



JVL AGRO INDUSTRIES LIMITED

Regd. Off: Jhunjhunwala Bhawan,
Nati Imli, Varanasi 221001, (U.P.)
Tele: +91-542-2595930-32; Fax: +91-542-2595941
e-mail: info@jvlagro.com ; website: www.jvlagro.com, www.jhoola.com
(CIN L15140UP1989PLC011396)

NOTICE

Notice is hereby given that the 25th (Silver Jubilee) Annual General Meeting of the members of JVL Agro Industries Limited will be held on Monday, September 22, 2014 at 11.00 A.M. at Hotel Gateway (Taj), Nadesar, Varanasi (U.P.), India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2014 and Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To declare a Dividend on equity shares for the financial year ended on March 31, 2014.
3. To re-appoint Mr. Adarsh Jhunjhunwala, Director (DIN 01602305) who retires by rotation and being eligible offers himself for re-appointment.

4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary resolution:**

"RESOLVED THAT pursuant to the provisions 139 of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules 2014, and pursuant to recommendation of Audit Committee of the Board of Directors M/s Singh Dikshit & Company, Chartered Accountant, the retiring auditor of the company who have furnished the eligibility certificate under section 141 of the Companies Act, 2013 be and is hereby re-appointed as statutory Auditor of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the board of directors in consultation with audit committee, exclusive of travelling and other out of pocket expenses."

SPECIAL BUSINESS:

5. To appoint Mrs. Anju Jhunjhunwala (DIN: 00189221) as Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement,

Mrs. Anju Jhunjhunwala (DIN No.00189221), who was appointed as an Additional Director on August 25, 2014, pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company."

6. To appoint Mr. Shashi Kant Dikshit (DIN: 01713172) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Shashi Kant Dikshit (DIN: 01713172), who was appointed as a Director, is liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 21, 2019."

7. To appoint Mr. Mahesh Kedia (DIN: 01607928) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mahesh Kedia (DIN: 01607928), who was appointed as a Director, is liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013

from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 21, 2019.”

8. To appoint Mr. Kanhaiya Lal Goenka (DIN: 00213066) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Kanhaiya Lal Goenka (DIN: 00213066), who was appointed as a Director, is liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 21, 2019.”

9. To appoint Mr. Harsh Agrawal (DIN: 03092264) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Harsh Agrawal (DIN: 03092264), who was appointed as a Director, is liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to September 21, 2019.”

10. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015 and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act,

2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Sudhir Saxena, Cost Accountant, of Kanpur who was appointed as Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration of Rs. 50,000/- plus out of pocket expenses incurred for traveling, lodging and other expenses in connection with conducting the cost audit as recommended by the audit committee be and is hereby ratified and confirmed.”

11. To increase the borrowing limits of Company beyond the Paid-up Capital and Free Reserves of the Company, and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as **Special Resolution**:

“**RESOLVED THAT** in the supersession of the earlier resolution passed by shareholders in 21st Annual General Meeting of the Company held on 30th day of September, 2010 under Section 293(1)(d) of the Companies Act, 1956 to the extent same as already acted upon, consent of the Company be and is hereby accorded in terms of Section 180(1)(c) and (2) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings and Powers of Board) Rules, 2014, (including any statutory modifications, amendments or re-enactments thereto for the time being in force) to the Board of Directors of the Company (hereinafter referred to as “the Board”) for borrowing any sum or sums of monies from time to time for the purpose of the Company’s business on such terms and conditions and with or without security from any Bank, financial institution or any other lending institutions, firms, bodies corporate or persons, as may be considered suitable by the Board notwithstanding that the sum or sums of monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs.3500 crores over and above the paid-up capital of the Company and its free Reserves.

12. To get consent to hypothecate and mortgage the movable and immovable properties of the Company pursuant to Section 180(1)(a) of Companies Act, 2013 and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as **Special Resolution**:

“**RESOLVED THAT** in terms of Section 180(1)(a) of the Companies Act, 2013 and the Companies (Meetings and Powers of Board) Rules, 2014, (including any statutory modifications, amendments or re-enactments thereto for the time being in force), the consent of the Company in General

Meeting be and is hereby accorded by special resolution to the Board of Directors to mortgage in future all or any of the movable or immovable property of the Company wherever situated, both present and the future and whole of the undertaking of the Company and/or conferring power to enter upon and take possession of the assets of the Company in certain events in favour of any Banks and/or financial institutions, in consideration of and to secure the term loan/credit facilities and/or financial assistance of any manner upto Rs.3500 crores in the aggregate from the said institutions lent and /or to be lent to the Company together with the interest thereon at the agreed rate, compound interest additional interest, liquidated damages, premia on repayment, cost charges, expenses and the monies payable by the Company to the banks and/or financial institutions

under the loan agreement, letters of sanction , memorandum of terms and conditions entered into or to be entered into by the Company in respect of the financial assistance.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalize the documents to be executed in favour of the banks and/or financial institutions and to do all such acts and deeds, things as may be necessary or incidental thereto to give effect to this resolution.”

