods, income generation, waste resource management and water conservation for host communities for enhancing Human Development Index.
 - Collaborate with likeminded bodies like governments, voluntary organizations and academic institutes in pursuit of our goals.

• Any other activity, in compliance of the above, as may be taken up by the Committee from time to time.

➤ The Composition of the CSR Committee: The CSR Committee is duly re-constituted during the financial year and the following are the members of the Committee as of Date:

1.	Gottipati Ramesh Babu	Chairman
2.	Kandimalla Ravi Varma	Member
3.	Vallabhaneni Suraj Kumar	Member

The Committee duly met 3 (Three) times during the financial year and discussed about the CSR Policy, which was already framed by the committee.

➤ Due to the Company's parameters in terms of Turnover, Networth or Profitability were not qualified as specified in section 135 of companies act, 2013, and hence spending of 2% of the Profits towards CSR activity is not required.

Management Discussion & Analysis

Pursuant to the provisions of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis is presented in a separate section and forms part of the Annual Report.

Corporate Governance:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in provisions of SEBI (LODR) Regulations, 2015.

A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. Full details of the various board committees are also provided therein along with the Auditors' Certificate regarding compliance of conditions of corporate governance and forms integral part of this Report.

Extract of Annual Return (MGT-9):

A copy of the Annual Return as provided under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management & Administration) Rules, 2014 prepared as on March 31, 2021 shall be placed on the website of the Company and the same is available in the Company's website at www.baol.in.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company (with its inherent weakness) work performed by the internal, statutory and secretarial auditors including the audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the period ended on 31st March, 2021.

RISK MANAGEMENT

The Board of the Company adopted a policy to frame, implement and monitor the risk management policy/plan for the Company and ensuring its effectiveness. The Board oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Particulars of Employees:

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF REMUNERATION

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive Directors	Ratio to Median remuneration
V.VENKATRAMAIAH	4.29:1
V.BALAJI	4.39:1
V.SURAJ KUMAR	4.39:1

- b) The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year: NIL
- c) There is no percentage increase in the median remuneration of employees in the financial year.
- d) The number of permanent employees on the rolls of Company - 95. The explanation on the relationship between average increase in remuneration and Company performance: NIL
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL
- f) Comparison of remuneration of the key managerial personnel against the performance of the Company:

(Amount in Lakhs)

Name of person	Remuneration (Rs.in Lakhs)	Total Revenue (Rs.in Lakhs)	Remuneration as a % of total revenue
V.VENKATRAMAIAH	9.00	8803.49	0.102
V.BALAJI	9.00	8803.49	0.102
V.SURAJ KUMAR	9.00	8803.49	0.102
Ch. SRIDEVI	3.60	8803.49	0.041
D. MALLIKARJUNA RAO	2.68	8803.49	0.030

- g) The key parameters for any variable component of remuneration availed by the directors: NIL
- h) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year : None.
- i) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration paid to Key Managerial Personnel is as per the remuneration policy of the Company.

Declaration by Independent Director(s):

All the Independent Directors have submitted declarations to the Company to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE & VIGIL MECHANISM:

The Audit Committee consists of the following members:

- | | |
|-------------------------------|-------------------|
| 1. Gottipati Babuji | Chairman |
| 2. Kandimalla Ravi Varma | Member |
| 3. Vallabhaneni Suraj Kumar | Member |
| 4. Representative of Auditors | Permanent Invitee |

The above composition of the Audit Committee consists of three Independent Directors.

During the year, Mr. Medabalimi Bhanu Prasad resigned from the office of Independent Director effective from 1st February, 2021.

Vigil Policy

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Company empowered the victimized Employees or Directors to approach directly the Chairman of the Audit Committee for a solution to the issue so that the victimized Employee/ Director is rescued.

Risk Management Policy:

Risk Management Policy has been approved by the Board of Directors and the Company is taking steps to mitigate and minimize various Business risks which have impact on the operations of the Company.

Material Changes and Commitments:

No material changes have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of this report which affecting Financial position of the Company as on 31.03.2021.

Prevention of Sexual Harassment of Woman at Work Place:

In order to prevent sexual harassment of woman at work place as per the provisions of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company adopted a policy for prevention of Sexual Harassment of Woman at workplace and has set up a Committee for implementation of the said policy. During the year under review, there were no cases filed against anybody for sexual harassment.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. During the financial year 2020-21, the Company has not received any complaints on sexual harassment.

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

The details of conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

Environmental protection:

Your Company has continued its efforts towards Clean and Green this year also. It has been monitoring the environment and pollution parameters at its factory at Davuluru. Planting of trees and taking proper care in growing them is being done on regular basis.

Energy conservation:

The information in accordance with the provisions of Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 2014, particulars with respect to Conservation of Energy is as under:

Energy conservation has been identified as an important source of improving cost effectiveness. Energy conservation and optimization is achieved from the design stage of plant itself and is then maintained and improved in the normal plant operation. Continuous updating of energy conservation efforts are being carried in at all operating levels. The required data with regard to Conservation of Energy as applicable to our industry is furnished below:

<i>Particulars</i>	<i>For the year 2020-2021</i>	<i>For the year 2019-2020</i>
I. Electricity		
i) Purchased (APTRANSCO) Units	--	--
Total Amount (Rs.)	--	--
Rate per Unit (Rs)	--	--
ii) Capitive Generation Units	34,20,700	38,21,600
Total Amount (Rs.)	2,29,87,104	2,44,27,840
Rate per Unit (Rs)	6.72	6.39
iii) Own Generation Units	--	--
Total Amount (Rs.)	--	--
Rate per Unit (Rs)	--	--
II. Steam		
Total Amount (Rs.)	-	-
Consumption per M.T. of Production		
- Electricity (Units)	103.26	125.41
- Steam (Rs.)	-	-
III. Internal Generation (Units)	--	-

Technology Absorption

No expenditure is incurred by the Company attributable to Technology absorption during the year under review.

Foreign Exchange Earnings & Outgo:

Foreign Exchange Earnings : Nil
Foreign Exchange Outgo : Nil

Expenditure on Research and Development

No expenditure is incurred by the Company attributable to Expenditure on Research and Development during the year under review.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm that:

- (a) in the preparation of the annual accounts for the year ended 31st March 2021, the applicable accounting standards have 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 as at 31st March 2021 and of the profit and loss of the Company for the year ended on that date;
- (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 have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION:

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

Acknowledgements:

The Board desires to place on record its sincere appreciation for the support and co-operation that the Company received from the suppliers, customers, strategic partners, Bankers, Auditors, Registrar and Transfer Agents and all others associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be the Company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation with each other.

Your Directors would like to thank the HDFC Bank MG Road, SBI Bank, Patamata Branch, Vijayawada and Share Transfer Agents, XL Softech Systems Limited, Hyderabad and also thank the Shareholders, Customers, Suppliers, State and Central Government agencies for the support they have given to the Company and confidence which they have reposed in its management.

By Order of the Board
For **BALAJI AGRO OILS LIMITED**

Sd/-

(V.SURAJ KUMAR)
JT.MANAGING DIRECTOR
DIN : 00227360

Sd/-

(V. BALAJI)
JT. MANAGING DIRECTOR
DIN : 00227309

Place: Vijayawada
Date: 14th August, 2021

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED **31st MARCH, 2021**

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

To,
The Members,
M/s. Balaji Agro Oils Limited

Corporate Identity Number (CIN) : **L15143AP1994PLC017454**

Authorised Capital : **Rs.14.00 Crores**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Balaji Agro Oils Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. **Balaji Agro Oils Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, explanation declaration and undertaking provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2021** 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. **Balaji Agro Oils Limited** ("the Company") a **Listed Public Company** for the financial year ended on **31st March, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

- 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, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- 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;
- g) The Memorandum and Articles of Association.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the Metropolitan Stock Exchange of India Limited (MSEI), Mumbai.

Accordingly, the Industry specific major Acts as applicable to the Company are complied.

I further report that the Company has, in my opinion, during the period under review complied with the provisions of the Act and Rules, Regulations, Guidelines, Standards etc., mentioned above except to the extent as mentioned below:

1. The Ministry of Corporate Affairs (MCA) on 16th February, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of Companies from 1st April, 2016 with transition date of 1st April, 2015. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable to the Company from 1st April, 2017. However, the Company has not restated the accounts in IND AS.
2. The Company has not duly constituted with proper balance of Executive, Non Executive and Independent Directors as one Independent Director resigned from the office of the Director with effect from 1st February, 2021. However, the Company is duly permitted, in accordance with the LODR, 2015 (as amended thereto), to induct the new Independent Director within 3 months or in the next Board Meeting, whichever is later.
3. There was a delay in intimation of particulars of Share Transfers done inter-se between the Promoters to the Stock Exchange and others which shall be required to be done in accordance with the SEBI (Listing obligations and Disclosure Requirements) 2015 and also under SEBI (Prohibition of Insider trading) Regulations, 2015 as amended thereto.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, except as mentioned above. 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.

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

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

I further report that during the audit period the company has not entered into / carried out any activity that has major bearing on the company's affairs.

Sd/-

(G. MAHESH)

Company Secretary in Practice

M.No.: F7120

CP No.: 7160

UDIN : F007120C000122389

Place : Hyderabad

Dated : 30.06.2021

Note : This report is to be read with My letter of even date which is annexed as Annexure –A and forms an integral part of this report.

Annexure –A

To,
The Members,
M/s. Balaji Agro Oils Limited

Corporate Identity Number (CIN) : L15143AP1994PLC017454

Authorised Capital : Rs.14.00 Crores

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I 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. My 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.

