

		For the year ended 31 March 2014		For the year ended 31 March 2013
	₹	₹	₹	₹
<b>Note 21 : Depreciation and Amortisation Expenses</b>				
Depreciation and Amortization Expenses for the Year		98,69,110		99,87,234
Less : Transferred from Assets Revaluation Reserve		20,28,608		20,28,608
<b>TOTAL</b>		<b>78,40,502</b>		<b>79,58,626</b>
<b>Note 22 : Other Expenses</b>				
<b>Manufacturing Expenses</b>				
Power & Diesel Consumed	4,97,87,821		4,11,47,551	
Rice Husk & Coal Consumed	1,15,49,291		1,22,24,235	
Material Handling Charges	17,58,820	6,30,95,932	17,95,515	5,51,67,301
<b>Repairs &amp; Maintenance</b>				
Machinery	2,35,84,053		1,41,54,498	
Building	2,53,089	2,38,37,142	1,23,258	1,42,77,756
<b>Administrative Expenses</b>				
Rent	72,042		76,860	
Insurance	12,33,140		15,07,841	
Travelling	5,83,712		5,89,824	
Rates & Taxes	6,00,622		6,43,396	
Bank Charges	10,86,252		10,64,456	
Foreign Exchange Fluctuations	71,72,365		57,85,268	
Legal & Professional Charges	2,67,372		3,05,585	
Directors' Sitting Fees	3,900		4,570	
Managing Director's Remuneration & Commission	18,00,000		18,00,000	
Other Expenses	35,69,443	1,63,88,848	26,90,964	1,44,68,764
<b>Auditor's Remuneration</b>				
Audit Fee	2,24,720		1,40,450	
Tax Audit Fee	13,483		13,483	
Reimbursement of Expenses	28,119	2,66,322	18,828	1,72,761
<b>Sales Expenses</b>				
Carriage Outwards	4,36,98,444		4,60,54,859	
Export Expenses	93,97,800		89,66,274	
Other Sales Expenses	47,46,729	5,78,42,973	36,29,319	5,86,50,452
<b>TOTAL</b>		<b>16,14,31,217</b>		<b>14,27,37,034</b>

## NOTE 23:

### ACCOUNTING POLICIES

1. **Basis of Preparation:** The Financial Statements of Coromandel Agro Products & Oils Limited have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India (GAAP) and comply with the mandatory Accounting Standards (AS) issued by the Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 1956.
2. **Use of Estimates:** The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.
3. **Fixed Assets:** Tangible assets i.e., Land, Buildings, Plant and Machinery are stated at revalued cost less depreciation. Other fixed assets are stated at cost less depreciation. Depreciation has been provided as per the amendment to Schedule XIV vide Notification dated 16-12-1993 of the Companies Act, 1956 on straight line basis as per the provisions of Section 205(2)(b). Lease hold land is amortised over the period of lease. Depreciation on additions due to revaluation of fixed assets is provided based on the estimated residual life of the assets as per approved valuer report. This amount of depreciation for each year attributable to the revalued assets is transferred from Assets Revaluation Reserve to Credit of Profit and Loss Account.
4. **Investments:** Investments are stated at cost.
5. **Provision for Retirement Benefits:** Company has taken L.I.C. Group Gratuity and Superannuation Policies to cover the liability arising out of employees going to retire according to their retirement status. Liability under Gratuity is determined on actuarial valuation done by L.I.C. of India
6. **Inventories:** The inventories comprising raw materials, stores & spares and finished goods are valued at cost or net realisable value, whichever is less. The term cost comprises of purchase price including duties and taxes, freight inwards and other expenditure directly attributable to the acquisition excluding refundable duties and taxes. The cost is computed on weighted average basis.
7. **Foreign Currency Transactions:** Foreign Currency Transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on Foreign Currency Transactions settled during the year are recognized in the Profit & Loss Account.
8. **Revenue recognition of income and expenditure:** All Income and Expenditure are accounted on accrual basis, except where stated otherwise.
9. **Provisions and Contingencies:** Provision is made in the books of account when there is a present obligation as a result of past event that probably required an outflow of resources and a reasonable estimate can be made.

A disclosure for a contingent liability is made when there is a possible obligation or present obligation that arises from past events and the outflow of resources embedding economic benefit is not probable.

A contingent liability or a provision at the Balance Sheet date is not disclosed or recognized unless the possibility of any outflow of resources in settlement is remote.

**10. Deferred Income-Tax:** Deferred Tax charge or credit reflects that tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liability or asset are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtual certainty (as the case may be) to be realized.

**11. Impairment of Assets:** An Asset is treated as impaired when the carrying of cost of Assets exceeds its receivable value. An impairment loss is charged for when the asset is identified as impaired. The impairment loss received in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

<b>NOTE 24 : NOTES ON ACCOUNTS</b>	<b>As at 31-3-2014 ₹</b>	<b>As at 31-3-2013 ₹</b>
1. In the Opinion of the management there is no indication that any of the assets of the company has been impaired. Accordingly no loss on account of impairment has been recognized during the year in terms of Accounting Standard 28- Impairment of assets.		
2. <b>CURRENT ASSETS, LOANS &amp; ADVANCES :</b> The Board is of the opinion that the Current Assets, Loans and Advances have a value on realization in the ordinary course of Business at least to the amount at which they are stated.		
3. <b>DEFERRED TAXATION</b> Deferred tax liability included in the Balance Sheet comprises the following:		
a. Deferred Tax Assets: Provisions Brought forward business loss and Unabsorbed depreciation	— — <hr/> — <hr/>	— — <hr/> — <hr/>
b. Deferred Tax Liabilities : Fixed Assets	<hr/> <b>2,54,14,832</b>	<hr/> 2,63,74,461
c. Net Amount (a-b),being Deferred Tax Liability / (Asset)	<hr/> <b>2,54,14,832</b>	<hr/> 2,63,74,461
4. <b>EARNINGS PER SHARE :</b> The computation of EPS is set out below:		
a. <b>Earnings :</b> Net profit / (Loss)for the year	<b>98,43,761</b>	1,50,95,711
b. <b>Shares :</b> Weighted average number of equity shares outstanding during the year	<b>7,90,000</b>	7,90,000
c. <b>Earnings per share of face value ₹ 10 (a/b)</b>	<b>12.46</b>	19.11

## 5. RELATED PARTIES DISCLOSURES :

List of related parties with whom transactions have taken place during the year :

i) **Subsidiaries :** Nil

ii) **Associates :**

- a) Maddi Lakshmaiah & Co. Ltd.
- b) M.L.Agro Products Ltd.
- c) M.L.Exports
- d) K.S.Subbiah Pillai & Co. (India) Ltd.

iii) **Key Managerial Personnel :**

- a) Sri. M.Venkateswara Rao -- Managing Director
- b) Sri. M.Lakshmaiah -- Chairman
- c) Sri. M.Ramesh -- Executive Director

iv) **Transactions during the year with related parties :**

Unsecured Loans :

Associates :

a) Taken during the year	<b>2,24,48,934</b>	3,54,33,864
b) Repaid during the year	<b>4,98,77,732</b>	3,04,91,444
c) Balance as at 31 March, 2014	<b>NIL</b>	2,74,28,798

Expenditure :

a) Interest on Fixed Loans	<b>22,48,934</b>	48,97,343
b) Managerial Remuneration and Commission	<b>19,71,360</b>	19,71,360

**As at  
31-3-2014  
₹**

**As at  
31-3-2013  
₹**

## 6. Segment Wise Information:

The company has identified two reportable segments viz. Seed Processing and Wind Turbine. Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns and the internal business reporting system. The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

