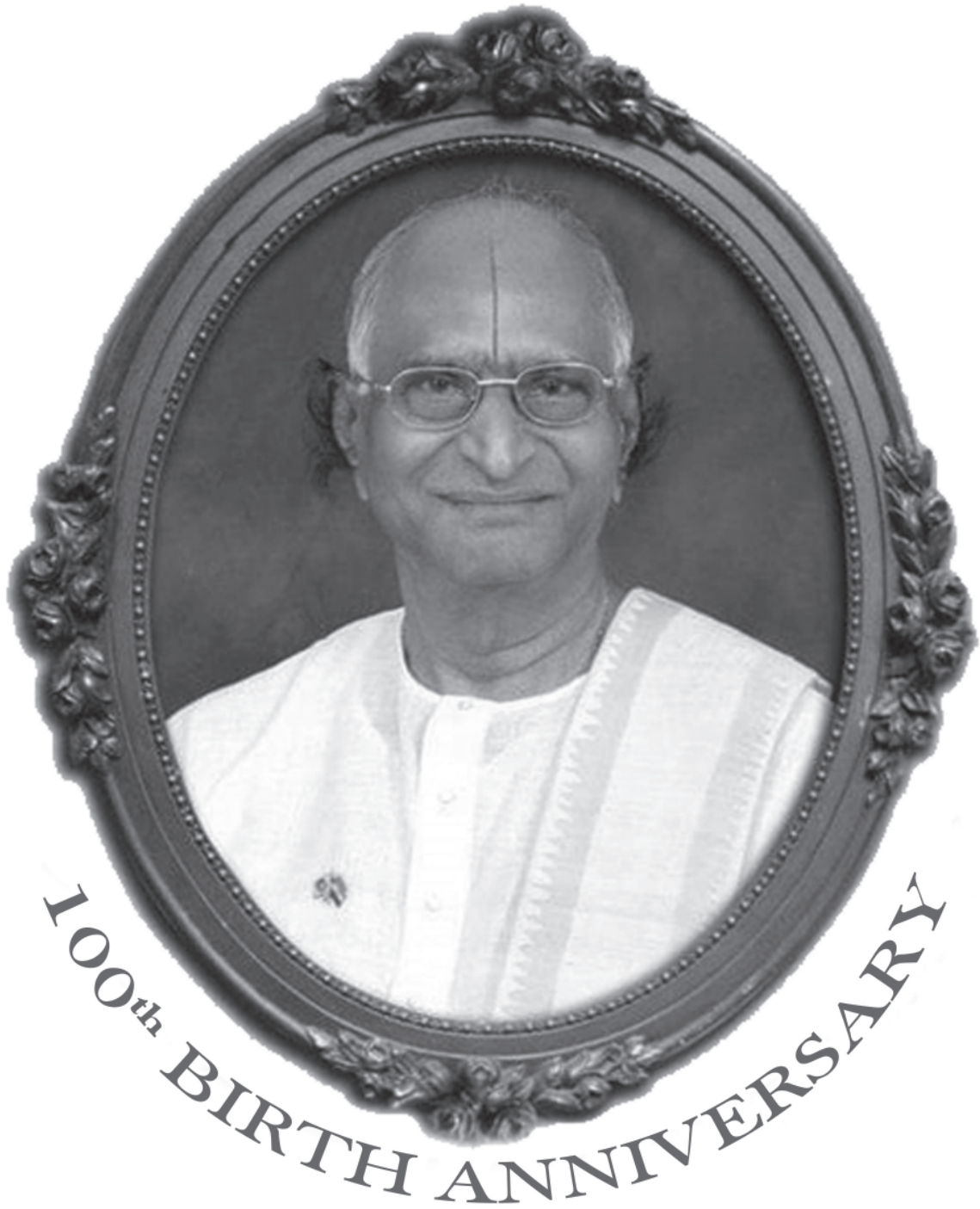


THE ANDHRA PETROCHEMICALS LIMITED



**37th Annual Report
2020 - 21**



FOUNDER
Dr . MULLAPUDI HARISCHANDRA PRASAD

THE ANDHRA PETROCHEMICALS LIMITED

Board of Directors

Dr. Pamidi Kotaiah, Chairman
Sri P Narendranath Chowdary, Managing Director
Sri A A Krishnan
(upto 21.10.2020)
Sri Mullapudi Thimmaraja
Dr. (Smt.) D Manjulata
Dr. Rajat Bhargava, I.A.S.,
(Nominee of APIDC from 2.11.2019 to 7.11.2020)
Sri Karikal Valaven, I.A.S.,
(Nominee of APIDC from 8.2.2021)
Sri Y S S Suresh
(Nominee of APIDC)
Sri Ravi Pendyala
Dr. V N Rao
Sri P Venkateswara Rao
Sri M Gopalakrishna, I.A.S., (Retd.)
Sri G S V Prasad
(from 10.8.2020)