Place: Varanasi
Date: August 25, 2014

By order of the Board of Directors
Sd/-
Kartik Agrawal
Company Secretary

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not be act as a proxy for any other person or shareholder. The instrument appointing a proxy should, however, be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts is annexed hereto.
3. In terms of Sections 107 and 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and read with clause 35B of the Listing Agreement, the Company is providing its members the facility to exercise their right to vote at the meeting by

electronic means on any or all of the businesses specified in the accompanying Notice. Necessary arrangements have been made by the Company with CDSL to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting.

The procedure and instructions for voting through electronic means are as follows:-

- i. Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- ii. Now click on “Shareholders” to cast your votes.
- iii. Now select the Electronic Voting Sequence Number (“EVSN”) along with “Company Name” from the drop down menu and click on “SUBMIT”.
- iv. Now enter your User ID:
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Captcha Code (image verification) as displayed and Click on “Login”.
- vi. Fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Shareholders who have not updated their PAN with the Company are requested to use the first two letters of their name in Capital Letter followed by 8 digits folio no in the PAN field. In case the folio number is less than 8 digits enter the applicable number of O's after the folio number. Eg. If your name is Ramesh Kumar with folio number 1234 then enter RA12340000 in the PAN field
DOB#	Enter the Date of Birth as recorded in the Company records for the said folio in dd/mm/yyyy format.
Dividend Bank Details #	Enter the Dividend Bank Details as recorded in the Company records for the said folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company please enter the number of shares held by you as on 8th August, 2014 in the Dividend Bank details field

Please enter any one of the details in order to login.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members will then reach directly the EVSN selection screen.
- ix. The details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the relevant EVSN on which you choose to vote.
- xi. On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. Institutional shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- xvii. The voting period begins on 8th September, 2014 (9.00 a.m.) and ends on 10th September, 2014 (5.00 p.m.). During this period shareholders of the Company, holding shares as on the cut-off date of 8th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- xviii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in

www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com. You may also contact helpdesk.evoting@cdslindia.com; Tel. No. 022-66069031.

- xix. A copy of this notice has been placed on the website of the Company and the website of CDSL.
- xx. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company will order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the accompanying Notice.
- xxi. For abundant clarity, please note that the Members who have exercised their right to vote by electronic means shall not be entitled to vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.
- xxii. The Company has appointed M/s. Adesh Tandon & Associates (Prop. Mr. Adesh Tandon) of Kanpur, Practicing Company Secretaries (Membership No. F2253 and Certificate of Practice No. 1121), as 'Scrutinizer' for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- xxiii. The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the e-voting period, unlock the votes in the presence of at least two witnesses, not in employment of the Company and make Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

Place: Varanasi
Date: August 25, 2014

By order of the Board of Directors
Sd/-
Kartik Agrawal
Company Secretary

**EXPLANATORY STATEMENT
UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

ITEM NO. 5

The Board of Directors of the Company appointed, pursuant to Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Anju Jhunjhunwala as an Additional Director of the Company with effect from August 25, 2014. In terms of the provisions of Section 161(1) of the Act Mrs. Anju Jhunjhunwala would hold office as an Additional Director of the Company up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith the deposit of Rs.1,00,000/- (Rupees One Lac only) under Section 160 of the Act proposing the candidature of Mrs. Anju Jhunjhunwala for the office of Director of the Company.

Mrs. Anju Jhunjhunwala is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

In the opinion of the Board, Mrs. Anju Jhunjhunwala fulfills the conditions for her appointment as a Director as specified in the Act and the Listing Agreement.

Mrs. Anju Jhunjhunwala is aged 55 years and is well versed with the industry and currently serving on Board of different companies. Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Anju Jhunjhunwala is appointed as Director.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mrs. Anju Jhunjhunwala herself, D.N. Jhunjhunwala, S.N. Jhunjhunwala and Adarsh Jhunjhunwala, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the shareholders.

ITEM NO. 6 to 9

Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal are Independent Directors of the Company who are liable for retire by rotation as per old Companies Act, 1956.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed Company.

It is proposed to appoint Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 30th Annual General Meeting of the Company in the calendar year 2019.

Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of each of Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal for the office of Directors of the Company.