Particulars	For the Year ended 31-03-2014			For the Year ended 31-03-2013		
	Seed Processing	Wind Turbine Generators	Total	Seed Processing	Wind Turbine Generators	Total
	₹	₹	₹	₹	₹	₹
Revenue	<b>125,29,30,906</b>	<b>82,68,868</b>	<b>126,11,99,774</b>	127,88,37,640	98,01,710	128,86,39,350
Profit/(Loss) before interest and Tax	<b>3,47,68,711</b>	<b>(36,34,333)</b>	<b>3,11,34,378</b>	4,82,70,659	(3,50,980)	4,79,19,679
Interest	<b>1,20,86,957</b>	<b>44,63,289</b>	<b>1,65,50,246</b>	2,10,57,005	58,01,766	2,68,58,771
Tax	<b>55,02,003</b>	<b>(7,61,632)</b>	<b>47,40,371</b>	46,59,926	13,05,271	59,65,197
Profit / (Loss) after Tax	<b>1,71,79,751</b>	<b>(73,35,990)</b>	<b>98,43,761</b>	2,25,53,728	(74,58,017)	1,50,95,711
<b>Other Information :</b>						
Assets	<b>44,87,77,086</b>	<b>7,47,45,939</b>	<b>52,35,23,025</b>	47,45,34,310	7,78,72,487	55,24,06,797
Liabilities	<b>27,46,34,779</b>	<b>8,63,09,697</b>	<b>36,09,44,476</b>	30,31,70,230	9,35,78,657	39,67,48,887
Capital Expenditure	<b>7,14,082</b>	<b>-</b>	<b>7,14,082</b>	3,62,171	<b>-</b>	3,62,171
Depreciation and Amortisation	<b>38,71,732</b>	<b>39,68,770</b>	<b>78,40,502</b>	39,89,856	39,68,770	79,58,626

7. There are no Micro, Small and Medium Enterprises, to whom the Company owes. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have identified on the basis of information available with the Company.

**8. The following table set out the gratuity plan under AS-15 (revised)**

PARTICULARS	For the year ended 31-03-2014 ₹	For the year ended 31-03-2013 ₹
Opening Balance of Present Value of Defined Benefit Obligation	51,30,010	42,51,382
Current Service Cost	3,58,672	2,78,953
Interest Cost	4,10,401	3,40,111
Actuarial Losses / (gain)	91,392	12,14,544
Benefits Paid	(9,72,096)	(9,54,980)
Closing Balance of Present Value of Defined Benefit Obligation	50,18,379	51,30,010
<b>Change in fair value of Plan assets</b>		
Opening Balance of fair value of plan assets	49,53,805	51,08,680
Expected Return on plan assets	4,05,711	4,32,137
Actuarial Losses / (gain)	—	—
Contribution by employer	9,67,877	3,67,968
Benefits paid	(9,72,096)	(9,54,980)
Closing balance of Fair Value of Plan Assets	53,55,297	49,53,805
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>		
Present value of funded obligations	50,18,379	51,30,010
Fair Value of plan assets	53,55,297	49,53,805
(Net Asset) / Liability in the Balance Sheet	(3,36,918)*	1,76,205*
<b>Expenses Recognised in the Profit and Loss Account</b>		
Current Service Cost	3,58,672	2,78,953
Interest Cost	4,10,401	3,40,111
Expected Return on Plan Assets	(4,05,711)	(4,32,137)
Actuarial Loss / (Gain)	91,392	12,14,544
Total Expenses	4,54,754	14,01,471

\*This amount is included in Note 5.

	As at 31-3-2014 ₹	As at 31-3-2013 ₹
<b>9. PROFIT AND LOSS ACCOUNT :</b>		
A) Following amounts were paid to the Managing Director during the year :		
<b>REMUNERATION :</b>		
1. Salary	18,00,000	18,00,000
2. Employers Contribution to Provident Fund & Superannuation Fund	1,71,360	1,71,360
	<u>19,71,360</u>	<u>19,71,360</u>



	As at 31-3-2014 ₹	As at 31-3-2013 ₹
Computation of Net Profit as per Companies Act, 1956 showing the calculation of Remuneration payable to the Managing Director:		
Profit / (Loss) as per Profit & Loss Account	98,43,761	1,50,95,711
Add: a) Depreciation	78,40,502	79,58,626
b) Directors' Sitting Fee	3,900	4,200
c) Managing Director's Remuneration	18,00,000	18,00,000
d) (Profit) / Loss on sale of Fixed Assets	(131534)	—
Less: Depreciation U/s 350	(1,26,29,080)	(1,47,18,518)
Net Profit / (Loss)	<u>67,27,549</u>	<u>1,01,40,019</u>
Commission @ 5% on Net Profit	3,36,377	5,07,000
Salary	19,71,360	19,71,360
Commission payable to the Managing Director	NIL	NIL

The Managing Director was paid salary and other perquisites in accordance with the provisions of the Companies Act, 1956.

- B) Travelling expenses include ₹ 49,305/- paid to Managing Director (Previous Year ₹ 56,895/-) and ₹ 30,450/- paid to other Directors (Previous year ₹ 33,300/-).

#### 10. PARTICULARS OF SALES :

SL NO.	PARTICULARS	For the Year Ended 31-3-2014		For the Year Ended 31-3-2013	
		QUANTITY M.T.	VALUE ₹	QUANTITY M.T.	VALUE ₹
1	Cotton Seed Oil	7,759.023	45,88,80,417	9,203.466	55,80,68,650
2	Cotton Seed Cake	29,474.127	51,44,65,946	32,706.419	52,66,35,390*
3	Cotton Seed Hulls	17,328.743	14,51,33,051*	20,246.995	11,42,25,014
4	Linters 1 <sup>st</sup> Cut	1,636.533	3,78,10,266*	619.487	1,17,91,189*
5	Linters 2 <sup>nd</sup> Cut	3,507.921	7,94,96,123*	2,980.874	5,12,76,034*
6	Cotton Seed Soap Stock	1,682.355	86,22,059	1,437.615	81,47,036
7	Cotton Seed Acid Oil	483.415	14,50,245	356.014	7,95,658
8	Cotton Seed Sludge Oil	32.885	32,885	46.905	53,649
9	De-Linted Seed	213.200	41,19,873	137.350	26,71,365
10	Spent Earth	—	—	10.120	5,060
11	W.T.G. Units		82,68,868		98,01,710
	<b>TOTAL :</b>		<u>1,25,82,79,733</u>		<u>1,28,34,70,755</u>

\*These items include export turnover of ₹ 9,47,34,816/- during the year( ₹ 6,06,97,931/- Previous Year)

# **11 . STATEMENT OF RAW MATERIALS CONSUMPTION :**

SL. NO.	PARTICULARS	For the Year Ended 31-3-2014		For the Year Ended 31-3-2013	
		QUANTITY M.T.	VALUE ₹	QUANTITY M.T.	VALUE ₹
1	Cotton Seed	64,324.514	1,00,21,07,780	70,059.478	1,02,44,34,962
2	Cotton Seed De Oiled Cake	149.055	25,56,438	100.040	17,09,775
3	Cotton Seed Exp. Washed Oil	—	—	34.605	22,76,784
<b>TOTAL :</b>			<b>1,00,46,64,218</b>		<b>1,02,84,21,521</b>

1. Value of Material :		₹	₹
a) Raw Materials : Indigenous		1,00,46,64,218	1,02,84,21,521
: Imported		—	—
b) Stores & Spares : Indigenous		29,86,350	23,88,371
2. Export earnings in Foreign Currency : (including Rupee Trade)			
Export Turnover on F.O.B. Basis		9,42,56,054	6,05,68,318
3. Expenditure in Foreign Currency : Import of Spares on CIF Basis		—	—
4. Previous year figures have been regrouped wherever necessary to compare with current year figures.			