Key Managerial Personnel

Sri K Narasappa
President
Sri G Adinarayana
Chief Financial Officer & Company Secretary
(KMP from 24.3.2021)
Sri P Ratna Rao
Sr. General Manager (Finance) [CFO]
(KMP upto 23.3.2021)
Sri M V V S V Prasadu
Dy. Secretary & Asst. Manager (Finance)
(KMP upto 23.3.2021)

Statutory Auditors

M/s. C.V. Ramana Rao & Co.,
Chartered Accountants
D.No. 1-88-19, Plot No. 135/4
Sector-4, MVP Colony
Visakhapatnam - 530 017

Cost Auditors

M/s. Narasimha Murthy & Co.,
Cost Accountants
104, Pavani Estate
3-6-365, Himayatnagar
Hyderabad - 500 029

Secretarial Auditors

M/s. Nekkanti S.R.V.V.S. Narayana & Co.,
Company Secretaries
Plot No. 29, 2nd Floor,
Gafoor Nagar, Madhapur
Hyderabad - 500 081

Bankers

State Bank of India
Union Bank of India
IDBI Bank Ltd.

Registered Office

Venkatarayapuram
Tanuku - 534 215
West Godavari District
Andhra Pradesh
Tel : 08819 - 224075 / 220975
Fax : 08819-224168
CIN : L23209AP1984PLC004635
E-mail: investors@theandhrapetrochemicals.com
info.tnk@theandhrapetrochemicals.com
Website: www.theandhrapetrochemicals.com

Factory

Opp. Naval Dockyard
Post Box No. 1401
Visakhapatnam - 530 014
Andhra Pradesh

Registrar & Share Transfer Agent

M/s. XL Softech Systems Ltd.,
#3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad - 500 034
Telangana
Tel : 040-23545913 / 914 / 915
E-mail: xlfield@gmail.com

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THE ANDHRA PETROCHEMICALS LIMITED

CIN: L23209AP1984PLC004635

Regd. Office: Venkatarayapuram, TANUKU - 534215

W.G. District, Andhra Pradesh

Phone: 08819-224075 & 220975, Fax: 08819-224168

E-mail: investors@theandhrapetrochemicals.com

Website: www.theandhrapetrochemicals.com

NOTICE

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of THE ANDHRA PETROCHEMICALS LIMITED will be held on Monday, the 27th day of September, 2021 at 3:00 p.m. at the ASL Meeting Hall, upstairs of canteen building of The Andhra Sugars Ltd., Venkatarayapuram, Tanuku - 534215, West Godavari District, Andhra Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year 2020-21.
3. To appoint a Director in place of Sri Mullapudi Thimmaraja (DIN 00016711) who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Sri Y S S Suresh (DIN 08589605) who retires by rotation and being eligible offers himself for reappointment.
5. To fix remuneration of Statutory Auditors M/s C V Ramana Rao & Co., (Firm Regn. No.002917S) Chartered Accountants, Visakhapatnam, for the Financial Year 2021-22.

For the Financial Year 2021-22 the Board recommends Statutory Auditors remuneration Rs.3,30,000/- (Rupees Three lakhs thirty thousand only) plus reimbursement of actual travel and out-of-pocket expenses.

SPECIAL BUSINESS:

6. To consider, and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] the remuneration of Rs.1,40,000/- (Rupees One lakh forty thousand only) plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year 2021-22 to be paid to M/s Narasimha Murthy & Co., (Regn. No. 000042), Cost Accountants, Hyderabad, for the conduct of the Audit of the Cost Accounting Records of the Company as approved by the Board of Directors be and is hereby ratified and confirmed."