The Company has also received declarations from Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal that they meet with the criteria of independence as prescribed both under sub-Section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal are independent of the management.

Brief resume of Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal are interested in the resolutions set out respectively at Item Nos. 6 to 9 of the Notice with regard to their respective appointments.

Mr. Shashi Kant Dikshit, Mr. Mahesh Kedia, Mr. Kanhaiya Lal Goenka and Mr. Harsh Agrawal himself are interested and concerned in their respective resolutions to the extent of their shareholding interest, if any, in the Company.

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

The Board commends the Ordinary Resolutions set out at Item Nos.6 to 9 of the Notice for approval by the shareholders.

ITEM NO. 10

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. Sudhir Saxena, Cost Accountant, of Kanpur as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015 at a remuneration of Rs.50,000/- plus out of pocket expenses incurred for traveling, lodging and other expenses in connection with conducting the cost audit.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.10 of the Notice.

The Board commends the Ordinary Resolution set out at Item No.10 of the Notice for approval by the shareholders.

ITEM NO. 11

It may be mentioned here that the Companies Act, 2013 has been notified in the Official Gazette and is being implemented by the Ministry of Corporate Affairs in phases. On implementation of the provision of Section 180, approval of the shareholders shall be deemed to be in accordance with the relevant corresponding provisions of the Companies Act, 2013 subject to compliance of any transitional provisions prescribed by the Companies Act, 2013.

However, Section 180(1) (c) of the Companies Act, 2013 provides that the Board of Directors of a Company shall exercise the power to borrow monies (apart from temporary loans obtained

or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company only with the consent of the Company by a special resolution.

Hence, the Special Resolution at Item No.11 is intended for this purpose. The Board commends the passing of Special Resolution at Item No.11 of the Notice to authorize the Board of Directors to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company not exceeding Rs.3500.00 crores over and above the paid-up capital of the Company and its free reserves for the business of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.11 of the Notice.

None of the other Company is interested in the said resolution.

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

ITEM NO. 12

The Section 180(1)(a) of Companies Act, 2013 contemplates that sale, lease or otherwise disposal of whole or substantially the whole of the undertaking of the Company can be done after obtaining approval of shareholder in the general Meeting by way of Special resolution. As a legal precaution the corporate sector is of the view that mortgage/ hypothecation of property of the Company including movable/immovable property of the Company for the financial assistance taken or to be taken from the bank /Financial Institution etc. for the purpose of business of the Company with the lender may amount to disposal of undertaking in terms of aforesaid Section. Therefore having regard to extension of the mortgage and hypothecation in future, it has become necessary to confer upon the board the power to do so. Therefore an enabling resolution being proposed at item No.12 to be passed as special resolution.

Except for Mr. S.N. Jhunjhunwala, Managing Director, his relative & family members, none of the other independent directors are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.12 of the Notice.

The Board commends the Special Resolution set out at Item No.12 of the Notice for approval by the shareholders.

Place: Varanasi
Date: August 25, 2014

By order of the Board of Directors
Sd/-
Kartik Agrawal
Company Secretary



JVL AGRO INDUSTRIES LIMITED

Regd. Off: Jhunjhunwala Bhawan,
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POLLING PAPER

JVL AGRO INDUSTRIES LIMITED

CIN No. L15140UP1989PLC011396

Registered office: Jhunjhunwala Bhawan, Nati Imli, Varanasi – 221001 (U.P.) India

Email: info@jvlagro.com; website: www.jvlagro.com, www.jhoola.com

Ph. No. +91-542-2595930-32; Fax: +91 – 5422595941

ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

- Name(s) & Registered Address :
of the sole / first named Member
- Name(s) of the :
Joint-Holder(s), if any
- i) Registered Folio No. :
ii) *DP ID No. & Client ID No.
[*Applicable to Members holding shares in dematerialized form]
- Number of Share(s) held:
- I / We hereby exercise my / our vote in respect of the following resolutions to be passed for the business stated in the Notice of the Annual General Meeting dated September 22, 2014, by conveying my / our assent or dissent to the resolutions by placing tick (√) mark in the appropriate box below:

S. No.	RESOLUTION	No. of Shares	I / We assent to (FOR)	I / We dissent to (FOR)
	Ordinary Business			
1.	Adoption of Financial Statements for the financial year ended March 31, 2014 and Reports of Board of Directors and Auditors thereon.			
2.	Declaration of dividend on equity shares for the financial year ended 31st March, 2014			
3.	Appointment of a director in place of Mr. Adarsh Jhunjhunwala, who retires by rotation and being eligible, offers himself for re- appointment			
4.	Appointment of M/s Singh Dikshit & Co., Chartered Accountants, Varanasi as Statutory Auditors of the Company and to fix their remuneration.			
	Special Business			
5.	Appointment of Mrs. Anju Jhunjhunwala as Director of the Company			
6.	Appointment of Mr. Shashi Kant Dikshit as an Independent Director of the Company			
7.	Appointment of Mr. Mahesh Kedia as an Independent Director of the Company			
8.	Appointment of Mr. Kanhaiya Lal Goenka as an Independent Director of the Company			