## **SIGNATURES FOR NOTES 1 TO 24**

As per our report attached to the Balance Sheet  
For A.RAMACHANDRA RAO & CO.,  
Chartered Accountants  
FRN : 002857S

For and on behalf of the Board

Sd/-  
(A.RAMACHANDRA RAO)  
Partner  
M.No.9750

Sd/-  
(MADDI LAKSHMAIAH)  
Chairman

Sd/-  
(MADDI VENKATESWARA RAO)  
Managing Director

Place : GUNTUR  
Date : May 30, 2014.

Sd/-  
(MADDI RAMESH)  
Executive Director



**PROXY FORM**

**COROMANDEL AGRO PRODUCTS AND OILS LIMITED**

**Registered Office: 12B, Skylark Apartments, Basheer Bagh, Hyderabad – 500 029, A.P.**

I/We ..... resident (s)  
of ..... being a Member / Members  
of **COROMANDEL AGRO PRODUCTS AND OILS LIMITED**; hereby appoint  
Ms./Mr. ....  
of .....  
or failing her/him, Ms./Mr. ....  
of .....

as my/our Proxy to attend and vote for me/us and on my/our behalf at the THIRTY EIGHT  
ANNUAL GENERAL MEETING of the Company to be held on August 11, 2014 and  
adjournment thereof.

**Please  
affix  
₹ 1/-  
Revenue  
Stamp**

Signed this .....day of .....2014.

Signature of the First/Sole Shareholder

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**NOTE:** The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the beginning of the Meeting.

# Notes on Financial Statements for the year ended 31 March 2014

	As at 31 March 2014 ₹	As at 31 March 2013 ₹
<b>Note 1 : Share Capital</b>		
<b>Authorised</b>		
14,00,000 (previous year: 14,00,000) Equity Shares of ₹ 10/- each	1,40,00,000	1,40,00,000
10,000 (previous year: 10,000) Preference Shares of ₹ 100/- each	10,00,000	10,00,000
<b>TOTAL</b>	<b>1,50,00,000</b>	<b>1,50,00,000</b>
<b>Issued</b>		
8,90,000 (previous year: 8,90,000) Equity Shares of ₹ 10/- each	89,00,000	89,00,000
<b>TOTAL</b>	<b>89,00,000</b>	<b>89,00,000</b>
<b>Subscribed and Paid-up</b>		
7,90,000 (previous year: 7,90,000) Equity Shares of ₹ 10/- each fully paid-up in cash	79,00,000	79,00,000
<b>TOTAL</b>	<b>79,00,000</b>	<b>79,00,000</b>
<b>Reconciliation of the shares outstanding at the beginning and at the end of reporting period :</b>		
No. of Equity Shares at the beginning of the period	7,90,000	7,90,000
Issued Equity Shares during the period	-	-
Outstanding at the end of the period	7,90,000	7,90,000

## Details of shareholders holding more than 5% shares in the company

	As at 31 March 2014		As at 31 March 2013	
	No. of shares	% of holding	No. of shares	% of holding
M/s. Maddi Lakshmaiah & Co., Ltd.	1,53,763	19.46	1,53,763	19.46
M/s. K.S.Subbaiah Pillai & Co., (India) Ltd.	1,20,900	15.30	1,20,900	15.30
M/s. M.L. Agro Products Ltd.	1,00,000	12.66	1,00,000	12.66
Industrial Development Bank of India	99,125	12.55	99,125	12.55
ICICI Bank Ltd.	49,563	6.27	49,563	6.27

	As at 31 March 2014 ₹	As at 31 March 2013 ₹
<b>Note 2 : Reserves and Surplus</b>		
<b>Capital Reserve :</b>		
Balance at the beginning of the year	1,64,375	1,64,375
Central Investment Subsidy	49,98,000	49,98,000
Capital Redemption Reserve	6,00,000	6,00,000
<b>Revaluation Reserve :</b>		
Balance at the beginning of the year	1,26,92,734	1,47,21,342
Add : Increase due to sale of Machinery	2,60,812	-
Less : Transferred to Profit and Loss A/c.	20,28,608	20,28,608
<b>General Reserve :</b>		
Balance at the beginning of the year	5,33,37,268	5,13,37,268
Add: Transferred from profit and loss account	-	20,00,000
Profit and loss account	8,46,53,968	7,59,65,533
<b>TOTAL</b>	<b>15,46,78,549</b>	<b>14,77,57,910</b>

**NOTE 9 : FIXED ASSETS**

Sl. No.	Description of Assets	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
		As at	Additions	Cost of	As at	Upto	Depre-	For the year	Upto	As at	As at
		01-04-2013	Year	Sales/Adjustments	31-03-2014	31-03-2013	ciation		31-03-2014	31-03-2014	31-03-2013
		₹	to 31-3-14	during the year	₹	₹	on Assets	₹	₹	₹	₹
			₹	to 31-03-14	₹		Sold				
				₹			₹				
<b>TANGIBLE ASSETS</b>											
1	Land & Site Development #	43,98,531	-	-	<b>43,98,531</b>	4,28,176	-	47,082	<b>4,75,258</b>	<b>39,23,273</b>	39,70,355
2	Buildings	3,52,81,646	-	-	<b>3,52,81,646</b>	1,37,90,897	-	7,18,981	<b>1,45,09,878</b>	<b>2,07,71,768</b>	2,14,90,749
3	Machinery	12,09,36,815	-	27,64,800	<b>11,81,72,015</b>	8,18,89,813	27,63,800	48,89,701	<b>8,40,15,714</b>	<b>3,41,56,301</b>	3,90,47,002
4	Wind Turbine Generators	8,29,36,216	-	-	<b>8,29,36,216</b>	79,17,247	-	39,39,470	<b>1,18,56,717</b>	<b>7,10,79,499</b>	7,50,18,969
5	Electrical Equipment	1,01,409	-	-	<b>1,01,409</b>	1,00,909	-	-	<b>1,00,909</b>	<b>500</b>	500
6	Furniture & Equipment	33,82,927	1,94,832	-	<b>35,77,759</b>	30,46,930	-	55,612	<b>31,02,542</b>	<b>4,75,217</b>	3,35,997
7	Laboratory Equipment	76,003	-	-	<b>76,003</b>	75,803	-	-	<b>75,803</b>	<b>200</b>	200
8	Vehicles	25,00,196	5,19,250	2,87,900	<b>27,31,546</b>	15,90,953	58,747	2,18,264	<b>17,50,470</b>	<b>9,81,076</b>	9,09,243
9	Library	6,265	-	-	<b>6,265</b>	6,265	-	-	<b>6,265</b>	<b>-</b>	-
<b>TOTAL :</b>		24,96,20,008	7,14,082	30,52,700	<b>24,72,81,390</b>	10,88,46,993	28,22,547	98,69,110	<b>11,58,93,556</b>	<b>13,13,87,834</b>	14,07,73,015
Previous Year		24,92,57,837	3,62,171	-	<b>24,96,20,008</b>	9,88,59,759	-	99,87,234	<b>10,88,46,993</b>	<b>14,07,73,015</b>	15,03,98,078

# The Company has acquired 23 acres 68 cents of land at Jandrapet, Chirala Mandal, Prakasam District, Andhra Pradesh for the factory from Government of Andhra Pradesh on lease for a period of 99 years commencing from 12-12-1975.