Sd/-
(G. MAHESH)
Company Secretary in Practice
M.No.: F7120
CP No.: 7160

UDIN : F007120C000122389

Place : Hyderabad

Dated : 30.06.2021

BOARD OF DIRECTORS

CHAIRMAN

Sri Vallabhaneni Venkataramaiah

JOINT MANAGING DIRECTORS

Vallabhaneni Balaji

Vallabhaneni Suraj Kumar

INDEPENDENT NON-EXECUTIVE DIRECTORS

Gottipati Bapuji

Gottipati Ramesh Babu

Kandimalla Ravivarma

WOMAN DIRECTOR

Vallabhaneni Sangeetha

BOARD COMMITTEES

AUDIT COMMITTEE

Gottipati Bapuji	Chairman
Kandimalla Ravi Varma	Member
Vallabhaneni Suraj Kumar	Member
Representative of Auditors	Permanent Invitee

STAKEHOLDERS RELATIONSHIP COMMITTEE

Gottipati Bapuji	Chairman
Kandimalla Ravi Varma	Member
Gottipati Ramesh Babu	Member

NOMINATION AND REMUNERATION COMMITTEE

Gottipati Bapuji	Chairman
Kandimalla Ravi Varma	Member
Gottipati Ramesh Babu	Member

CSR COMMITTEE

Gottipati Ramesh Babu	Chairman
Kandimalla Ravi Varma	Member
Vallabhaneni Suraj Kumar	Member

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The Management Discussion and Analysis sets out the developments in the business environment and the Company's performance since our last report. This analysis supplements the Directors' Report and the Audited Financial Statements forming part of this Annual Report.

Industry and Structure

Solvent Extraction Industry:

Indian vegetable Oil economy is the fourth largest in the world after USA, China and Brazil. Oilseed cultivation is undertaken across the country in 2 seasons, in an area aggregating approximately 26 million hectares. 80% of the India's domestic oil output comes from primary source that is 9 cultivated oilseeds and 2 major oil bearing oil seeds and the secondary source comprises solvent extracted oils, rice bran oil etc.

The Company's original business of Solvent Extraction is focused on quality extraction with emphasis on optimum productivity.

Power generation:

India, which accounts for around 85% of South Asian electricity generation, is facing serious power supply problems. Current generation is about 30% below demand, as a consequence, India is faced with the need to invest heavily in new electricity generating capacity. There has been a growing awareness about setting up small power plants at decentralized places based on renewable sources of energy to avoid the ill effects of pollution from the fossil fuel based power plants. All over the world renewable energy movement is taking place due to global warming and adverse effects of climatic change. The renewable source of energy consists of biomass, wind, small hydro and solar.

The Company has ventured into power generation as part of the integration process to utilize the internal resources in a best manner.

Steel Industry:

Manufacturing of "Iron Ingots" taking available surplus power being produced at the Power plant.

Company's Infrastructure

Your Company operates from its registered office at Vijayawada. The Company's unit, comprising of Solvent Extraction, Power Generation Plant, Steel Plant and rice mill is located

at Davuluru (V), Kankipadu Mandal, Krishna District, about 17 KM from the registered office at Vijayawada.

Internal Control Systems

The Company has an effective internal control system in place and this is continually reviewed for effectiveness and is augmented by written policies and guidelines. The Company's overall system of internal control is adequate given the size and nature of its operations and effective implementation of internal control procedures.

The internal control system of the Company is subject matter of Audit Committee's periodical review and suggestions and recommendations, if any, made by the committee will be carried out.

Opportunities and Threats

With the invitation of more participation by the private sector, the power generation industry is set to result in major opportunities for the Company, which has ventured into the foray of power generation. By utilizing the excess captive power, the Company started steel division and existing solvent division also is making use of the available power.

Risks and Concerns

The Company's current and Fixed assets are adequately insured against various risks. The Company constantly strives to adequately protect itself from various business risks and concerns and takes appropriate measures to address the same.

Segment wise Performance

The Company's operations are divided into three segments viz., Solvent Division, Power Division, Steel Division and Rice mill Division. A brief overview of the performance of the Company – division wise is as follows

(Rs. In lakhs)

Particulars	Solvent	Power	Steel	Rice Mill	Inter-segment	Total
Sales/Income	6554.76	1549.69	873.65	140.18	314.79	8803.49
Profit	150.48	81.59	-42.30	-49.35	-	140.42
Assets	3236.48	2018.40	470.03	828.37	1031.47	5521.81
Liabilities	2206.78	553.19	543.05	877.73	1031.47	3149.28
Capital Employed	1029.70	1465.21	-73.02	-49.36	-	2372.53

Operational Performance

Analysis of profitability is given below

(Rs. In lakhs)

<i>Particulars</i>	<i>2020-2021</i>	<i>2019-2020</i>
Net Sales	8803.49	8756.81
Other Income	27.46	15.56
Total Income	8830.95	8772.37
PBDIT	320.29	216.70
Finance Charges	125.42	102.07
Depreciation	54.45	45.91
Profit Before Tax	140.42	68.72
Provision for Tax	23.96	17.18
Deferred Tax Liability/(Asset)	12.78	4.43
Profit After Tax	103.68	47.11
EPS – Basic and Diluted	0.98	0.45

Sales Turnover

Your Company manufactures Rice Bran Oil in its Solvent Unit along with the by-product i.e. De-Oiled Rice Bran. Power was being produced in the Power Plant during the entire period of 12 months. Your Company is manufacturing iron ingots in its Steel Division. After inter-segment eliminations your Company achieved a turnover of Rs.8803.49 lakhs.

Other Income

Other income mainly freights & Hire chares in Rice mill division and Insurance claim from Machinery break down policy.

Expenses

The Company has achieved cost efficiency due to overall control on overheads. The units of solvent extraction, power, steel ingots have performed well.

Finance Charges

Interest on loans during the year was Rs.125.41 lakhs as against Rs.102.07 lakhs for the year 2020-2021.

Profit Before Depreciation, Interest And Taxes (PBDIT)

PBDIT was Rs. 320.29 lakhs as against Rs. 216.70 lakhs for the year ending 31st March 2020. The increase in PBDIT was profit increase in Solvent division due to Sales increase

Profit After Tax (PAT)

Profit after tax was Rs.103.68 lakhs for the year 2020-2021 as against Rs.47.11 lakhs for the year 2019-2020.

Earnings Per Share (EPS)

EPS has been increased from Rs. 0.45 to Rs. 0.98 for the year under review.

Fixed Assets

Addition to the Fixed Assets of the Solvent Division unit amounts to Rs.56.29, Power Division Unit amount to Rs.26.54 lakhs and Rice mill Division unit to Rs.701.55 lakhs.

Inventories

Major items of inventories as on 31st March 2021 are as

<i>Particulars</i>	<i>31/03/2021(Rs.in lakhs)</i>	<i>31/03/2020(Rs.in lakhs)</i>
Raw Materials	328.60	456.25
Finished Goods	340.09	162.08
Stores & Spares	271.33	250.77

Receivables

Receivables as on 31/03/2021 amounted to Rs.2370.92 lakhs as against Rs.1796.13 lakhs as on 31/03/2020

Cautionary Statement:

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, etc., may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections, etc., whether expressed or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, Government Regulations and taxation, natural calamities etc., over which the Company does not have any control.

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance.

Balaji Agro Oils Limited (hereinafter called as BAOL) is one of the fore runners in the industry to have forwarded a formalized system of Corporate Governance.

The Company's Governance Philosophy

BAOL observes corporate governance as crystallized philosophy by which the Companies are lead and controlled to enhance their value creating capabilities. Since the corporate bodies are engaging vast quantum of resources, BAOL believes and observes the governance philosophy to ensure that these resources are utilized to gear up to the aspirations of associates, shareholders and society at large.

BAOL's corporate Governance structure and processes are based on pillars of:

- Ensuring adequate control systems to enable the Board effectively discharge its responsibilities to all the stakeholders of the Company.
- Ensuring that the decision making process is fair and as transparent as possible, given the intricacies of its business.
- Ensuring fullest commitment of the Management and the Board to maximize shareholder value.

The Governance Structure

The practice of Corporate Governance in BAOL is at two interlinked levels:

1. Strategic supervision and management – Board of Directors
2. Executive Management – by the Divisional Executives

Board of Directors

The primary role of the Board is that of trusteeship and ensuring the Company is set clearly on goals to enhance shareholder value constantly. They set strategic goals, provide direction for accomplishment and seek accountability. Thus they manage the Company and periodically review their own functioning.

Composition of the Board

The following is the composition of the Board as on 31st March 2021

Category	No. of Directors	Percentage of Total No. of Directors.
Promoter Executive Directors	3	42.85%
Promoter - Woman Director	1	14.30%
Non – executive Independent Directors	3	42.85%
Total	7	100 %

As on 31st March 2021, the Company's Board consists of 7 (Seven) members. The Chairman of the board is an Executive Director. Since the resignation of Sri Medabalimi Bhanu Prasad from the office of Independent Director effective from 1st February, 2021, the number of Non-Executive Independent Directors of the Company's Board has reduced to 3. The Company has an optimum combination of Executive and Non-Executive Directors (except the requisite number of Independent Directors as mentioned at the Board Report) in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). However, the Company is permitted to induct the new Independent Director within 3 months or in the next Board Meeting (after the date of vacancy), whichever is later. The Board has three Executive Directors, three Non-Executive Independent Directors and one Woman Director. The details of the composition are as follows:

Sl. No	Name of the Director	Category of Director	No. of Directorships in other companies		Committee Memberships	
			Chairman	Member	Chairman	Member
01	V.Venkataramaiah	Promoter	--	1	--	--
02	V.Balaji	Promoter	--	1	--	--
03	V.Suraj Kumar	Promoter	--	1	--	2
04	V. Sangeetha	Woman Director	--	1	--	--
05	K.Ravi Varma	Independent	--	--	-	4
06	M.Bhanu Prasad	Independent	**	**	**	**
07	G Bapuji	Independent	--	1	3	4
08	G. Ramesh Babu	Independent	--	1	1	4

** Mr. M. Bhanu Prasad resigned from the office of Independent Director with effect from 1st February, 2021.

Number of Board Meetings held in Financial Year 2020-21 with dates and attendance of Directors

Four (4) Board Meetings were held during the Financial Year 2020-2021, viz., on 31st July, 2020, 14th September, 2020, 14th November, 2020 and 13th February, 2021.