7. To consider, and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Sri R Karikal Valaven, I.A.S., (DIN 01519945) who was appointed by the Board of Directors as Additional Director of the Company with effect from 8th February, 2021 pursuant to Article 97 of the Articles of Association of the Company, holds office upto the date of the 37th Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act"), including any statutory modification(s) or any re-enactment(s) thereof, be and is hereby appointed as Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT in the event of any amendment made by Ministry of Corporate Affairs, Govt. of India or SEBI or any Statutory Authority to the provisions concerning the said appointment, the Board at its 1st Meeting after the said amendment coming into force be and is hereby authorised to effect necessary modification as may be required and till the date of the Board Meeting, this Resolution shall continue to hold good and thereafter the same may be placed before the 1st General Meeting held after amendment for information and ratification.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Venkatarayapuram
24.6.2021

Registered Office:
Venkatarayapuram
TANUKU - 534 215
Andhra Pradesh

By Order of the Board
P Narendranath Chowdary
Managing Director

NOTES:

1. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Item Nos. 6 and 7 is annexed hereto.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy and the Proxy need not be a Member of the Company. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy and such person cannot act as a Proxy for any other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable. A Proxy Form is sent herewith.

3. In line with the MCA General Circulars dated May 5, 2020 & January 13, 2021, SEBI Circulars dated May 12, 2020 & January 15, 2021 and BSE Circular dated January 16, 2021, the Notice of the AGM along with the Annual Report for the Year 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that the Notice convening the 37th AGM and the Annual Report for the year 2020-21 have been uploaded on the website of the Company at www.theandhrapetrochemicals.com under 'Investors' section and may also be accessed on the website of the Stock Exchange i.e., BSE Limited at www.bseindia.com
4. Your Company provides Electronic Voting facility and its particulars and instructions are enclosed and form part of this Notice.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 20.9.2021 to Monday, 27.9.2021 (both days inclusive).
6. The Dividend recommended by Directors, if approved at the Meeting, will be paid to the Shareholders whose names are on the Register of Members on 20th September, 2021. In respect of shares held in demat mode, the above Dividend will be paid on the basis of beneficial ownership as at the end of business hours of 17th September, 2021 as per the details furnished by the Depositories for this purpose.
7. Documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company from 9 a.m. to 11 a.m. and from 3 p.m. to 5 p.m. on any working day prior to the date of the Annual General Meeting.
8. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers on the Attendance Slip for easy identification of attendance at the Meeting.
9. Shareholders holding shares in Physical Mode are requested to intimate their change of address, if any, to the RTA viz., XL Softech Systems Ltd., Hyderabad and the shareholders holding shares in Demat Mode are requested to notify their change of address, if any, to the Depository Participant (DP) (and not to the Company / RTA) with whom they have Demat Account.
10. Any person who acquires shares of the Company and become Member of the Company after the despatch of the Notice of AGM and holding shares as of the cut-off date, i.e., 17th September, 2021 can vote by entering the particulars as specified in instructions for e-voting. If they are already registered with CDSL for remote e-voting then they can use their existing user ID and password / PIN for casting their vote. If they forgot their password they can reset their password by using "Forgot User Details / Password" option available on www.evoting.cdslindia.com
11. Pursuant to provisions of Section 124 of the Companies Act, 2013, the unclaimed amount of Dividend declared for the year 2011-12 along with corresponding shares of the Company has been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government. Members who wish to claim Dividend and shares from IEPF are required to comply with the provisions specified under IEPF (Accounting, Audit, Transfer and Refund) Rules, 2017.

Shareholders who have not encashed their Dividend Warrants issued in respect of Dividend declared for the year 2018-19 are requested to write to the Regd. Office of the Company in order to enable the Company to proceed with their requests in case the Dividend Warrants remain unencashed.