	As at 31 March 2014 ₹	As at 31 March 2013 ₹
<b>Note 10 : Non-Current Investments</b>		
a) Post office savings certificate (Deposited with District Supply Office)	850	850
<b>TOTAL</b>	<b>850</b>	<b>850</b>
<b>Note 11 : Long-term Loans &amp; Advances</b>		
a) Deposits	93,56,371	74,16,061
<b>TOTAL</b>	<b>93,56,371</b>	<b>74,16,061</b>
<b>Note 12 : Inventories</b> (Valued and Certified by Management)		
a) Raw Materials (at Cost)	6,24,25,248	5,92,70,448
b) Finished Goods (at Cost or realisable value which ever is less)	13,42,64,249	13,15,05,259
c) Stores and Spares Consumables (at Cost)	3,58,64,727	3,09,28,679
d) Loose Tools (at Cost)	4,49,423	4,34,761
<b>TOTAL</b>	<b>23,30,03,647</b>	<b>22,21,39,147</b>
<b>Note 13 : Trade Receivables</b> (Unsecured and Considered Good) (Receivables recoverable in cash or for value to be received) Outstanding for over six months from due date Other Debtors	91,91,724 9,66,38,213 10,58,29,937	4,12,37,853 7,68,62,400 11,81,00,253
<b>TOTAL</b>	<b>10,58,29,937</b>	<b>11,81,00,253</b>
<b>Note 14 : Cash and Cash Equivalents</b>		
a) Cash on Hand	5,16,167	11,26,104
b) Balance with Banks	17,63,217	2,47,88,426
c) Unpaid Dividend Accounts	4,11,620	3,82,414
<b>TOTAL</b>	<b>26,91,004</b>	<b>2,62,96,944</b>
<b>Note 15 : Short-Term Loans and Advances</b> (Unsecured and Considered good) (Advances recoverable in cash or kind for value to be received)		
a) Advance for Materials	16,41,270	14,54,859
b) Advance for Expenses	17,39,832	12,34,802
c) Advances for Others	3,22,75,368	2,82,16,933
d) Others	9,35,552	3,22,000
e) Advance Tax (Net)	46,61,359	64,51,933
<b>TOTAL</b>	<b>4,12,53,381</b>	<b>3,76,80,527</b>

	For the year ended 31 March 2014		For the year ended 31 March 2013	
	₹	₹	₹	₹
<b>Note 16 : Other Income</b>				
a) Interest on Deposits		6,68,301		3,57,778
b) Insurance Claims		4,83,729		5,63,372
c) Miscellaneous Receipts		2,66,721		3,73,401
d) Contract Settlement		-		1,33,550
e) Export Incentive		9,12,218		5,03,304
f) Miscellaneous Sales		5,89,072		4,88,491
g) Sale of Duty Credit entitlement		-		27,48,699
<b>TOTAL</b>		<b>29,20,041</b>		<b>51,68,595</b>
<b>Note 17 : Cost of Materials Consumed</b>				
a) Consumption of Raw Material		1,00,46,64,218		1,02,84,21,521
b) Consumption of Stores & Spares		29,86,350		23,88,371
c) Consumption of Packing Material		1,56,51,787		1,80,40,732
d) Consumption of Process Chemicals		2,26,02,825		2,23,39,428
<b>TOTAL</b>		<b>1,04,59,05,180</b>		<b>1,07,11,90,052</b>
<b>Note 18 : Changes in Inventories</b>				
a) <b>Finished Goods</b>				
Opening Stock	13,15,05,259		13,04,24,916	
Closing Stock	<u>13,42,64,249</u>	(27,58,990)	<u>13,15,05,259</u>	(10,80,343)
<b>TOTAL</b>		<b>(27,58,990)</b>		<b>(10,80,343)</b>
<b>Note 19 : Employee Benefit Expenses</b>				
a) Salaries, Wages & Bonus (including overtime, exgratia and gratuity)		1,38,93,424		1,39,62,924
b) Provident Fund Contribution		13,27,870		14,71,384
c) Workmen and Staff Welfare Expenses		24,26,193		44,79,994
<b>TOTAL</b>		<b>1,76,47,487</b>		<b>1,99,14,302</b>
<b>Note 20 : Finance Costs</b>				
a) Interest on Working Capital		1,20,86,957		2,10,57,005
b) Interest on Term Loan		44,63,289		58,01,766
<b>TOTAL</b>		<b>1,65,50,246</b>		<b>2,68,58,771</b>

	As at 31 March 2014 ₹	As at 31 March 2013 ₹
<b>Note 3 : Long Term Borrowings</b>		
Term Loan From Bank (Secured)	5,06,44,917	5,86,73,568
(Term Loan from Axis Bank is secured by exclusive first charge by way of Hypothecation of a) 0.60 MW S52 model WTG of Suzlon make, b) 0.85 MW G58 model WTG of Gamesa make, and c) equitable mortgage of land located at Pushpathur village related to windmill project. This loan is also secured as collateral security by way of a) hypothecation on receivables generated out of the windmills and b) an equitable mortgage of a commercial land belonging to third party. It is further secured by personal guarantees of Sri M.Venkateswara Rao, Managing Director, Sri M. Lakshmaiah, Promoter Director and Sri M.Ramesh, Director in their individual capacities. The Term Loan will be repayable in 87 monthly installments starting from 31 December 2011, loan converted in Indian Currency in 60 monthly installments.)		
<b>TOTAL</b>	<b>5,06,44,917</b>	<b>5,86,73,568</b>
<b>Note 4 : Other Long Term Liabilities</b>		
<b>Unsecured Loans</b>		
a) From Companies	-	2,74,28,798
<b>TOTAL</b>	<b>-</b>	<b>2,74,28,798</b>
<b>Note 5 : Long Term Provisions</b>		
Provision for Gratuity	-	1,76,205
Provision for Leave Encashment	1,34,738	1,56,458
<b>TOTAL</b>	<b>1,34,738</b>	<b>3,32,663</b>
<b>Note 6 : Short Term Borrowings</b>		
<b>Loans repayable on demand (Secured)</b>		
From Canara Bank	21,99,08,612	21,00,41,373
(Loan is advanced by Canara Bank, secured by Hypothecation of Raw Materials, Consumable Stores, Finished Goods, Book Debts and are also secured by a first charge on the fixed assets except land and other assets of the Company related to windmill project. It is further secured by personal guarantees of Sri M. Venkateswara Rao, Managing Director, Sri M. Lakshmaiah, Promoter Director and Sri M.Ramesh, Director in their individual capacities.)		
<b>TOTAL</b>	<b>21,99,08,612</b>	<b>21,00,41,373</b>
<b>Note 7 : Trade Payables</b>		
For Materials	2,61,51,723	3,64,31,677
<b>TOTAL</b>	<b>2,61,51,723</b>	<b>3,64,31,677</b>
<b>Note 8 : Other Current Liabilities</b>		
a) Current maturity of long term debts	1,31,40,000	1,16,38,410
b) Interest Accrued and Due on borrowings	-	-
c) Unclaimed Dividend	4,11,928	3,82,863
d) Advance payments received against sales	35,19,594	38,72,125
e) Proposed Dividend (including Tax on Dividend)	11,55,326	13,68,083
f) Other Payables	2,04,62,806	2,02,04,866
<b>TOTAL</b>	<b>3,86,89,654</b>	<b>3,74,66,347</b>