The attendance record of each director was as under:

Sl.No	Name of the Director	No. of Board Meetings attended	Attendance at last AGM
01	V.Venkataramaiah	4	YES
02	V.Balaji	4	YES
03	V.Suraj Kumar	4	YES
04	K.Ravi Varma	4	YES
05	M.Bhanu Prasad	3	YES
06	V. Sangeetha	4	YES
07	G. Bapuji	4	YES
08	G. Ramesh Babu	4	YES

Code of Business Conduct and Ethics

The Company is in compliance with the requirements of the revised guidelines on Code of Corporate Governance enunciated in the provisions of SEBI (LODR) Regulations, 2015 and has adopted Code of Business Ethics and Conduct applicable to the Directors and all the senior management personnel of the Company. It is the responsibility of the Directors and all the senior management personnel to familiarize themselves with this Code and comply with its standards.

Committees of the Board

The Four committees of the Board are - the Audit Committee, the Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee. The respective chairman convenes the committee meetings. The composition of the committees and the related attendance are provided below. Company Secretary of the Company acts as the Secretary for all the Board Committees.

Audit Committee

Audit Committee of the Company provides reassurance to the Board on the existence of an effective internal control environment in the Company. It also is empowered to investigate on the terms of reference by the Board and oversee the Company's financial reporting and compliances with statutes are a few to list. The constitution of the committee is also in compliance with Section 177(1) of the Companies Act, 2013.

Composition

The Audit Committee consists of the following members:

- | | |
|-------------------------------|-------------------|
| 1. Gottipati Bapuji | Chairman |
| 2. Kandimalla Ravi Varma | Member |
| 3. Vallabhaneni Suraj Kumar | Member |
| 4. Medabalimi Bhanu Prasad | Member *** |
| 5. Representative of Auditors | Permanent Invitee |

***During the financial year and effective from 1st February, 2021, Mr. Medabalimi Bhanu Prasad resigned from the office of Independent Director.

The above composition of the Audit Committee consists of Three Independent Directors.

Attendance

Details of the meetings held during the year.

<i>Sl.No.</i>	<i>Date</i>	<i>Committee Strength</i>	<i>No. of Members Present</i>
01	31/07/2020	4	4
02	14/09/2020	4	4
03	14/11/2020	4	4
04	13/02/2021	3	3

Terms of Reference

- (a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (b) Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- (c) Reviewing with management the annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices.
- (d) Major accounting entries based on exercise of judgment by the management.
- (e) Significant adjustments arising out of audit.
- (f) The going concern assumption.
- (g) Compliance with the accounting standards.
- (h) To hold periodic discussions with the Statutory Auditors of the Company concerning the accounts of the Company, internal control systems and observations of the Auditors.
- (i) To review the un-audited financial statements before submission to the Board.
- (j) To have full access to information contained in the records of the Company.
- (k) The recommendations of the Audit committee on any matter relating to financial management including the audit report shall be binding on the Board.
- (l) To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit report.
- (m) Reviewing with the management, external and the adequacy of internal control systems.
- (n) Discussion with external auditors before the audit commences, nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- (o) Reviewing the Company's financial and risk management policies.

- (p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee under the nomenclature of Investor Grievance Committee oversees redresses of shareholder and investor grievances, and approves sub – division / transmission of shares, issue of duplicate share certificate, etc.

Composition

The Stakeholders Relationship Committee consists of the following members:

During the financial year, the Committee was duly reconstituted, in pursuance to the resignation of Mr. Medabalimi Bhanu Prasad, with the following

Gottipati Babuji	Chairman
Gottipati Ramesh Babu	Member
Kandimalla Ravi Varma	Member

The above composition of the Stakeholders Relationship Committee consists of Three independent Directors

Attendance

Details of the meetings held during the year.

<i>Sl.No.</i>	<i>Date</i>	<i>Committee Strength</i>	<i>No. of Members Present</i>
01	14/09/2020	4	4
02	14/11/2020	4	4
03	13/02/2021	3	3

Shareholder Complaints

During the year under review, the Company has not received any complaints.

Nature of Complaints

NA

Nomination and Remuneration Committee

The Committee oversees the review the remuneration to the Executive Directors.

Composition

During the financial year, the Committee was duly reconstituted, in pursuance to the resignation of Mr. Medabalimi Bhanu Prasad, with the following

Gottipati Babuji	Chairman
Kandimalla Ravi Varma	Member
Gottipati Ramesh Babu	Member

Attendance

Details of the meetings held during the year.

<i>Sl.No.</i>	<i>Date</i>	<i>Committee Strength</i>	<i>No. of Members Present</i>
01	14/11/2020	4	4
02	13/02/2021	3	3

CSR Committee

The Committee oversees the policy of CSR.

Composition

During the financial year, the Committee was duly reconstituted, in pursuance to the resignation of Mr. Medabalimi Bhanu Prasad, with the following

Gottipati Ramesh Babu	Chairman
Kandimalla Ravi Varma	Member
Vallabhaneni Suraj Kumar	Member

Attendance

Details of the meetings held during the year.

<i>Sl.No.</i>	<i>Date</i>	<i>Committee Strength</i>	<i>No. of Members Present</i>
01	14/09/2020	4	4
02	14/11/2020	4	4
03	13/02/2021	3	3

1. The Company does not have any stock option scheme.
2. As such the Company currently does not pay any remuneration including sitting fees to its Non – Executive Directors.
3. Details of the remuneration to Directors:

Name	Salary	Perquisites	Total
V.Venkataramaiah	9,00,000	--	9,00,000
V.Balaji	9,00,000	--	9,00,000
V.Suraj Kumar	9,00,000	--	9,00,000
K.Ravi Varma	--	--	--
M.Bhanu Prasad	--	--	--
V. Sangeetha	--	--	--
G. Babuji	--	--	--
G. Ramesh Babu	--	--	--
TOTAL	27,00,000	--	27,00,000

Disclosures

Company does not have any materially significant related party transactions, which may have potential conflict with the interests of the Company. Other related party transactions have been reported at **Sl.No..25 of Notes on Accounts.**

Whistle Blower Mechanism

The Company promotes ethical behavior in all its business activities and has put in place mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules regulations or unethical conduct to their immediate supervisor/notified person. No employee of the Company has been denied access to the Audit Committee. The directors and senior Management are obligated to maintain confidentiality of such reporting's and ensure that the whistle blowers are not subjected to any discriminatory practices.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

Your Company has complied with all the mandatory requirements of the Code of Corporate Governance enunciated in provisions of SEBI (LODR) Regulations, 2015. The details of these compliances have been given in relevant sections of this report. The status of compliance with the non – mandatory requirements is given at the end of this report.

Core Skill/Expertise/Competencies

As stipulated under Schedule V of the SEBI Listing Regulations, core skills / expertise / competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

Chart/Matrix of such core skills/expertise/competencies is given in the Table below:

List of Core Skills/Expertise/Competencies identified by the Board of Directors:

S.No.	Name of the Director	Core Skills/Expertise/Competencies
1.	Sri.V.Venkatramaiah	Experience in Rice Milling, Pisciculture
2.	Sri.V.Balaji	Experience in Rice Milling& Solvent extraction
3.	Sri.V.Suraj Kumar	Entire Production & financial aspects of the whole Company
4.	Smt.V.Sangeetha	Experience in Solvent extraction and rice milling
5	Sri. K.Ravi Varma	Experience in Solvent& Refinery plants
6	Sri.G.Bapuji	Audit and Risk Management
7	Sri. G.Ramesh Babu	Sales and Marketing

Non-Disqualification of Directors

Sri. Mahesh Grandhi, Company Secretary in practice has certified that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Fees Paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Type of Service	Financial Year ended 31/03/2021
Audit Fees	1,00,000
Tax Fees	50,000
Others	50,000
TOTAL	2,00,000

Disclosure on Accounting Treatment

In the preparation of financial statements for the financial year 2020-21 there is no treatment of any transaction different from that prescribed in Accounting Standards.

Management discussion and analysis

This annual report has a detailed chapter on management discussion and analysis.

General Body Meetings

Annual General Meeting

The Annual General Meetings of the shareholders of the Company for the last three years were held as under:

Year	Venue	Date	Time
2017-2018	Registered Office of the Company	29-09-2018	11:00AM
2018-2019	Registered office of the Company	30-09-2019	11:00 AM
2019-2020	Registered Office of the Company	16-12-2020	11:00 AM

No special resolutions were put through postal ballot last year. Presently, the Company does not have any proposal for postal ballot.

Extra Ordinary General Meeting

No Extra Ordinary General Meeting of the shareholders of the Company was held during the year.

Cases of Non-Compliance

There has been no instance of Non-compliance by the Company on any matter related to capital markets during the last three years except the intimation of specified information under Regulations 34 and 23(9) with a delay and the same was condoned by the Stock Exchange. Hence, the question of penalties or strictures being imposed by SEBI or the stock exchange does not arise.

Means of Communication

- Quarterly, half yearly and annual financial results of the Company were duly communicated to the stocks exchanges in which the Company is listed. However, the same were duly considered and approved by the Board and were published in prominent English and Telugu News papers.
- As the equity shares of the Company are listed with Stock Exchanges, the annual results have been published as per listing agreements in prominent English and Telugu News papers.
- Management Discussion and Analysis forms part of this Annual Report.

CEO/ CFO Certification

In line with the requirements of Regulation 17 of the Listing Regulations, Sri Donepudi Mallikarjuna Rao, CFO has submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2021 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

General Shareholder Information

A. Annual General Meeting

Date and Time : 30th September, 2021 at 11.00 A.M.
Venue : D.No.74-2-19, Old Check Post Center,
Krishna Nagar, Vijayawada.