S. No.	RESOLUTION	No. of Shares	I / We assent to (FOR)	I / We dissent to (FOR)
9.	Appointment of Mr. Harsh Agrawal as an Independent Director of the Company			
10.	To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2015			
11.	Authorizing borrowing u/s 180(1)(c) of the Companies Act, 2013			
12.	Creation of Security u/s 180(1)(a) of the Companies Act, 2013			

Place:

Date:

.....

Signature of the Member

or

Authorized Representative

Notes:

- (i) If you opt to cast your vote by e-voting, there is no need to fill up and sign this form.
- (ii) Last date for receipt of Assent/Dissent Form by the Scrutinizer: September 20th, 2014 (6.00 pm).
- (iii) Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

General Instructions

- 1. As per the Companies Act, 2013, Company has to provide e-voting facility to its shareholders, however the shareholders, who do not have access to e-voting facility may convey their Assent / Dissent in Physical Assent / Dissent Form. If a shareholder has opted for e-voting, then he/she should not vote by Physical Assent / Dissent Form. However, in case Shareholders cast their vote through both physical assent/dissent form and e-voting, then vote casted through e-voting shall be considered, and vote casted through physical assent/dissent shall be treated as invalid.
- 2. The notice of Annual General Meeting is dispatched/e-mailed to the members whose names appear on the Register of Members as on August 08, 2014 and voting rights shall be reckoned on the paid up value of the shares registered in the name of the shareholders as on the said date.

Instructions for voting physically on Assent / Dissent Form.

- 1. A Member desiring to exercise vote by Assent / Dissent should complete this Assent / Dissent Form and send it in the enclosed self addressed pre-paid postage envelope so as to reach the Scrutinizer, Mr. Adesh Tandon, Practicing Company Secretary, at the registered office of the Company on or before 6.00 p.m. on September 20, 2014. All Forms received after this date will be strictly treated as if the reply from such Member has not been received.
- 2. This Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/ Depository Participants). In case of joint

holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.

- 3. In respect of shares held by corporate and institutional shareholders (companies, trusts, societies etc.), the completed Assent /Dissent Form should be accompanied by a certified copy of the relevant Board Resolution/appropriate authorization, with the specimen signature(s) of the authorized signatory(ies) duly attested.
- 4. The consent must be accorded by recording the assent in the column 'FOR' or dissent in the column 'AGAINST' by placing a tick mark(√) in the appropriate column in the Form. The assent or dissent received in any other form shall not be considered valid.
- 5. Members are requested to fill the Form in indelible ink and avoid filling it by using erasable writing medium(s) like pencil.
- 6. There will be one Assent / Dissent Form for every folio / Client id irrespective of the number of joint holders.
- 7. Members are requested not to send any other paper along with the Assent / Dissent Form. They are also requested not to write anything in the Assent / Dissent form except giving their assent or dissent and putting their signature.
- 8. The Scrutinizer's decision on the validity of the Assent / Dissent Form will be final and binding.
- 9. Incomplete, unsigned or incorrectly ticked Assent / Dissent Forms will be rejected.



JVL AGRO INDUSTRIES LIMITED

Regd. Off: Jhunjhunwala Bhawan,
Nati Imli, Varanasi 221001, (U.P.)
Tele: +91-542-2595930-32; Fax: +91-542-2595941
e-mail: info@jvlagro.com ; website: www.jvlagro.com, www.jhoola.com
(CIN L15140UP1989PLC011396)

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL (Joint shareholders may obtain additional slip at the venue of the meeting).

DP ID*

Folio No.