BOARD OF DIRECTORS	:	Sri Maddi Lakshmaiah Sri Maddi Ramesh Sri V.V.S. Ravi Sri Maddi Venkateswara Rao	Chairman    Managing Director
GENERAL MANAGER & SECRETARY	:	Sri K. Satyanarayana	
BANKERS	:	Canara Bank Chirala – 523 155	
AUDITORS	:	M/s. A. Ramachandra Rao & Co., Chartered Accountants, 3-6-369/A/11, 1 <sup>st</sup> Floor, Street No.1, Himayathnagar, Hyderabad – 500 029	
REGISTERED OFFICE	:	12-B, Skylark Apartments, Basheer Bagh, Hyderabad – 500 029	
FACTORY & ADMINISTRATIVE OFFICE	:	Jandrapet, Chirala – 523 165 Andhra Pradesh Phones : 08594 – 222684, 222686 Super fax : 8688262007 Fax : 08594 – 222681 E-mail : <a href="mailto:capol@mlgroup.com">capol@mlgroup.com</a>	

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## NOTICE

Notice is hereby given that the 38<sup>th</sup> Annual General Meeting of the Shareholders of **COROMANDEL AGRO PRODUCTS AND OILS LIMITED** will be held on Monday 11th August, 2014 at 12B, Skylark Apartments, Basheerbagh, Hyderabad at 10:30 a.m to transact, the following business with or without modifications, as may be permissible:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014, the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the year ended March 31, 2014.
3. To appoint a Director in place of Sri Maddi Lakshmaiah, who retires by rotation under Article 122 of the Articles of Association of the Company and who, being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

The retiring Auditors M/s A. Ramachandra Rao & Company are eligible for reappointment.

### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass the following resolution, with or without modification as an Ordinary Resolution.

“RESOLVED THAT subject to approval of the General Meeting and pursuant to provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions if any of the Companies Act, 2013, the Board of Directors hereby accords its approval for the appointment of Sri Maddi Ramesh as Executive Director for a period of Five Years from 14-02-2014 on a remuneration as detailed below:

- |                |   |   |
|----------------|---|---|
| A) Salary      | : | ₹ 1,50,000/- p.m.   |
| B) Perquisites | : | In addition to the above salary, the Executive Director shall be entitled to all perquisites such as Housing, Gas, Electricity, Water, Medical reimbursement, Club Fees, Medical Insurance, Leave Travel Concession and such perquisites be restricted to an amount equal to ₹ 7,000/- per month. |

In addition to the above, the Executive Director will also be eligible to the following perquisites which shall not be included in the Computation of ceiling of remuneration:

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Funds to the extent either singly or together not taxable under the Income Tax Act, 1961.
  - b) Gratuity payable at a rate not exceeding half a month's salary per each completed year of service and
  - c) Encashment of leave at the end of tenure.
- C) Commission: In addition to the above salary and perquisites, commission is payable every year to the Executive Director and it will be calculated as follows:

5% of the net profit for the year will be calculated. From the amount so calculated, the aggregate of the salary and the perquisites mentioned above will be deducted and the balance amount will be allowed as commission during the year.”

“FURTHER RESOLVED THAT notwithstanding anything to the contrary herein contained, wherein any year during the currency of tenure of the Executive Director, the Company has no profits or its profits are not adequate, the Company will pay remuneration by way of salary and perquisites as specified above, subject to the limits as specified in Schedule V of the Companies Act, 2013.”

By Order of the Board

**Place : GUNTUR**  
**Date : May 30, 2014.**

**Sd/-**  
**(MADDI VENKATESWARA RAO)**  
**Managing Director**

**NOTES :**

1. A Member entitled to attend and vote at the General Meeting is entitled to appoint proxy to attend and vote instead of himself and such a proxy need not be a Member. The proxy form duly completed must reach the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. In case there is any correction / change in your address registered with us, may we request you to communicate the same to us with pin code to enable us to carryout appropriate changes in our records.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 05-08-2014 to 11-08-2014 (both days inclusive) for the purpose of AGM and payment of Dividend.
4. The Board of Directors in their meeting held on May 30, 2014 have recommended payment of Dividend of 12.50% ( ₹ 1.25 per equity share) for the year 2013-2014. The payment of dividend is to be approved by the shareholders at the AGM. The aforesaid dividend, if declared at the AGM, will be paid on or after August 11, 2014 to those members whose names appear in the Register of Members as on the date of the AGM.
5. Pursuant to the Provisions of Section 205A and 205C of the Companies Act, 1956, all unclaimed / unpaid dividend, as at March 31, 2014 remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the “Investor Education and Protection Fund” (IEPF) established by the Central Government. Members are requested to contact the Company in respect of unclaimed / unpaid dividends declared on or after July 20, 2007.

**DIRECTORS' REPORT  
FOR THE YEAR ENDED MARCH 31, 2014**

*Dear Shareholders,*

Your Directors have pleasure to present the 38th Annual Report and Audited Accounts of the Company for the year ended March 31, 2014

**FINANCIAL RESULTS**

	<b>For the year Ended 31-03-2014 ₹ in Lakhs</b>	<b>For the year Ended 31-03-2013 ₹ in Lakhs</b>
Sales and Other Income :		
Seed Processing	<b>12529.31</b>	<b>12788.37</b>
Wind Turbine Generators	<b>82.69</b>	<b>98.02</b>
	<b>12612.00</b>	<b>12886.39</b>
Profit before Depreciation and Income Tax :		
Seed Processing	<b>252.59</b>	<b>312.04</b>
Wind Turbine Generators	<b>(28.35)</b>	<b>(21.84)</b>
	<b>224.24</b>	<b>290.20</b>
Depreciation and Income Tax :		
Seed Processing	<b>95.72</b>	<b>89.11</b>
Wind Turbine Generators	<b>39.69</b>	<b>39.69</b>
	<b>135.41</b>	<b>128.80</b>
Deferred Tax Expenses/(Benefit) :		
Seed Processing	<b>(2.19)</b>	<b>(2.61)</b>
Wind Turbine Generators	<b>(7.41)</b>	<b>13.05</b>
	<b>(9.60)</b>	<b>10.44</b>
Net Profit /(loss) after Tax :		
Seed Processing	<b>159.06</b>	<b>225.54</b>
Wind Turbine Generators	<b>(60.63)</b>	<b>(74.58)</b>
	<b>98.43</b>	<b>150.96</b>
Add: Profit brought forward from previous year	<b>759.66</b>	<b>642.38</b>
<b>AMOUNT AVAILABLE FOR APPROPRIATION</b>	<b>858.09</b>	<b>793.34</b>
Dividend including Dividend Tax	<b>11.55</b>	<b>13.68</b>
Transfer to General Reserve	<b>—</b>	<b>20.00</b>
Surplus – Balance in Profit & Loss Account	<b>846.54</b>	<b>759.66</b>

**DIVIDEND**

Your Directors are pleased to recommend payment of dividend on equity shares at 12.50% (₹ 1.25 per equity share). The total amount of dividend outgo (including dividend tax) will be ₹ 11.55 Lakhs for the financial year ended 31<sup>st</sup> March, 2014, which if approved at the ensuing 38<sup>th</sup> Annual General Meeting.

## **PERFORMANCE**

Your Directors are pleased to inform that the company in the year under review processed **64,324 MT** of cotton seed as against 70,059 MT in the previous year.

Further, the Government of India announced higher minimum support price for cotton procurement which caused substantial increase in cotton seed prices. Due to heavy rains in the cotton growing area while in sowing and harvesting periods, the moisture content was very much heavy and also caused damage to the available cotton seed which in turn affected recoveries. In view of higher raw material prices and intense competition from other states, procurement of cotton seed became difficult and could not be made in higher volumes. Due to hike in raw material prices and lower recoveries, the Company earned this year only a net profit before tax of **₹ 145.84 Lakhs** as against ₹ 210.61 lakhs in the previous year.