B. Financial Year 2020-2021

First Quarter Results : July/August 2021
Second Quarter Results : October/November 2021
Third Quarter Results : January/February 2022
Annual Results : May/June 2022

C. Dates of Book Closure : 24thSeptember to 30th September 2021 (both days inclusive).

D. Dividend Payment Date : N.A.

E. Listing on Stock Exchanges : **The Company's shares are listed on Metropolitan Stock Exchange of India Limited, Mumbai.**

F. Stock Code : Not Available

G. Stock Price Data : The Company's stock is not quoted during the year.

H. Stock Performance : The Company's stock is not quoted during the year.

I. Registrars and Share Transfer Agents:

The Company's equity shares being in compulsory demat list are transferable through the depository system for which the Company has established connectivity through XL Softech Systems Limited, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad and they are the Registrars and Share Transfer Agents (Both Physical and Depository).

J. Share Transfer System

The Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. With a view to expedite the process of share transfers, the Board has appropriately delegated the powers of approval of share transfers. The work of Registrars and Share Transfer Agents is being monitored and reviewed. The dematerializations of shares are directly transferred to the beneficiaries by the Depositories.

K. Reconciliation of Share Capital Audit:

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

L. Share Holding Pattern

Range	No. of Shareholders	% of Total Shareholders	No. of shares held	% of shareholding
1-5000	195	35.52	73,300	0.69
5,001-10,000	162	29.51	1,44,600	1.37
10,001-20,000	74	13.48	1,17,600	1.11
20,001-30,000	16	2.91	41,100	0.39
30,001-40,000	24	4.37	83,100	0.79
40,001-50,000	12	2.19	58,600	0.55
50,001-1,00,000	25	4.55	1,72,995	1.64
1,00,001- and above	41	7.47	98,85,800	93.46
TOTAL	549	100.00	1,05,77,095	100.00

M. Dematerialization of Shares and Liquidity

The Equity shares of the Company which are in compulsory demat list with effect from 26 June 2000 are available for trading under NSDL. The ISIN allotted to the Company's equity shares is INE049E01011. All requests for dematerialization of shares are processed within the time frame of 7 days. However, the trading facility is not available with the Metropolitan Stock Exchange of India Limited, Mumbai.

N. Plant Location

Balaji Agro Oils Limited
Davuluru Village,
Kankipadu Mandal,
Krishna District, Andhra Pradesh.

O. Address for Correspondence

- For both physical and electronic form and any unresolved complaints

XL Softech Systems Limited
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad.

- Further unresolved complaints

Sridevi Chintada
Company Secretary and Compliance Officer
Balaji Agro Oils Limited
D.No.74-2-19, Old Check Post Centre,
Krishna Nagar, Vijayawada – 520 007.

Depository Services:

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd Trade World, 4 th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Tel : 091-022-24972964-70 Fax : 091-022-24972993 / 24976351 Email :info@nsdl.co.in	Central Depository Services (India) Ltd PhirozeJeejeebhoy Towers, 17 th Floor, Dalal Street, Mumbai – 400 023 Tel : 091-022-22723333/22723224 Fax: 091-022-22723199 Email : investors@cdslindia.com
--	--

Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company and to strictly monitor and prevent insider trading within the Company, your Company has in place a Code of Conduct which is approved by the Board.

On December 31, 2018, Securities and Exchange Board of India amended the Prohibition of Insider Trading Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. They were further amended on 17th July, 2020 vide SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2020. In line with the amendments, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information.

Annexure – 2

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.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Sreehitha Refineries Limited
b)	Nature of contracts/arrangements/transaction	Purchase and Sale of Rice Bran Oil
c)	Duration of the contracts /arrangements / transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	In the Normal Business Practices
e)	Date of approval by the Board	31.07.2020
f)	Amount paid as advances, if any	NIL
g)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Balaji Agro Oils Limited

Report on the Audit of the Financial Statements

I have audited the financial statements of **Balaji Agro Oils Limited** ("the Company"), which comprise the balance Sheet as at 31st March 2021, the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations to us, the aforesaid financial statements give the information required by Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statement* section of my report. I am independent of the Company in accordance with the *Code of Ethics* issued by Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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 Board's Report including Annexures to Board Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and my auditor's report thereon.

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

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

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

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 SA's I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, I report that:

- (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021 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 my separate Report in "Annexure A".
- (g) 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, in my opinion and to the best of my information and according to the explanations given to us:
 - i) The Company does not have any pending litigations, which would impact its financial position.

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

2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, I give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Vijayawada
Date : 30th June, 2021

Sd/-
Polavarapu Janardhan
Chartered Accountant
ICAI M.No: 26498
UDIN: 21026498AAAAK9844

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

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

I have audited the internal financial controls over financial reporting of **Balaji Agro Oils Limited** ('the Company') as of March 31, 2021 in conjunction with my audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). 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 Act.

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with the 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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 my opinion, to the best of my information and according to the explanations given to me, 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 March 31, 2021, 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.

Place: Vijayawada
Date: 30th June, 2021

Sd/-
Polavarapu Janardhan

Chartered Accountant
ICAI M.No: 26498
UDIN: 21026498AAAAAK9844

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Balaji Agro Oils Limited ('the Company')

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in my opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to me, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to me and the records examined by me and based on the examination of the conveyance deed provided to me, I report that, the title deeds, comprising all the immovable properties of lands which are freehold, are held in the name of the Company as at the balance sheet date.
2. The inventories of the company have been physically verified by the Management during the year at reasonable intervals. The Company has maintained proper records of inventories and the discrepancies noticed on physical verification of stocks as compared to book records, which in my opinion were not material, have been properly dealt with in the books of account.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act.
4. The provisions of paragraph 3(iv) of the Order are not applicable to the company as the Company has not granted any loans as specified in Section 185 of the Act or has not made any investments as specified in Section 186 of the Act.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. I have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the Rules made by the Central Government of India, the

maintenance of cost records has been prescribed under Sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained and are being made up. I have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. According to the information and explanations given to me, in respect of statutory dues:

- The Company has generally been regular in depositing undisputed statutory dues, including Income Tax, Goods & Service Tax and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Income Tax and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- According to the records of the Company and as per the information and explanations given to us, there are no income tax and other material statutory dues which has not been deposited on account of dispute as on 31.03.2021, except value added tax and central sales tax the details of which are as given below:

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amount (Rs)</i>	<i>Period to which the amount relates</i>	<i>Forum where dispute is pending</i>
CST	Non consideration of F Form & C Form	3,97,957	2003-2004	Appellate Tribunal
VAT	DOB Stock transfer to Fish division-input restrict	5,86,960	2005-2006	Appellate Tribunal
CST	Non consideration of 'F' Forms submitted	3,65,022	2007-2008	Appellate Tribunal
VAT	Input Tax Disallowed	121,095	01-01-2009 to 31-03-2011	Appellate Tribunal
VAT	Input Tax Disallowed	1,04,415	01-04-2011 to 31-10-2013	Appellate Tribunal

- In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of loans or borrowings to banks or financial institutions. The Company does not have any loans or borrowings from government and has not issued any debentures.
- During the year, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). In my opinion and according to the

information and explanations given to us, the funds raised by the company through term loans were utilized for the purpose for which they were raised.

- To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- In my opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- In my opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all 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.
- During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- In my opinion and according to the information and explanations given to me, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
- The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934 and hence the clause is not applicable to the company.

Place: Vijayawada
Date: 30th June, 2021

Sd/-
Polavarapu Janardhan
Chartered Accountant
ICAI M.No: 26498
UDIN: 21026498AAAAAK9844

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Balance Sheet as at 31 March 2021

(Amount in Rs.)

	Notes	31 March 2021	31 March 2020
Equity and liabilities			
Shareholders' funds			
Share capital	2	105,770,950	105,770,950
Reserves and surplus	3	127,205,078	116,836,862
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings	4	142,193,179	6,834,107
Deferred Tax Liabilities (Net)	5	4,277,804	2,999,741
Long-term provisions		-	-
Current liabilities			
Short-term borrowings	6	147,565,468	104,219,987
Trade Payables	7	2,950,901	1,795,916
Other current liabilities	8	19,874,024	10,078,792
Short-term provisions	9	2,343,879	1,072,077
Total		552,181,283	349,608,432
Assets			
Non-current assets			
Property, Plant & Equipment	10	125,585,005	52,553,749
Non-current investments	11	535,500	535,500
Long-term loans and advances	12	1,113,190	487,581
Deferred tax assets (net)		-	-
Other non-current assets		-	-
Current assets			
Current Investments		-	-
Inventories	13	94,002,895	86,910,561
Trade Receivables	14	237,092,525	179,613,457
Cash and cash equivalents	15	72,558,948	7,431,386
Short-term Loans & Advances	16	2,086,794	2,928,034
Other Current Assets	17	19,206,426	19,148,164
Total		552,181,283	349,608,432

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

25

As per my report of even date

FOR AND ON BEHALF OF THE BOARD

Sd/- Polavarapu Janardhan Chartered Accountant M.No:026498	Sd/- (V.VENKATRAMAIAH) Director DIN:00227148	Sd/- (V.SURAJ KUMAR) Managing Director DIN:00227360	Sd/- (SRIDEVI CHINTADA) Company Secretary ACS34261	Sd/- (D. MALLIKARJUNARA) C.F.O
Place: Vijayawada Date: 30th June, 2021	Sd/- (V.BALAJI) Wholtime Director DIN:00227309	Sd/- (V.SURAJ KUMAR) Managing Director DIN:00227360	Sd/- (SRIDEVI CHINTADA) Company Secretary ACS34261	Sd/- (D. MALLIKARJUNARA) C.F.O

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Statement of Profit and Loss for the year ended 31 March 2021

(Amount in Rs.)