Dividend

- (i) Pursuant to changes introduced by the Finance Act, 2020 in the provisions of the Income Tax Act, 1961, with effect from 1st April, 2020 dividend income is taxable in the hands of the Shareholders (resident as well as non-resident). Accordingly, Company is required to deduct tax at source ("TDS") at the prescribed rates on dividend paid after 1st April, 2020.
- (ii) Shareholders are requested to update their Residential Status, PAN, Category as per the Income Tax Act with their Depository Participant (if shares are held in electronic / demat form), or, with the Company / RTA, i.e., M/s X L Softech Systems Ltd., (if the shares are held in physical form).
- (iii) No tax shall be deducted at source on the dividend payable to a resident individual if the total dividend to be received by the said individual from the Company during the Financial Year 2021-22 does not exceed Rs.5,000/-.
- (iv) In cases where the Shareholders provide Form 15 G (applicable to any person other than a company or a firm), or, Form 15H (applicable to an individual who is 60 years and older), they can avail the benefit of non-deduction of Tax at Source subject to conditions specified in the Income Tax Act.
- (v) For resident individuals, tax shall be deducted at source under Section 194 of the Income Tax Act as follows:

If valid PAN of Shareholder is available with the Company / its RTA	10%
If PAN of the Shareholder is not available with the Company / its RTA, or the PAN available is invalid	20%
If PAN is inoperative, i.e., it is not linked with Aadhar	20%

- (vi) Shareholders may also submit any other document / certificate as prescribed under the Income Tax Act to claim a lower / Nil withholding tax.

The Andhra Petrochemicals Limited

- (vii) In the case of non-resident shareholders, tax is required to be deducted at source @ 20% (plus applicable surcharge and cess). However, they have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of their residence, if they are more beneficial to them. For availing the beneficial rates, they are required to submit necessary documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document / certificate as may be prescribed to avail the DTAA benefits.
- (viii) The aforementioned documents, duly completed and signed, are required to be sent to the Company's e-mails investors@theandhrapetrochemicals.com / info.tnk@theandhrapetrochemicals.com on or before 17th September, 2021 in order to enable the Company to determine and deduct appropriate TDS / withholding Tax.
- (ix) Forms, Declarations and Documents which are Incomplete and / or unsigned or which are received after 17th September, 2021, will not be considered by the Company.
- (x) The formats of necessary Forms / Declarations, i.e., Forms 15 G / 15 H / 10F in this regard can be downloaded from the website of the Company www.theandhrapetrochemicals.com

SPECIFIC ATTENTION OF SHAREHOLDERS

Sub: Furnishing of e-mail ID

Members are requested to provide their e-mail IDs so as to enable the Company to send documents like notice calling general meetings, audited financial statements, Directors' Report, Auditors' Report etc., by way of e-mail.

Shareholders in

Physical Mode: E-mail ID be furnished to the RTA i.e., M/s. XL Softech Systems Ltd.

Electronic /

Demat Mode: E-mail ID be furnished to the DP with whom demat account has been opened and not to the Company / RTA. The Company / RTA cannot act on e-mail IDs received directly from the members holding shares in Demat Mode for registration of e-mail IDs.

Transfer of Shares

in Physical Mode: With effect from 1.4.2019 transfer of Equity Shares of the Company in physical mode shall not be effected as per SEBI directions. However, requests for Transmission, Transposition and Issue of Duplicate share certificates will be processed in physical mode.

In terms of the requirements of the Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) and approved & notified by the Central Government, Route Map for the location of the aforesaid Meeting is enclosed.

Particulars of Directors proposed to be reappointed at this Meeting as required under Regulation 36 (3) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

ITEM NO.3

Sri Mullapudi Thimmaraja has been the Director on the Board since 7.11.1992. He is a Graduate in Chemical Engineering. He did his Post Graduation in Business Administration from the University of Florida, U.S.A. For more than four decades he has been the Whole-time Director of the Promoter Company, M/s. The Andhra Sugars Ltd., (ASL) multi-product and multi-division company manufacturing Sugar and wide range of Organic and Inorganic Chemicals and also engaged in power generation. He has been appointed as Joint Managing Director of ASL from 1.8.1993.

Other Directorships held: Joint Managing Director - The Andhra Sugars Ltd.; Director - JOCIL Ltd.

Other Committeeships held: Member - Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, JOCIL Ltd.; Corporate Social Responsibility Committee and Stakeholders Relationship Committee, The Andhra Sugars Ltd.

He holds 1,630 Equity Shares in the Company.

His holding of Office of Directorship is in line with SEBI order or any other such authority.

ITEM NO.4

Sri Y S S Suresh has been the Director since 2.11.2019. He did his Post Graduation in Business Administration. Presently he is working as Assistant General Manager in APIDC Ltd.