## **PROSPECTS**

As the prices yielded to cotton growers highly remunerative during the previous crop year, the acreage under cotton cultivation may likely to go up and thereby the availability of raw material may also get improved and as such your Directors are optimistic in utilizing the full production capacities to ensure better working results in the coming years.

## **EXPORT AND FOREIGN EXCHANGE EARNINGS**

Your Directors wish to inform that the Company has exported **3,814.234 M.T.** of Cotton Linters worth **₹ 845.26** lakhs during the year under review as against 2,861.206 M.T. worth ₹ 499.01 lakhs in the previous year. The company also exported **1,063.233 M.T.** of Cottonseed Hulls worth **₹ 102.09** lakhs during the year under review.

## **FIXED DEPOSITS**

Your Company has not accepted any Fixed Deposits from the Public, except some Unsecured Loans brought by Promoter Directors and as such no amount on account of principal or interest on public deposits was outstanding as on the date of Balance Sheet.

## **DIRECTORS**

Sri Maddi Lakshmaiah, retire by rotation under Article 122 of the Articles of Association of the Company and being eligible, offer himself for reappointment as Directors.

## **INDUSTRIAL RELATIONS**

Industrial relations remained cordial during the year.

## **COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988**

Information as per Section 217 (1) (e) of the Companies (Amendment) Act, 1988 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

- I) Form "A" : Enclosed
- II) Form "B" : Enclosed

## **SECRETARIAL COMPLIANCE CERTIFICATE**

Compliance Certificate by Practising Company Secretary under Section 383A (1) is enclosed with this report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed

- (i) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- (iv) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'going concern' basis.

## **PARTICULARS OF EMPLOYEES**

Information as per Section 217 (2A) of the Companies (Amendment) Act, 1988 read with the Companies (Particulars of Employees) Rules 1975 for the year ended March 31, 2014 is **Nil**.

## **AUDITORS**

M/s. A. Ramachandra Rao & Co., Chartered Accountants, Hyderabad, as Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company received a letter from M/s. A. Ramachandra Rao & Co., Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act.

## **ACKNOWLEDGEMENT**

The Directors wish to place on record their appreciation for the whole-hearted and sincere co-operation the Company has received from Canara Bank, Axis Bank, Dealers and Suppliers.

For and on behalf of the Board

**Place : GUNTUR**  
**Date : May 30, 2014.**

**Sd/-**  
**(MADDI LAKSHMAIAH)**  
**Chairman**

# ANNEXURE TO THE DIRECTORS' REPORT

## FORM – “A” (SEE RULE – 2) FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

	Current Year 2013-14	Previous Year 2012-13
<b>A POWER AND FUEL CONSUMPTION</b>		
1. Electricity:		
a) Purchased Units	65,28,320	73,56,238
Total Amount	₹ 4,96,30,188	₹ 4,09,74,803
Rate per Unit	₹ 7.60	₹ 5.57
b) Own generation through diesel generators :		
Units	5,550	10,322
Units per Ltr. of diesel oil	1.65	2.28
Cost per Unit	₹ 18.51	₹ 16.74
2. Coal: (Specify quality & where used)		
Round Coal “C” Grade used in Boiler		
Quantity (tonnes)	180.000	229.000
Total Cost	₹ 9,53,738	₹ 9,88,555
Average Cost per Tonne	₹ 5,299	₹ 4,317
3. Others/Internal Generation :		
Rice Husk(Tonnes)	3,602.529	4,308.500
Total Cost	₹ 1,05,95,554	₹ 1,12,35,680
Average Cost per Tonne	₹ 2,941	₹ 2,608
<b>B. CONSUMPTION PER UNIT OF PRODUCTION :</b>		
<b>ELECTRICITY :</b>		
Cotton Seed	101.58 Units	105.15 Units
<b>RICE HUSK :</b>		
Cotton Seed	56.01 Kgs	61.50 Kgs
<b>COAL :</b>		
Cotton Seed	2.80 Kgs	3.27 Kgs

FORM “B”  
NIL

For and on behalf of the Board

Place: GUNTUR  
Date : May 30, 2014.

Sd/-  
(MADDI LAKSHMAIAH)  
Chairman

## **ANNEXURE TO THE DIRECTORS' REPORT**

### **FORM [ SEE RULE 3 ] COMPLIANCE CERTIFICATE**

[See Rule 3 of the Companies (Compliance Certificate) Rules, 2001]

Corporate Identity Number (CIN) : L15143AP1975PLC001967  
Authorised Capital : ₹ 1,50,00,000/-

#### **The Members of COROMANDEL AGRO PRODUCTS AND OILS LIMITED**

I have examined the registers, records, books and papers of M/S. COROMANDEL AGRO PRODUCTS AND OILS LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on March 31, 2014. In my opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, I certify in respect of the aforesaid financial year that:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under.
3. The Company being Public Limited Company comments are not required.
4. The Board of Directors duly met 4 (Four) times on 31.05.2013, 05.08.2013, 13.11.2013 and 14.02.2014 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members during the financial year from 30.07.2013 to 05.08.2013.
6. The Annual General Meeting for the financial year ended 31<sup>st</sup> March, 2013 was held on 5<sup>th</sup> August, 2013 after giving notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year.
8. The Company has not sanctioned / granted any loans to its Directors or Persons or Firms or Companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts, which are falling under the provisions of Section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. During the financial year ended March 31, 2014:
  - i) There was no allotment of shares and no transfer, transmission of securities during the financial year.
  - ii) Deposited the amount of dividend in a separate bank account on 7-8-2013 which is within five days from the date of declaration of such dividend.
  - iii) Paid dividend to all the members within a period of 30 (Thirty) days from the date of declaration.

- iv) The Company has transferred the amounts in unpaid dividend account, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund during the financial year under review.
  - v) The Company complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The Company during the financial year under review has appointed Mr. Maddi Ramesh as Executive Director with effect from 14-02-2014. Sri Y. Venkata Rao, Chairman has resigned with effect from 05-08-2013.
  15. The appointment of Mr. Maddi Ramesh as Whole Time Director, with effect from 14-02-2014 has been made in compliance with the provisions of Section 269 read with schedule XIII to the Act.
  16. The Company has not appointed any sole-selling agents during the financial year.
  17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such other Authorities as may be prescribed under the various provisions of the Act during the financial year.
  18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the Rules made there under.
  19. The Company has not issued any shares, debentures / other securities during the financial year.
  20. The Company has not bought back any shares during the financial year.
  21. The Company has not redeemed any preference shares or debentures during the financial year.
  22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of transfer of shares.
  23. The Company has not invited / accepted any deposits falling within the purview of Section 58A during the financial year.
  24. The amount borrowed by the Company during the financial year is within the borrowing limits of the Company as per Section 180(1)(c) of the Companies Act.
  25. The Company has made loans and investments in compliance with the provisions of Section 372A of the Act and necessary entries have been made in the Register kept for the purpose.
  26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
  28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
  30. The Company has not altered its Articles of Association during the financial year.
  31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
  32. The Company has not received any money as security from its employees during the financial year.
  33. Pursuant to Section 418 of the Act, the Company has not constituted Provident Fund for its employees.

**For AGR REDDY & CO.,  
Company Secretaries**

Sd/-  
**Manoj Kumar Koyalkar**  
Partner  
C.P.No.10004

**Place: Hyderabad**  
**Date : May 28, 2014.**



**ANNEXURE - A****Registers as maintained by the Company**

Sl. No.	Section Number	Name of the Register
1	143	Register of Charges
2	150	Register of members
3	193	Minutes of all meetings of Board of Directors
4	193(1)	Minutes of all meetings of General Meetings
5	301(3)	Register of Contracts, Companies and Firms in which directors are interested
6	303	Register of Directors, Managing Director, Manager and Secretary
7	307	Register of Director Shareholdings
8	-	Register of Share Transfers
9	-	Register of Board Meeting Attendance
10	-	Register of General Meeting Attendance

**ANNEXURE – B**

1. Forms and Returns as filed by the Company with the Registrar of Companies, during the financial year ended March 31, 2014.