	Notes	31 March 2021	31 March 2020
Income			
I. Revenue from operations	18	880,348,966	875,680,771
II. Other income	19	2,746,483	1,556,395
III. Total revenue (I + II)		883,095,449	877,237,166
IV. Expenses			
Cost of materials consumed	20	747,426,561	745,944,818
Changes in inventories of finished goods, WIP and Stock-in-trade	21	(17,801,821)	24,465,129
Employee benefit expense	22	35,606,223	26,163,613
Finance costs	23	12,541,948	10,207,230
Depreciation and amortization expense	10	5,445,163	4,590,718
Other expenses	24	85,835,439	58,993,371
Total expenses		869,053,513	870,364,879
V. Profit before exceptional and extraordinary items and tax (III-IV)		14,041,936	6,872,287
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		14,041,936	6,872,287
VIII. Extraordinary Items		-	-
XI Profit before tax		14,041,936	6,872,287
X Tax expense			
-Current tax		2,343,879	1,072,077
-Deferred tax liability/(Asset)		1,278,063	443,107
-Earlier year tax		17,941	-
-MAT Credit Entitlement		33,837	646,263
Net Profit for the Year		10,368,216	4,710,840
XI Earnings per equity share [EPES]			
Weighted Average Number of Equity Shares		10,577,095	10,577,095
Basic EPS		0.98	0.45
Diluted EPS		0.98	0.45
Nominal value per equity share		10	10

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

25

As per my report of even date

FOR AND ON BEHALF OF THE BOARD

Sd/- Polavarapu Janardhan Chartered Accountant M.No:026498	Sd/- (V.VENKATRAMAIAH) Director DIN:00227148	Sd/- (V.SURAJ KUMAR) Managing Director DIN:00227360	Sd/- (SRIDEVI CHINTADA) Company Secretary ACS 34261	Sd/- (D. MALLIKARJUNARAO) C.F.O
Place: Vijayawada Date: 30th June, 2021	Sd/- (V.BALAJI) Wholtime Director DIN:00227309	Sd/- (V.SURAJ KUMAR) Managing Director DIN:00227360	Sd/- (SRIDEVI CHINTADA) Company Secretary ACS 34261	Sd/- (D. MALLIKARJUNARAO) C.F.O

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2021

	Year ended 31st March,2021 Rs.	Year ended 31st March,2020 Rs.	
A) Cash flow arising from Operating Activities			
Net Profit before tax as per Profit and Loss Account	14,041,936		6,872,287
Add/(Less):			
Profit on sale of assets	(38,000)	-	
Interest Income	(145,069)	(11,523)	
Loss on sale of Investment in Joint Venture	-	-	
Provision for doubtful debts	-	-	
Depreciation	5,445,164	4,590,718	
Interest and finance Charges (Net)	11,927,754	10,167,185	
	17,189,849		14,746,380
Operating Cash Profit Before Working Capital changes			21,618,667
Changes in working capital			
(Increase)/Decrease in Inventories	(7,092,334)	23,331,687	
(Increase)/Decrease in Trade Receivables	(57,479,068)	(20,325,472)	
(Increase)/Decrease in Other current assets	(58,262)	(154,118)	
(Increase)/Decrease in Loans and Advances	841,240	5,755,231	
(Increase)/Decrease in Trade and other payables	10,950,217	2,748,496	
	(52,838,207)		11,355,824
Less: Direct Taxes paid (Net of Refund)	(1,123,855)		(1,602,954)
Net Cash inflow in the course of operating activities (A)	(22,730,277)		31,371,537
B. Cash flow arising from Investing Activities			
Inflow			
Sale of Fixed Assets	40,000		
Interest income	145,069	11,523	
	185,069		11,523
Outflow			
Increase in Long term Loans & Advances	(625,609)	-	
Sale of Investment in Joint Venture	-	-	
Purchase of fixed assets	(78,478,420)	(269,073)	
	(79,104,029)		(269,073)
Net Cash outflow in the course of investing activities (B)	(78,918,960)		(257,550)
C. Cash flow from Financing Activities			
Inflow			
Receipt of allotment money	-	-	
Long Term Borrowings	-	-	
Increase in Working Capital Loan from a Bank	43,345,481	(12,764,893)	
	43,345,481		(12,764,893)
Outflow			
Repayment of Term Loan	135,359,072	(4,769,030)	
Interest paid	(11,927,754)	(10,167,185)	
	123,431,318		(14,936,215)
Net cash outflow in the course of Financing activities (C)	166,776,799		(27,701,108)
Net Increase/(Decrease) in Cash/Cash equivalents (A+B+C)	65,127,562		3,412,879
Add: Balance at the beginning of the year	7,431,386		4,018,507
Cash/Cash equivalent at the end of the year	72,558,948		7,431,386

As per my report of even date

FOR AND ON BEHALF OF THE BOARD

Sd/-
Polavarapu Janardhan
Chartered Accountant
M.No:026498

Sd/-
(V.VENKATRAMAIAH)
Director
DIN:00227148

Place: Vijayawada
Date: 30th June, 2021

Sd/-
(V.BALAJI)
Wholtime Director
DIN:00227309

Sd/-
(V.SURAJ KUMAR)SRIDEVI CHINTADA
Managing Director
DIN:00227360

Sd/-
(D. MALLIKARJUNAR)
Company Secretary
ACS34261

Sd/-
(D. MALLIKARJUNAR)
C.F.O

Notes: 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation & Use of Estimates:

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The preparation of the financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

1.2 Income recognition:

- Revenue is recognized on completion of sale of goods.
- All other income is recognized on accrual basis.

1.3 Property, Plant & Equipment and Depreciation / Amortization:

Tangible Assets are stated at historical cost less accumulated depreciation. Historical cost is inclusive of freight, duties and installation expenses and expenditure during construction where applicable and net of Input GST availed against Tax or cess paid on such items. Depreciation is provided on straight line basis so as to write off the depreciable amount of the asset over the useful lives specified in Schedule II of the Act.

1.4 Investments:

Long-term investments comprising Mutual Funds of SBI and National Savings Certificates are valued at Cost.

1.5 Foreign Currency Transactions:

There were no foreign currency transactions during the year under review.

1.6 Valuation of Inventories:

Inventories are valued as follows:

Raw Material : Lower of the Cost and Net Realizable Value
Finished Goods : Net Realizable Value.

Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares is determined on FIFO basis. Cost of Finished Goods is determined on absorption costing

1.7 Employee Benefits:

The provisions of Provident Fund Act are applicable to the company and the company is generally regular in depositing the dues with the appropriate authorities.

The provisions of ESI Act are applicable to the company from 1st September 2016 and the company is generally regular in depositing the dues with the appropriate authorities.

Provisions of Payment of Bonus Act are applicable to the company and paying bonus @8.33%.

The provisions of Payment of Gratuity Act are applicable to the company. As per provisions of Accounting Standard – 15 'Accounting for Employee Benefits', the company has taken a policy with LIC of India to meet the liability for payment of gratuity and accordingly contributions were being made.

1.8 Taxation:

Current tax is provided on the taxable income for the year.
Deferred tax liabilities arising from timing differences have been fully provided.
Deferred tax assets are recognized on the consideration of prudence.

1.9 Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

1.10 Provisions:

Provisions are recognized when the Company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

BALAJI AGRO OILS LIMITED VIJAYAWADA

Notes to the financial statements

2 Share capital

	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Authorized				
Equity shares of Rs.10/- each	14,000,000	140,000,000	14,000,000	140,000,000
	14,000,000	140,000,000	14,000,000	140,000,000
Issued, subscribed and fully paid up				
Equity shares of Rs.10/- each	10,577,095	105,770,950	10,577,095	105,770,950
	10,577,095	105,770,950	10,577,095	105,770,950

Rights, preferences and restrictions attached to :

Equity Shares:- The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. In the Event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(a) Reconciliation of share capital

	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Balance at the beginning of the year	10,577,095	105,770,950	10,577,095	105,770,950
Add: Allotted during the year	-	-	-	-
Balance at the end of the year	10,577,095	105,770,950	10,577,095	105,770,950

(b) Shareholders holding more than 5% of paid up share capital

Name of the shareholder Equity shares of Rs.10/- each	31 March 2021		31 March 2020	
	Number	% holding	Number	% holding
Vallabhaneni Venkatramaiah	1,991,131	18.82%	2,655,231	25.10%
Vallabhaneni Balaji	1,115,400	10.55%	1,115,400	10.55%
Vallabhaneni Suraj Kumar	1,074,142	10.16%	1,074,142	10.16%
Vallabhaneni Sangeetha	984,900	9.31%	984,900	9.31%
Sreehitha Refineries Limited	1,650,000	15.60%	1,650,000	15.60%
	7,135,973	67.47%	7,800,073	73.74%

3 Reserves and surplus

Capital Reserve		
Opening Balance	3,117,025	3,117,025
Add: Additions/(Adjustments) during the year	-	-
Closing Balance	3,117,025	3,117,025
General Reserve	-	-
Surplus in the statement of profit or loss		
Opening Balance	113,719,837	109,008,997
Add: Profit for the Year	10,368,216	4,710,840
Less: Appropriations	-	-
Closing Balance	124,088,053	113,719,837
TOTAL	127,205,078	116,836,862

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

4 Long-term Borrowings	31st March 2021	31st March 2020
Secured:		
Car Loan with HDFC Ltd - 50652865	-	817,974
HDFC Term Loan	46,738,813	-
HDFC Covid Loan	14,881,106	-
Unsecured:		
Sales Tax Defferment	3,473,260	6,016,133
Unsecured loan from Directors and their relatives	77,100,000	-
	<u>142,193,179</u>	<u>6,834,107</u>

*** Nature of Security, terms of repayment for Long Term secured borrowings:**

Nature of Security

Terms of Repayment

Car Loan from HDFC Bank Ltd is secured by hypothecation of car purchased out of loan proceeds

Repayable in 48 Monthly instalments commencing from 07/10/2017 and last instalment due on 07/09/2021.

Vehicle (Loader) Loan from Muthoot Money Private Limited is secured by hypothecation of vehicle purchased out of loan proceeds

Repayable in 23 Monthly instalments commencing from 02/05/2019 and last instalment due on 02/03/2021.