Other Directorships held: Nil

He does not hold any shares in the Company.

His holding of Office of Directorship is in line with SEBI order or any other such authority.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

ITEM NO.6:

The Board at its Meeting held on 24.6.2021, having regard to the recommendation of Audit Committee, considered and approved the appointment of M/s Narasimha Murthy & Co., Cost Accountants, for conduct of Audit of Cost Accounting Records of the Company on a remuneration of Rs.1,40,000/- plus taxes as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year 2021-22.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No.6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2021-22. Your Board recommends necessary Resolution for your approval.

None of the Directors, Key Managerial Personnel and their relatives is or are deemed to be interested or concerned in the said Resolution.

ITEM NO.7:

Sri R Karikal Valaven, I.A.S., is a Graduate in History and Law. He held various positions, i.e., Additional Commissioner, Hyderabad; Collector & District Magistrate, Prakasam District; Commissioner, Labour Department; Private Secretary, Ministry of Social Justice & Empowerment, Govt. of India; Director, Ministry of Home Affairs, Department of Home, National Centre for Disaster Management, Govt. of India; Commissioner - Labour Department, Hyderabad; Managing Director - A.P. Beverages Corporation Ltd.; Commissioner - Distilleries & Breweries; Secretary, Housing & Urban Development; Managing Director - Industries Department, Distilleries & Breweries; Managing Director - Swagruha Corporation, Hyderabad.

Board of Directors, having regard to the recommendation of the Nomination and Remuneration Committee, co-opted him as Additional Director from 8.2.2021. He holds office upto the date of 37th Annual General Meeting.

He does not hold any shares in the Company.

His holding of Office of Directorship is in line with SEBI order or any other such authority.

Other Directorships held:

Director - Ramayapatnam Port Development Corporation Ltd., Machilipatnam Port Development Corpn. Ltd., A P Environment Management Corpn. Ltd., Bhavanapadu Port Development Corporation Ltd., YSR Steel Corporation Ltd., AP Bulk Drug Infrastructure Corporation Ltd., A P Maritime Infrastructure Development Corpn Ltd., A P Digital Corpn Ltd., A P MSME Development Corpn., Godavari Gas Pvt. Ltd., Atchutapuram Effluent Treatment Ltd., AP Towers Ltd., Amaravati Development Corpn. Ltd., A.P.Gas Infrastructure Corpn. Pvt. Ltd., Deccan Infrastructure and Land Holdings Ltd., A.P. Industrial Infrastructure Corpn Ltd., Infrastructure Corpn. of A P Ltd., A.P.Gems and Jewellery Park Pvt. Ltd., Gangavaram Port Ltd.

Chairman & Managing Director - A P Industrial Development Corporation Ltd., (APIDC).

Other Committeeships held: Nil

Your Board, therefore, on the recommendation of the Nomination and Remuneration Committee, recommends necessary Resolution for your approval.

Except Sri R Karikal Valaven, I.A.S., no other Director, Key Managerial Personnel and their relatives is or are deemed to be interested or concerned in the Resolution.

**Venkatarayapuram
24.6.2021**

**Registered Office:
Venkatarayapuram
TANUKU - 534215
Andhra Pradesh**

**By Order of the Board
P Narendranath Chowdary
Managing Director**

ENCLOSURE TO NOTICE:

Pursuant to provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically as an alternative to participation at the Annual General Meeting ("AGM") to be held on Monday, 27th September, 2021 at 3:00 p.m. at the ASL Meeting Hall, upstairs of canteen building of The Andhra Sugars Ltd., Venkatarayapuram, Tanuku - 534215, W.G.District, Andhra Pradesh. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facility.

Sri Nekkanti S R V V S Narayana, Practising Company Secretary (CP No.7839) of M/s Nekkanti S R V V S Narayana & Co., Company Secretaries, Hyderabad, has been appointed as Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The e-voting facility is available at the link <https://www.evotingindia.com>

Please read the instructions which are printed hereunder before exercising the vote. The AGM Notice is also available for download at the Company website www.theandhrapetrochemicals.com

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

The voting period begins on 24.9.2021 from 9 a.m. and ends on 26.9.2021 at 5 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 17.9.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

PAN	For Shareholders holding shares in Demat Form and Physical Form 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">Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company / RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">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. (3)

- (i) After entering these details appropriately, click on "SUBMIT" tab.
- (ii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant The Andhra Petrochemicals Ltd., on which you choose to vote.
- (v) 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.
- (vi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (vii) 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.
- (viii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (x) 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.
- (xi) Facility for Non - Individual Shareholders and Custodians.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@theandhrapetrochemicals.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

You may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section, or if you have any queries or issues regarding e-Voting, write an email to helpdesk.evoting@cdslindia.com

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Thirty Seventh Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2021.