Sl. No.	Name of the Document	Section of the Companies Act	Event	Filed on & Remarks
1.	Form 66	383A	Compliance Certificate for the financial year ended 31-03-2013.	03.09.2013 within Due Date.
2.	Form 32	264	Resignation of Mr. Y Venkat Rao, Chairman	03.09.2013 within due date.
3.	Form 23AC XBRL & 23ACA XBRL	220	Balance Sheet & Profit & Loss Account for the financial year ended 31-03-2013.	04.10.2013 with requisite fee.
4.	Form 20B	159	Annual Return for the Annual General Meeting held on 05-08-2013.	04.10.2013 within due date.
5.	Form 32 & 25C	269(2) & 264	Appointment of Executive Director -Sri Maddi Ramesh.	12.03.2014 within due date.

2. Forms and Returns as filed by the Company with the Regional Director, Company Law Board, Central Government and other Authorities, during the financial year ending on March 31, 2014.

**-- NIL --**

**A. RAMACHANDRA RAO & CO.,  
CHARTERED ACCOUNTANTS**

**3-6-369/A/11, 1<sup>ST</sup> Floor  
Street No.1, Himayat Nagar  
Hyderabad – 500029  
Tel: 040-27633677  
Fax: 040-27639746  
Email: arrandco@gmail.com**

**AUDITORS' REPORT**

To

**The Members of**

**M/s. COROMANDEL AGRO PRODUCTS AND OILS LIMITED**

We have audited the accompanying financial statements of M/s Coromandel Agro Products and Oils Limited which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended and Cash Flow Statement as on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements :

The Company's Management is responsible for 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 Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility :

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion :

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;  
and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. As required under provisions of section 227(3) of the Companies Act, 1956, we report that:

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- a) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- b) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
- d) On the basis of written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

For A.RAMACHANDRA RAO & CO  
Chartered Accountants  
ICAI FRN:002857S

**Place: GUNTUR (Camp)**  
**Date : 30<sup>th</sup> MAY, 2014 .**

**Sd/-**  
**(A.RAMACHANDRA RAO)**  
**Partner**  
**M. No. : 9750**

## **ANNEXURE TO THE AUDITORS' REPORT**

(Of even date referred to in Para 1 thereof)

Ref: M/s. Coromandel Agro Products And Oils Ltd

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the Fixed Assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets and to the best of our knowledge no material discrepancies were noticed on such verification;.  
(c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2. (a) As explained to us, inventories have been physically verified by the Management at regular intervals during the year.  
(b) The procedure of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- (c) The Company has maintained proper records of inventories. As explained to us, no material discrepancies were noticed on physical verification of inventory as compared to the book records.
3. (a) Based on the information and explanations provided to us, the company has not granted any loans, whether secured or unsecured, to the companies, firms or other parties covered in the Register maintained u/s Sec. 301 of the Companies Act, 1956 during the year. Hence sub clauses (b), (c) and (d) of clause 4(iii) of the order are not applicable to the company for the year.
- (b) Based on the information and explanations provided to us, the company has taken loans, secured or unsecured, from companies, firms or other parties covered in the register maintained u/s 301 of the Act. The numbers of parties are four (previous year four) in number and the maximum amount involved in the year is ₹ 4,75,89,694/- (Previous year ₹ 5,42,88,184/-)
- (c) In our opinion, the rate of interest and other terms and conditions of loans taken by the company, secured or unsecured, are not prima facie prejudicial to the interests of the company.
- (d) Based on the information provided and explanations offered to us, the payment of principal amount and interest, if any, are also regular as per terms agreed upon.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and also for the sale of goods and services to the extent applicable. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. (a) In our opinion, and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that Section;
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in point (a) above and exceeding the value of ₹ 5,00,000/- with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time
6. Based on the information provided to us, the Company has not accepted any Deposits from the public during the year and hence, in our opinion, the Clause 4(vi) is not applicable to the company for the year;
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We are of the opinion, based on the information provided to us, that the accounts and records, as prescribed by the Central Government under section 209(1)(d) of the Act in respect of maintenance of cost records, have been made and maintained.
9. (a) According to the records of the company, the company is regular in depositing the undisputed statutory dues including Sales tax, Income-tax, Customs duty, Excise duty and Employees State Insurance and Provident Fund and Cess, Investor Education Fund with the appropriate authorities. We have been informed that the company is not liable to pay Wealth Tax. We have been informed that the provisions of Wealth Tax, Cess is not applicable to the company.
- (b) According to the information and explanations given to us, there are no dues of Sales Tax/Income Tax/ Customs duty/Excise duty to be deposited on account of any dispute;

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our Audit or in the immediately preceding financial year.
11. Based on the information provided and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to Banks or Financial Institutions or Debenture holders.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a Chit fund or Nidhi / Mutual Benefit Fund / Society and hence clause 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the Company.
14. Based on the information given to us, the Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. Based on the information provided to us, the Company has not given guarantee for loans taken by others from Banks or Financial Institutions.
16. According to the information and explanations given to us, the term loans availed during the year by the Company were applied for the purposes for which the loans were obtained.
17. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we are of the opinion that the funds raised on short term basis have not been used for long term investment;
18. Based on the information provided and explanations offered, during the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, 1956 and hence sub clause (xvii) of the order is not applicable to the company for the year.
19. The Company has not issued debentures and not created any securities or charges.
20. The Company has not raised any money by way of Public Issue during the year.
21. In our opinion and according to the information provided and explanations offered to us, no fraud on or by the Company has been noticed or reported during the year.

For A. RAMACHANDRA RAO & CO.,  
Chartered Accountants  
FRN:002857S

**Place : GUNTUR (Camp)**  
**Date : 30<sup>th</sup> MAY, 2014.**

**Sd/-**  
**(A. RAMACHANDRA RAO)**  
**Partner**  
**M.No.9750**

# BALANCE SHEET AS AT 31 MARCH 2014

Particulars	Notes	As at 31 March 2014 ₹	As at 31 March 2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	1	79,00,000	79,00,000
(b) Reserves and surplus	2	15,46,78,549	14,77,57,910
		<u>16,25,78,549</u>	<u>15,56,57,910</u>
<b>(2) Non-current liabilities</b>			
(a) Long Term Borrowings	3	5,06,44,917	5,86,73,568
(b) Deferred Tax Liabilities (Net)		2,54,14,832	2,63,74,461
(c) Other Long term liabilities	4	-	2,74,28,798
(d) Long-term provisions	5	1,34,738	3,32,663
		<u>7,61,94,487</u>	<u>11,28,09,490</u>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	6	21,99,08,612	21,00,41,373
(b) Trade payables	7	2,61,51,723	3,64,31,677
(c) Other current liabilities	8	3,86,89,654	3,74,66,347
		<u>28,47,49,989</u>	<u>28,39,39,397</u>
<b>TOTAL</b>		<u><u>52,35,23,025</u></u>	<u><u>55,24,06,797</u></u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible Assets (Net)	9	13,13,87,835	14,07,73,015
(b) Non-current investments	10	850	850
(c) Long-term loans and advances	11	93,56,371	74,16,061
		<u>14,07,45,056</u>	<u>14,81,89,926</u>
<b>(2) Current assets</b>			
(a) Inventories	12	23,30,03,647	22,21,39,147
(b) Trade receivables	13	10,58,29,937	11,81,00,253
(c) Cash and cash equivalents	14	26,91,004	2,62,96,944
(d) Short-term loans and advances	15	4,12,53,381	3,76,80,527
		<u>38,27,77,969</u>	<u>40,42,16,871</u>
<b>TOTAL</b>		<u><u>52,35,23,025</u></u>	<u><u>55,24,06,797</u></u>

Accounting Policies 23

Notes on Accounts 24

The accompanying notes are an integral part of financial statements.