Term loan from HDFC

Repayable in 84 Monthly instalments commencing from 07/03/2021 and last instalment due on 07/02/2028 with holiday period of 6 months for principal portion

Covid loan from HDFC

Repayable in 48 Monthly instalments commencing from 07/07/2020 and last instalment due on 07/06/2024 with holiday period of 12 months for principal portion

5 Deferred Taxes

Opening Balance	2,999,741	2,556,634
Add/(Less): Adjustments during the year	1,278,063	443,107
	<u>4,277,804</u>	<u>2,999,741</u>

6 Short-term Borrowings

Secured

Loans repayable on Demand from Bank*	147,565,468	104,219,987
	<u>147,565,468</u>	<u>104,219,987</u>

* Secured by hypothecation of Stocks of Rawmaterials, Finished Goods and Book Debts outstanding for a period not exceeding 180 days.

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

	31st March 2021	31st March 2020
7 Trade Payables		
Due to Micro, Small & Medium Enterprises:	-	-
Due to Others:		
Trade Creditors	2,576,641	1,559,671
Other Creditors	374,260	236,245
	<u>2,950,901</u>	<u>1,795,916</u>

Based on information available with the Company, as at 31st March 2021, there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

8 Other Current Liabilities

Current Maturities of Long-Term Debt

- HDFC Bank Ltd -50652865	715,645	1,241,925
- Muthoot Money Pvt Limited	-	1,197,508
- Sales Tax Defferment	3,182,847	2,329,588
- HDFC Term Loan	3,463,187	-
- HDFC Covid Loan	4,379,294	-

Statutory Liabilities

- TDS Payable	841,118	483,554
- GST Payable	89,577	47,852

Others

- Employee related payables	6,652,063	3,915,373
- Audit Fee	180,000	180,000
- Others	370,293	156,061
- Advance from Customers	-	526,931

	<u>19,874,024</u>	<u>10,078,792</u>
--	-------------------	-------------------

9 Short-term Provisions

Provision for Income Tax

	2,343,879	1,072,077
--	-----------	-----------

	<u>2,343,879</u>	<u>1,072,077</u>
--	------------------	------------------

Note: 10 : Property, Plant & Equipment

S.L. NO	NAME OF THE ASSET	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		As on 1st April 2020	Additions during the year	Deletions during the year	As on 31st March 2021	As on 1st April 2020	For the year	Deletions	Total as on 31st March 2021	As on 31st March 2021	As on 31st March 2020
1	LAND	2,903,284	4,411,700	-	7,314,984	-	-	-	-	7,314,984	2,903,284
2	FACTORY BUILDING	44,072,653	17,344,127	-	61,416,780	28,698,419	1,493,103	-	30,191,522	31,225,259	15,374,234
3	OFFICE BUILDING	1,833,755	-	-	1,833,755	739,491	61,164	-	800,655	1,033,100	1,094,264
4	PLANT & MACHINERY	253,772,248	45,192,926	-	298,965,174	233,207,525	1,840,894	-	235,048,419	63,916,755	20,564,723
5	LAB EQUIPMENT	307,602	-	-	307,602	285,016	1,188	-	286,204	21,399	22,586
6	ELECTRICAL FITTINGS	5,774,530	7,518,474	-	13,293,004	5,465,668	167,990	-	5,633,658	7,659,346	308,862
7	FURNITURE & FITTINGS	415,654	951,927	-	1,367,581	394,871	11,074	-	405,945	961,636	20,783
8	VEHICLES	32,088,684	2,694,301	40,000	34,742,985	20,065,436	1,796,475	38,000	21,823,911	12,919,074	12,023,248
9	COMPUTER	906,011	111,686	-	1,017,697	841,943	12,772	-	854,715	162,982	64,068
10	OFFICE EQUIPMENT	1,691,880	253,281	-	1,945,161	1,522,726	59,681	-	1,582,407	362,754	169,155
11	PUMPSET	78,216	-	-	78,216	69,674	823	-	70,497	7,719	8,542
	TOTAL	343,844,517	78,478,422	40,000	422,282,939	291,290,768	5,445,164	38,000	296,697,936	125,585,005	52,553,749
	Previous Year	343,575,444	269,073	-	343,844,517	286,700,051	4,590,718	-	291,290,768	52,553,749	56,875,393

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

	31st March 2021	31st March 2020
11 Non Current Investments		
Trade Investments		
SBI Mutual Fund	500,000	500,000
Other Investments		
National Savings Certificates	35,500	35,500
Less: Provision for diminution in value of investments	-	-
	535,500	535,500
12 Long-term Loans and advances		
Unsecured, considered good		
Loans and advances due by directors or other officers, etc.	-	-
Loans and advances to related parties	-	-
Others		
Security deposits-Telephone & Gas Deposit	513,190	487,581
Electricity Deposit	600,000	-
	1,113,190	487,581
13 Inventories		
Rawmaterials	32,859,844	45,625,709
Finished Goods	34,009,881	16,208,060
Stores & Spares	27,133,170	25,076,792
	94,002,895	86,910,561
14 Trade Receivables		
Unsecured and Considered Good		
Outstanding for a period exceeding Six Months	92,029,517	43,250,427
Others	145,063,008	136,363,030
	237,092,525	179,613,457

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

		31st March 2021	31st March 2020
15	Cash & Cash Equivalents		
	Balance with Banks		
	- In Current Accounts	60,888,537	4,972,294
	- In Deposit Accounts	8,069,988	282,683
	Cash in Hand	3,600,423	2,176,409
		72,558,948	7,431,386
16	Short-term Loans & Advances		
	Loans & Advances to Related Parties	-	-
	Others		
	Unsecured and Considered Good		
	Staff Advances	980,854	683,391
	Advances for Supplies	1,105,940	2,244,643
		2,086,794	2,928,034
17	Other Current Assets		
	Prepaid Insurance & Expenses	2,018,559	7,342,717
	Advance Tax	2,500,000	1,500,000
	TDS	123,531	59,769
	IT Refund Due	2,337,785	-
	GST Input	2,032,651	-
	MAT Credit Entitlement	10,193,900	10,245,678
		19,206,426	19,148,164
18	Revenue From Operations	31st March 2021	31st March 2020
	<u>Sale of Products</u>		
	Rice Bran Oil	349,440,223	304,283,605
	Deoiled Bran	305,926,431	372,261,024
	Power	131,491,493	113,638,272
	Gunnies & Ash&Scrap	600,506	546,409
	Iron Ingots	87,365,193	84,951,461
	Raw Brokens	5,525,120	-
		880,348,966	875,680,771

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

		31st March 2021	31st March 2020
19	Other Income		
	Interest on Electricity Deposit and Fixed Deposit with Banks	145,069	11,523
	Insurance Claim from Machinery break down policy	299,262	179,085
	Freight & Hire Charges - Rice Mill Division	1,726,690	-
	Profit on sale of Vehicle	38,000	-
	Other Income	537,350	469,085
	Creditors written off	112	896,702
		2,746,483	1,556,395
20	Cost of Material Consumed		
	<u>Solvent Extraction Unit</u>		
	A. Opening Stock		
	Rawmaterials		
	Bran	24,784,329	20,786,644
		24,784,329	20,786,644
	B. Purchases		
	Rawmaterials		
	Bran	564,647,817	571,055,779
	Inward Freights	34,549	-
	Comission	2,083,687	2,146,759
		566,766,053	573,202,538
	C. Closing stock		
	Rawmaterials		
	Bran	16,587,579	24,784,329
	TOTAL = A+B-C	574,962,803	569,204,853

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

	31st March 2021	31st March 2020
Power Generation Unit		
A. Opening Stock		
Raw materials		
Hush	11,954,053	14,515,995
Coal	501,867	3,268,921
	12,455,920	17,784,916
B. Purchases		
Raw Materials		
Husk	54,203,263	55,289,093
Coal	14,686,665	17,284,838
Corn Hay	13,047,561	10,267,515
Chilli Hay	18,681	1,694,259
Coconut Hay	473,709	3,322,859
Palm Hay	67,913	677,294
Pulses Hay	-	140,554
Jamoiil Wast	184,888	578,844
Block Gram Hay	63,520	-
	82,746,200	89,255,256
Inward Freight	14,901,893	14,980,074
	97,648,093	104,235,330
C. Closing Stock		
Raw Materials		
Husk	2,168,483	11,954,053
Coal	3,940,340	501,867
	6,108,823	12,455,920
TOTAL(A+B-C)	103,995,190	109,564,326
Steel Ingots Unit		
A. Opening Stock		
Raw materials		
Scrap Iron	4,157,579	5,574,021
Pig Iron	4,227,881	1,620,556
Sponge Iron	-	3,457,912
	8,385,460	10,652,489
B. Purchases		
Raw Materials		
Scrap Iron	34,985,580	35,667,645
Sponge Iron	22,724,886	26,554,960
Pig Iron	-	1,109,259
	57,710,466	63,331,864
Inward Freight	1,326,084	1,576,746
	59,036,550	64,908,610
C. Closing Stock		
Scrap Iron	8,824,021	4,157,579
Pig Iron	1,339,421	4,227,881
Sponge Iron	-	-
	10,163,442	8,385,460
TOTAL(A+B-C)	57,258,568	67,175,639

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

	31st March 2021	31st March 2020
Rice Division		
A. Opening Stock		
Raw materials	-	-
B. Purchases		
Raw materials	-	-
Paddy & Gunnies	12,186,325	-
C. Closing Stock of Raw Material		
Gunnies	976,325	-
	-	-
TOTAL(A+B-C)	11,210,000	-
Solven Extraction Unit	574,962,803	569,204,853
Power Generation Unit	103,995,190	109,564,326
Steel Ingots Unit	57,258,568	67,175,639
Rice Division Unit	11,210,000	-
	747,426,561	745,944,818
21 Changes in Inventories of Finished Goods, WIP & Stock-in-trade		
Opening Stock of Finished Goods	16,208,060	40,673,189
Less: Closing Stock of Finished Goods	34,009,881	16,208,060
	(17,801,821)	24,465,129
22 Employee Benefit Expense		
Salaries, Wages, Bonus & Gratuity	30,158,533	20,687,534
Remuneration to Directors	2,700,000	3,281,318
Staff welfare & Compensation expenses	702,291	25,751
Contribution to EPF&ESI	2,045,399	2,169,010
	35,606,223	26,163,613