CORPORATE OVERVIEW:

Your Company is the manufacturer of Oxo-Alcohols. Oxo-Alcohols consist of the Products viz., 2 Ethyl Hexanol, Normal Butanol and Iso Butanol. Your Company is an Associate of The Andhra Sugars Ltd., and has its Regd. Office at Venkatarayapuram, Tanuku.

FINANCIAL RESULTS:

Performance of the Company for the Financial Year ended 31st March, 2021 is summarised below: (Rs. in lakhs)

	2020-21	2019-20
Net Sales (excl. GST)	56606.74	45593.27
Profit / (Loss) before Interest & Depreciation	14110.16	3581.65
Less: Interest	912.80	152.13
Depreciation	1402.88	1281.18
Profit / (Loss) after Interest and Depreciation before Extra-Ordinary Items	11794.48	2148.34
Exceptional Items	--	--
Profit / (Loss) Before Tax	11794.48	2148.34
Provision for:		
Current Tax	4391.00	760.00
Adjustment of Tax Expense for earlier years	(24.17)	(0.61)
Deferred Tax	(219.72)	0.18
Profit / (Loss) After Tax	7647.37	1388.77
Other Comprehensive Income	376.36	(152.50)
Total Comprehensive Income for the period	8023.73	1236.27
Balance brought forward from previous year	10914.22	9677.95
Profit carried forward to next year	18937.95	10914.22

OPERATIONAL AND FINANCIAL PERFORMANCE:

During the year under review, your Company has produced 72,027 MTs of Oxo-Alcohols as compared to 66,850 MTs in the previous year. Sales during the Financial Year were 72,786 MTs as compared to 65,760 MTs in the previous year.

For the Financial Year 2020-21, your Company's Revenue stood at Rs.566.07 crores (net of GST) as compared to Rs.455.93 crores (net of GST) for the previous year. The growth in Revenue is 24.16%.

Your Company has earned a Net Profit (after Tax) of Rs.76.47 crores during the year under review as against the Net Profit (after Tax) of Rs.13.89 crores earned during the previous year. The increase in Net Profit (after Tax) is 450.54%.

The Net Worth of the Company increased by 35.91% from Rs.223.47 crores as on 31.3.2020 to Rs.303.71 crores as on 31.3.2021.

Interest costs of the Company decreased from Rs.1.14 crores in Financial Year 2019-20 to Rs.0.36 crores in 2020-21 following the repayment of liabilities and negotiation of better terms with bankers. Now, your Company is debt-free.

DIVIDEND:

Considering the Company's performance for the Financial Year 2020-21, your Directors felt it would be appropriate to declare the dividend. At the same time, conserving of resources is required to meet future financial requirements of the Company. Hence, your Directors are pleased to inform that the Board of Directors at their Meeting held on 24.6.2021 recommended a Dividend of Rs.1.50 ps (One rupee fifty paise) per share (@ 15% on 8,49,71,600 Equity Shares of face value of Rs.10/- per each Share) for the Financial Year 2020-21. The Dividend, if approved by the Members at the ensuing Annual General Meeting of the Company, will be paid to all the eligible Members, involving a total cash outflow of Rs.12.75 crores. The Dividend shall be subject to deduction of Income Tax at source.

The payout of Dividend is in line with the Company's policy to meet its Long-Term growth objectives.

Pursuant to the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated its Dividend Distribution Policy which is available on the website of the Company www.theandhrapetrochemicals.com

CAPITAL & RESERVES:**Authorised and Paid-up Capital:**

The Authorised Capital of the Company is Rs.125.00 crores and the Paid-up Capital is Rs.84.97 crores.

Reserves:

The total Reserves position as on 31.3.2021 stood at Rs.218.74 crores as against Rs. 138.50 crores for the previous year 2019-20.