For and on behalf of the Board

As per our report attached  
for A. RAMACHANDRA RAO & CO.,  
Chartered Accountants  
F R N : 002857S

Sd/-  
(A. RAMACHANDRA RAO)  
Partner  
M No : 9750

Sd/-  
(MADDI LAKSHMAIAH)  
Chairman

Sd/-  
(MADDI VENKATESWARA RAO)  
Managing Director

Sd/-  
(MADDI RAMESH)  
Executive Director

Place : GUNTUR  
Date : May 30, 2014.

# **PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	For the year ended 31 March 2014 ₹	For the year ended 31 March 2013 ₹
<b>Income</b>			
I Revenue from operations (Net of Excise duty)		1,25,82,79,733	1,28,34,70,755
II Other Income	16	29,20,041	51,68,595
III Total Revenue (I+II)		1,26,11,99,774	1,28,86,39,350
<b>IV Expenses</b>			
Cost of materials consumed	17	1,04,59,05,180	1,07,11,90,052
Changes in inventories of finished goods	18	(27,58,990)	(10,80,343)
Employee benefit expenses	19	1,76,47,487	1,99,14,302
Finance costs	20	1,65,50,246	2,68,58,771
Depreciation and amortization expenses	21	78,40,502	79,58,626
Other expenses	22	16,14,31,217	14,27,37,034
<b>Total Expenses</b>		1,24,66,15,642	1,26,75,78,442
V Profit before exceptional and extraordinary items and tax (III-IV)		1,45,84,132	2,10,60,908
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V-VI)		1,45,84,132	2,10,60,908
VIII Extraordinary Items		-	-
IX Profit before tax (VII-VIII)		1,45,84,132	2,10,60,908
<b>X Tax Expenses</b>			
Current tax		(57,00,000)	(61,00,000)
Deferred Tax Expenses		9,59,629	(10,43,714)
Earlier years Income Tax Provision		-	11,78,517
XI <b>Profit/(Loss) for the period from continuing operations(IX-X)</b>		98,43,761	1,50,95,711
<b>Less: Appropriations:</b>			
Proposed dividend on equity shares		9,87,500	11,85,000
Tax on proposed dividend		1,67,826	1,83,083
Transferred to General Reserve		-	20,00,000
XII <b>Profit /(Loss) for the period after Appropriations</b>		86,88,435	1,17,27,628
Profit/(Loss) Brought forward from previous years		7,59,65,533	6,42,37,904
Profit/(Loss) Carry forward to Balance sheet		8,46,53,968	7,59,65,532
<b>XIII Earnings per share</b>			
Basic		12.46	19.11
Diluted		12.46	19.11
<b>(Refer to Note 24-4c)</b>			
<b>Significant Accounting policies</b>			
<b>Notes on accounts</b>			

The accompanying notes are an integral part of financial statements.

As per our report attached  
for A. RAMACHANDRA RAO & CO.,  
Chartered Accountants  
F R N : 002857S

**Sd/-**  
**(A. RAMACHANDRA RAO)**  
**Partner**  
**M No : 9750**

**Place : GUNTUR**  
**Date : May 30, 2014.**

For and on behalf of the Board  
**Sd/-**  
**(MADDI LAKSHMAIAH)**  
**Chairman**

**Sd/-**  
**(MADDI VENKATESWARA RAO)**  
**Managing Director**

**Sd/-**  
**(MADDI RAMESH)**  
**Executive Director**

**CASH FLOW STATEMENT**

<b>Particulars</b>	<b>For the year ended 31 March 2014 ₹</b>	<b>For the year ended 31 March 2013 ₹</b>
<b>Cash flow from operating activities :</b>		
Net profit/(loss) before taxation	1,45,84,132	2,10,60,908
<b>Adjustments for:</b>		
Depreciation	78,40,502	79,58,626
Interest Expenses	1,65,50,246	2,68,58,771
Adjustments of I.T. & F.B.T. Earlier Years	-	11,78,517
Loss/(Profit) on sale of Fixed Assets	-	-
Operating profit before working capital changes	3,89,74,880	5,70,56,822
(Increase)/Decrease in Trade Receivables	1,22,70,316	(5,33,02,188)
(Increase)/Decrease in Inventories	(1,08,64,500)	(3,30,79,986)
(Increase)/Decrease in Other Current Assets	(35,72,854)	(93,79,252)
Increase/(Decrease) in Trade Payables	(1,02,79,954)	2,13,94,519
Increase/(Decrease) in Short Term Borrowings	98,67,239	6,72,26,698
Increase/(Decrease) in Other Current Liabilities	12,23,307	82,70,265
<b>Cash from operations :</b>	3,76,18,434	5,81,86,878
Less: Income tax paid	(57,00,000)	(61,00,000)
<b>Net cash from / (used in) operating activities</b>	<b>3,19,18,434</b>	<b>5,20,86,878</b>
<b>Cash flows from investing activities :</b>		
Purchase of Fixed Assets	(7,14,082)	(3,62,171)
Sale of Fixed Assets	4,90,965	-
Increase in Deposits	(19,40,310)	(11,00,120)
<b>Net cash from investing activities</b>	<b>(21,63,427)</b>	<b>(14,62,291)</b>
<b>Cash flows from financing activities :</b>		
Interest paid	(1,65,50,246)	(2,68,58,771)
Dividend Paid	(11,55,326)	(13,68,083)
Proceeds from long term borrowings	(3,54,57,449)	(23,02,170)
Proceeds from long term provisions	(1,97,925)	1,73,021
<b>Net cash from financing activities</b>	<b>(5,33,60,946)</b>	<b>(3,03,56,003)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(2,36,05,940)</b>	<b>2,02,68,584</b>
Cash & cash equivalents at the beginning of the year	2,62,96,944	60,28,360
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>26,91,004</b>	<b>2,62,96,944</b>

For and on behalf of the Board

As per our report attached  
for A. RAMACHANDRA RAO & CO.,  
Chartered Accountants  
F R N : 002857S

**Sd/-**  
**(A. RAMACHANDRA RAO)**  
**Partner**  
**M No : 9750**

**Sd/-**  
**(MADDI LAKSHMAIAH)**  
**Chairman**

**Sd/-**  
**(MADDI VENKATESWARA RAO)**  
**Managing Director**

**Place : GUNTUR**  
**Date : May 30, 2014.**

**Sd/-**  
**(MADDI RAMESH)**  
**Executive Director**



FORM A

(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	Coromandel Agro Products & Oils Limited
2.	Annual financial statements for the year ended	March 31,2014
3.	Type of Audit observations	Un-qualified
4.	Frequency of observations	Not Applicable

For Coromandel Agro Products & Oils Ltd.,

  
(Maddi Lakshmaiah)  
Chairman

For Coromandel Agro Products & Oils Ltd.,

  
(Maddi Venkateswara Rao)  
Managing Director

For Coromandel Agro Products & Oils Ltd.,

  
(Maddi Ramesh)  
Executive Director

For Coromandel Agro Products & Oils Ltd.,

  
( V.V.S.Ravi)  
Audit committee Chairman