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

23 Finance costs	31st March 2021	31st March 2020
Interest on Working Capital	4,334,502	9,782,267
Interest on Term Loan	677,411	-
Interest on Vehicle Loan	178,703	384,918
Interest on Covid Loan	1,116,700	-
Interest on Unsecured Loans	5,620,438	-
Bank charges	614,194	40,045
	<u>12,541,948</u>	<u>10,207,230</u>
24 Other expenses		
Plant Maintenance	29,946,920	12,303,815
Stores & Spares Consumed	22,118,800	24,682,959
Generator Maintenance	679,862	673,016
Power Charges	2,154,574	1,762,276
Vehicle Maintenance	2,923,550	2,211,719
Repair and Service	2,829,512	1,840,764
Muta Wages & Maintenance	4,178,424	1,727,327
Printing and Stationery	163,890	73,459
Postage and Telephone charges	249,439	245,794
Travelling and conveyance	62,897	1,489,231
GST Penalty	-	123,822
Office Maintenance	726,072	626,607
Computer Maintenance	91,900	112,647
Insurance	2,230,269	2,402,327
Interest on GST	115,328	-
VAT	24,110	-
Professional charges	-	769,800
Miscellaneous expenses	70,484	450,563
Repairs and maintenance-Service Charges	134,140	87,854
Taxes and Licenses fee paid	933,766	525,541
Comission on Sales	906,728	970,254
Vehicle Maintenance	287,216	1,302,022
Sales promotion expenses	52,682	5,050
Outward Freight Charges	11,131,700	3,604,961
Auditors Remuneration	200,000	200,000
Advertisemet Expenses	189,100	98,915
Security Maintenance	590,095	592,363
Bad Debts written off	744,868	90,285
Donations	200,000	20,000
Road Repair Charges	1,891,970	-
Legal Expenses	7,143	-
	<u>85,835,439</u>	<u>58,993,371</u>

Notes: 25: Notes forming part of Financial Statements:

1. Details of Secured Loans and Security

a) Secured Loans

Cash Credit from HDFC Bank to the extent of Rs.1630.00 Lacs is secured by hypothecation of Stocks of Raw materials, Stores & Spares, Finished Goods, Book Debts both present and future.

Covid loan from HDFC Bank to the extent of Rs.1,92,60,400 is secured by hypothecation of Stocks of Raw materials, Stores & Spares, Finished Goods, Book Debts both present and future and fixed assets of the company.

Term Loan from HDFC Bank to the extent of Rs.5,02,02,000 is secured by Plant & Machinery acquired out of loan proceeds.

Car Loans from HDFC Bank Limited are secured by hypothecation of Cars purchased out of loan proceeds.

Term Loan from Muthoot Money Pvt Ltd is secured by hypothecation of Loader purchased out of loan proceeds.

2. The presentation of the Balance Sheet, Profit and Loss Statement and Notes to the Accounts is in terms of the Schedule III to the Companies Act, 2013. The assets and liabilities have been classified as current and non-current based on a twelve month operating cycle. Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's presentation.

3. Borrowing Costs as per Accounting Standard – 16:

Borrowing costs include interest on CC Limit and term loans with banks/financial institutions and other borrowing costs are charged to profit & loss account on accrual basis.

4. Segment Reporting:

The board of directors of the company is of the opinion that there are three separate reportable segments as per Accounting Standard – 17 and the details are given hereunder.

<i>Particulars</i>	<i>31.03.2021 (Rs.in Lakhs)</i>	<i>31.03.2020 (Rs.in Lakhs)</i>
a) Segment Revenue (Net Sales/Income from each Segment)		
i) Solvent Extraction Division	6554.76	6766.49
ii) Power Division	1549.69	1385.08
iii) Steel Division	873.65	849.52
iv) Rice Division	140.18	-
TOTAL:	9118.28	9001.09
Less: Inter Segment Revenue	314.79	244.28
Net Sales/Income from Operations	8803.49	8756.81
b) Segment Results (Profit(+)/Loss(-) before tax from each segment)		
i) Solvent Extraction Division	150.48	126.14
ii) Power Division	81.59	40.14
iii) Steel Division	(42.30)	(97.56)
iv) Rice Division	(49.35)	-
TOTAL:	140.42	68.72
Less: Other Unallocable Expenditure net off/Unallocable Income	--	--
Profit Before Tax	140.42	68.72
c) Capital Employed		
Segment Assets:		
i) Solvent Extraction Division	3236.48	1990.31
ii) Power Division	2018.40	1613.15
iii) Steel Division	470.03	452.35
iv) Rice Division	828.37	-
TOTAL:	6553.28	4055.81
Less: Inter Segment Assets	1031.47	559.72
Net Segmental Assets	5521.81	3496.09
Segment Liabilities:		
i) Solvent Extraction Division	2206.78	1094.09
ii) Power Division	553.19	222.57
iii) Steel Division	543.05	483.07
iv) Rice Division	877.73	-
TOTAL:	4180.75	1799.73
Less: Inter Segment Liabilities	1031.47	559.72
Net Segmental Liabilities	3149.28	1240.01
Capital Employed (Segmental Assets – Segmental Liabilities)		
i) Solvent Extraction Division	1029.70	896.22
ii) Power Division	1465.21	1390.58
iii) Steel Division	(73.02)	(30.72)
iv) Rice Division	(49.36)	-
TOTAL:	2372.53	2256.08

5. Related Parties Disclosures:

Related party disclosures, as stipulated by Accounting Standard – 18 – ‘Related Party Disclosures’, are given below:

a) Related Parties and their relationships

- (1) Associates:
Sreehitha Refineries Limited
Srinivasa Raw & Par Boiled Rice Mill

- (2) Key Managerial Personnel, Directors and their Relatives
V.Venkat Ramaiah
V.Suraj Kumar
V.Balaji
G.Bapuji
G.Ramesh Babu
K.Ravi Varma
V.Sangeetha
D.Mallikarjuna Rao (CFO)
Sridevi Chintada (CS)

b) Related Party Transactions for the Year Ended 31st March, 2021

The nature and volume of transactions of the Company during the year, with the above related parties are as follows.

Nature of Transactions	Transactions During the Year (Rs)	Closing Balance (Rs)
Remuneration to Key Managerial Personnel, Directors	33,28,500	53,500
Purchase of Rice Bran from Srinivasa Raw & Par Boiled Rice Mill	6,39,97,864	Nil
Purchase of Husk from Srinivasa Raw & Par Boiled Rice Mill	27,87,375	Nil
Sale of R.B oil to Sreehitha Refineries Limited	16,69,75,739	Nil
Interest on Unsecured loans from KMP, Directors and their relatives	56,20,438	51,00,000
Unsecured loans from KMP, Directors and their relatives	7,20,00,000	7,20,00,000

6. There are no amounts due to Small Scale Industries in terms of "The Micro, Small and Medium Enterprises Development Act, 2006". Based on information available with the Company, as at 31st March 2021, there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

7. Balance of Sundry Creditors and other loans and advances have been taken at values as stated in the books of account and have not been confirmed by parties.

8. Current Assets and Loans and Advances are the values stated as if realised in the ordinary course of business.

9. Managerial Remuneration:

Particulars	2020-21 (Rs)	2019-20 (Rs)
V.Venkataramaiah	9,00,000	9,02,474
V.Balaji	9,00,000	10,33,320
V.Suraj Kumar	9,00,000	13,45,524

10. Auditors Remuneration includes the following:

Statutory Audit Fee	Rs.1,00,000/-
Tax Audit Fee	Rs. 50,000/-
Other Services	Rs. 50,000/-

11. Contingent Liabilities not provided for:

Particulars	As at 31-Mar-2021	As at 31-Mar-2020
Sales Tax liability against which company has preferred appeals	15,75,449/-	15,75,449/-

12. The company does not have operating leased assets and hence no information has been provided as required by the Accounting Standard - 19 'Accounting for Leases'.

13. Earnings Per Share as per Accounting Standard-20

Particulars	2020-21 (Rs)	2019-20 (Rs)
Profit attributable to Equity Shareholders (A)	1,03,68,216/-	47,10,840/-
Basic/weighted average number of equity shares outstanding during the year (Nos) (B)	1,05,77,095	1,05,77,095
Nominal Value of Equity Share(Rs)	10/-	10/-
Earnings Per Share (Basic & Diluted) (Rs.10/- paid up)	0.98	0.45

14. Accounting for taxes on income as per Accounting Standard-22

The deferred tax liability for the year 2020-21 due to timing differences between financial statements and taxation statements as per the applicable rate of taxation, estimated as Rs.12,78,063/- and the same has been debited to Profit & Loss Account as per the procedure prescribed in Accounting Standard – 22 "Accounting for Taxes on Income" issued by the ICAI.

The movement of provision for Deferred Taxes for the year ended 31-03-2021 is as given below:

Particulars	(Liability) /Asset as at 1-4-2020	(Charges) /Credit for the year	(Liability) /Asset as at 31-3-2021
Timing differences on Account of			
Depreciation on Assets	(29,99,741)	(12,78,063)	(42,77,804)
Total	(29,99,741)	(12,78,063)	(42,77,804)

15. Accounting for Effects of Changes in Foreign Exchange Rates:

There were no foreign currency transactions during the year under review.

16. Details of Capacities and Production :

- A) Licensed Capacity : Not Applicable.
- B) Installed Capacity : 200 M.T's per day.(SOLVENT EXTRACION)
4.5 M.W (POWER DIVISION)
12.00 M.T's per hour (RICE DIVISION)
(As certified by the management but not verified by Auditors being a technical matter.)
- C) Actual : 30869.290 M.T's (SOLVENT EXTRACTION)
2,58,49,900 UNITS (POWER)
2257.51 M.T's (STEEL)

Details of Turnover, Raw Material Consumption, Opening and Closing Stocks:

Particulars	2020-21		2019-20	
	Qty in MTs	Value (Rs.in lakhs)	Qty in MTs	Value (Rs.in lakhs)
TURNOVER				
Rice Bran Oil	5071.01	3059.26	5531.24	3042.84
De-Oiled Rice Bran (Including gunnies Quantity & Value)	24909.76	3494.41	22479.37	3722.61
Power (Units)	19597000	1314.91	17779200	1136.38
Captive Consumption(Units)	3420700	229.87	3821600	244.27
Utilized in Auxiliaries	2832200	0.00	2544300	0.00
Iron Ingots	2506.12	873.65	2960.96	849.51
Raw Brokens	361.70	55.25	0.00	0.00
Internal Transfer (Captive consumption)				
Rice Bran	447.657	75.93	0.00	0.00
Husk	87.762	8.99	0.00	0.00
Others – Gummies, Ash, Scrap		6.01		5.46
Raw Material Consumed				
Rice Bran	30421.633	5749.63	27374.70	5692.04
Paddy	590.000	112.10	0.00	0.00
Husk	39913.193	683.66	24078.78	596.50
Coal	10041.883	213.01	12346.00	311.17
Corn Hay	6868.080	130.48	5319.335	102.68
Pam Hay	90.550	0.68	792.09	6.77
Coconut Hay	840.860	9.44	4893.309	54.38
Black Gram Hay	63.520	0.64	0.00	0.00
Chilli Hay	15.240	0.19	1255.62	16.94
Jamoiil Wast	168.080	1.85	482.37	5.79
Pulses Hay	0.000	0.00	71.04	1.41
Scrap & Sponge & Pig Iron	2712.043	572.58	3602.62	671.76
Purchase of Raw Material				
Rice Bran	29885.408	5667.66	27745.709	5732.02
Paddy	590.000	112.10	0.00	0.00
Husk	37429.418	585.81	23887.700	570.88
Coal	10822.590	247.40	11343.910	283.50
Corn Hay	6868.080	130.47	5319.335	102.68
Chilli Hay	15.240	0.19	1255.620	16.94
Coconut Hay	840.860	9.44	4893.309	54.38
Pulses Hay	0.000	0.00	71.040	1.41
Black Gram Hay	63.520	0.64	0.00	0.00
Palm Hay	90.550	0.68	792.090	6.77
Jamoiil Wast	168.080	1.85	482.370	5.79
Scrap & Sponge Iron	2661.58	590.36	3560.94	649.09

Details of Turnover, Raw Material Consumption, Opening and Closing Stocks:

	2020-21		2019-20	
	Qty in MTs	Value (Rs.in lakhs)	Qty in MTs	Value (Rs.in lakhs)
Opening Stock of Raw Material				
Rice Bran	1989.108	247.84	1618.139	207.86
Husk	5391.995	119.54	5583.075	145.16
Coal	262.483	5.02	1264.573	32.69
Corn Hay	0.00	0.00	0.00	0.00
Coconut Hay	0.00	0.00	0.00	0.00
Palm Hay	0.00	0.00	0.00	0.00
Scrap& Sponge Iron	464.274	83.85	505.954	106.52
Closing Stock of Raw Material				
Rice Bran	1452.883	165.87	1989.108	247.84
Husk	2908.220	39.40	5391.995	119.54
Coal	1043.190	21.68	262.483	5.02
Scrap & Sponge Iron	413.811	101.63	464.274	83.85
Opening Stock of Finished Goods				
Rice Bran Oil	11.990	5.87	526.270	244.71
De-Oiled Rice Bran	504.887	58.06	793.334	91.23
Iron Ingots	359.500	98.14	223.290	70.78
Closing Stock of Finished Goods				
	2020-21		2019-20	
Rice Bran Oil	218.460	152.92	11.990	5.87
Deoiled Rice Bran	1309.885	130.99	504.887	58.06
Iron Ingots	110.890	42.69	359.500	98.14
Raw Brokens	30.050	4.28	0.00	0.00
Cheeru Brokens	5.900	0.59	0.00	0.00
Rice Bran	47.200	8.63	0.00	0.00
Inflow of Foreign Exchange		Nil		NIL
Outflow of Foreign Exchange		Nil		Nil

Signatures to Schedules 1 To 25

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

As per my report of even date

FOR AND ON BEHALF OF THE BOARD

Sd/-
Polavarapu Janardhan
Chartered Accountant
M.No:026498

Sd/-
(V.VENKATRAMAIAH)
Director
DIN:00227148

Place: Vijayawada
Date: 30th June, 2021

Sd/-
(V.BALAJI)
Wholtime Director
DIN:00227309

Sd/-
(V.SURAJ KUMAR)
Managing Director
DIN:00227360

Sd/-
(SRIDEVI CHINTADA)
Company Secretary
ACS34261

Sd/-
(D. MALLIKARJUNARA)
C.F.O

BALAJI AGRO OILS LIMITED

CIN : L15143AP1994PLC017454

Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007

Andhra Pradesh, India

Email : info@baol.in

Form No.MGT-10

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Balaji Agro Oils Limited.

I hereby record my presence at the 27th Annual General Meeting of the shareholders of Balaji Agro Oils Limited on Thursday, the 30th Day of September, 2021 at 11:00 A.M at the Registered office of the Company situated at 74-2-19, Old Check Post Centre, Patamata, Vijayawada - 520007, Andhra Pradesh.

1.	Name & registered address of the sole/ first named shareholder	
2.	Name (s) of the Joint Shareholder(s), if any	
3.	Registered Folio No./DP ID/ Client ID	
4.	Number of shares held	

Signature of Shareholder/Proxy/Representative

Subject – E-voting

In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to members holding shares as on 23rd September, 2021 (end of day) being the cut-off date i.e.record date for the purpose of Rule20(3)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central depository Services Limited (CDSL).

The e-voting particulars are set out below:

EVSN (e-voting Sequence Number)	User id	Password
210827032	Please refer notes about e-voting instructions in the Notice.	

The e-voting period commences from 10:00 a.m. on 25th September, 2021 and ends on 29th September, 2021 by 5:00 p.m. The members of the Company, holding shares either in physical or demat form, as on the cut-off date of 23rd September, 2021, may cast their vote electronically. For instructions on e-voting, please read attached Notice of Annual General Meeting. This communication forms an integral part of the Notice for convening the Annual General Meeting of the Company to be held on 30th September, 2021.

BALAJI AGRO OILS LIMITED

CIN : L15143AP1994PLC017454

Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007

Andhra Pradesh, India

Email : info@baol.in

FormNo.11

PROXY FORM

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

CIN	L15143AP1994PLC017454
Name of the Company	Balaji Agro Oils Limited
Registered Office	Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007
Corporate Office	Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007
Name of the member(s)	
Registered Address	
Email id	
Folio No.	

I/We, being the member(s) of shares of the above named Company, hereby appoint

1.	Name, Address, Email id Or failing him	
2.	Name, Address, Email id Or failing him	
3.	Name, Address, Email id Or failing him	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Thursday, the 30th day of September, 2021 at 11:00 A.M. at the Registered Office of the Company at 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007, Andhra Pradesh and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution	For	Against
Ordinary Business:		
1. Consideration and Adoption of Financial Statements as at 31 st March, 2021		
2. To appoint a Director in place of Sri Sangeetha Vallabhaneni (DIN : 07437197), who retires by rotation and offers herself for re-appointment.		
3. Ratification of Re-Appointment of Statutory Auditors for the year 2021-22		
Special Business:		
4. Approval of Re Designation and Re appointment of Sri Venkataramaiah Vallabhaneni (DIN - 00227148) as Chairman cum Non Executive Director		
5. Approval of Re appointment of Sri Suraj Kumar Vallabhaneni (DIN - 00227360) as Joint Managing Director		
6. Approval of Re appointment of Sri Balaji Vallabhaneni (DIN - 00227309) as Joint Managing Director		
7. Approval of appointment of Sri Nagendra Babu Koduru (DIN - 09270735) as an Independent Director		
8. Approval of appointment of Sri Koteswara Rao Kodali (DIN - 09270701) as an Independent Director		
9. Approval of Re appointment of Sri Babuji Gottipati (DIN - 00227436) as Independent Director		
10. Approval of Re appointment of Sri Ramesh Babu Gottipati (DIN - 02870978) as Independent Director		

Signed this _____ day of _____ 2021.

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Board of Directors

Sri VALLABHANENI VENKATRAMAIAH

Chairman

Sri VALLABHANENI BALAJI

Jt. Managing Director

Sri VALLABHANENI SURAJ KUMAR

Jt. Managing Director

Smt VALLABHANENI SANGEETHA

Women Director

SRIDEVI CHINTADA

Company Secretary

Sri G.BAPUJI

Director

Sri K. RAVI VARAMA

Director

Sri G. RAMESH BABU

Director

Bankers

HDFC Bank, Benz Circle, M.G.Road, Vijayawada

Auditors

Polavarapu Janardhan

Chartered Accountant

29-4-54K, Upstairs of IOB, CSI Complex,

Ramachandra Rao Road, Governorpet, Vijayawada - 520 002

Share Transfer Agent

M/s. XL Softech Systems Limited.,

3, Sagar Society, Road No. 2

Banjara Hills, Hyderabad. Ph : 040-23545913

Registered Office

D.No. 74-2-19, Old Check Post Centre,

Vijayawada - 520 007.

Factory At

Davuluru

Kankipadu Mandal, Krishana District. Ph : 0866-2822672

Printed Matter
Register Post

To,

if undelivered please return to : _____



BALAJI AGRO OILS LIMITED

Reg. Office : 74-2-19, Old Check Post Center,
Patamata, **VIJAYAWADA - 520 007**

BALAJI AGRO OILS LIMITED



27th Annual Report

2020 - 2021