Client ID *

No. Of Shares

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 25th Annual general Meeting of the company held on 22nd September 2014 at 11.00 A.M. at Hotel Gateway (Taj), Nadesar, Varanasi – 221001 (U.P.) India

.....
Signature of shareholder/Proxy

*Applicable for shareholders holding shares in electronic form



Form No. MGT-11

Proxy form

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

CIN: L15140UP1989PLC011396

Name of the company: JVL Agro Industries Limited

Registered office: Jhunjhunwala Bhawan, Nati Imli, Varanasi – 221001 (U.P.) India

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id :
DP ID :

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

- Name :
Address :
E-mail Id :
Signature :, or failing him
- Name :
Address :
E-mail Id :
Signature :, or failing him
- Name :
Address :
E-mail Id :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual general meeting of the company, to be held on the 22nd day of September 2014 At 11.00 A.M. at Hotel Gateway (Taj), Nadesar, Varanasi – 221001 (U.P.) India and at any adjournment thereof in respect of such resolutions as are indicated below:

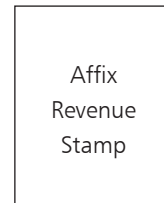
Resolution No.

-
-
-

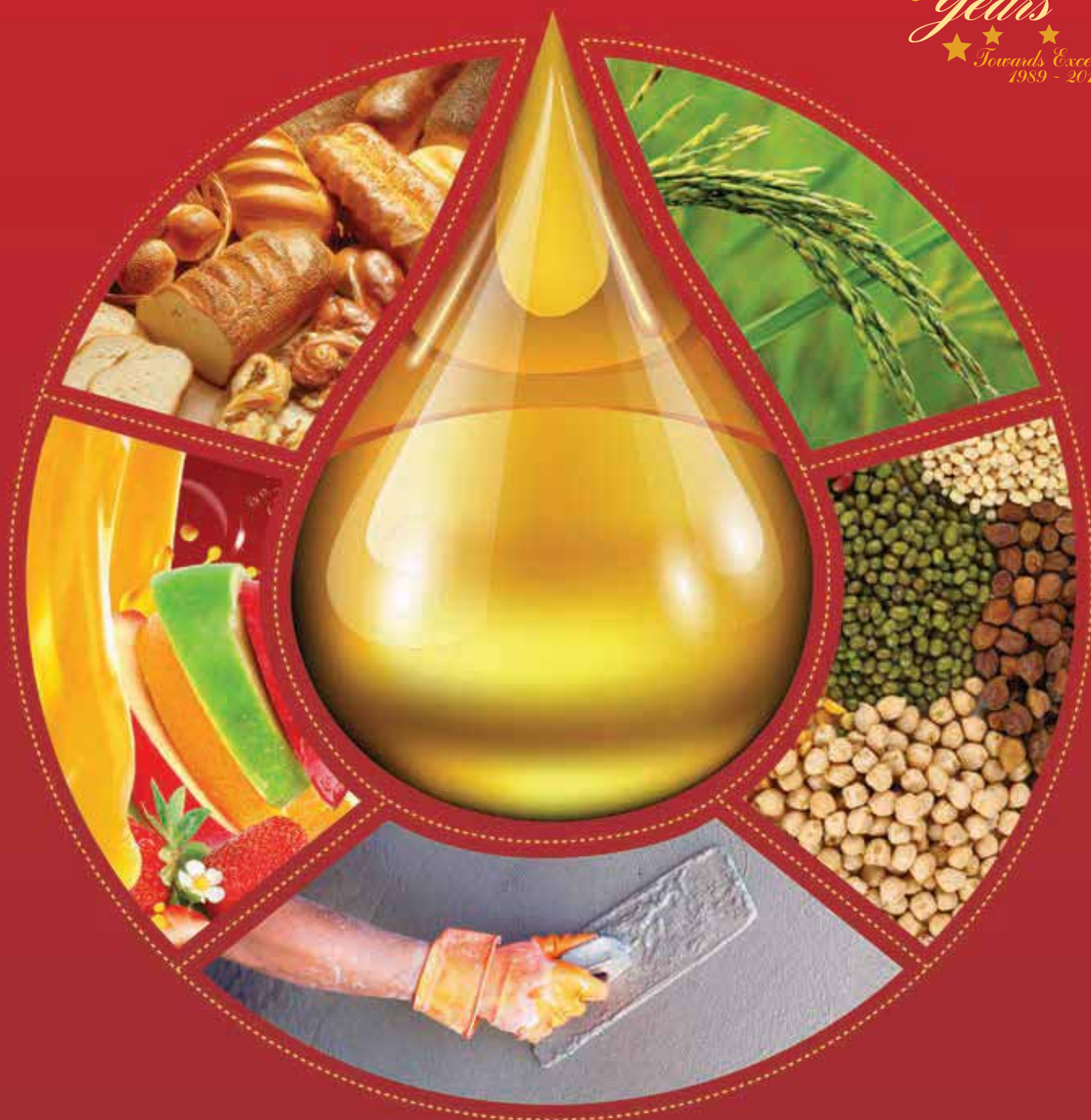
Signed this day of 20.....

Signature of shareholder

Signature of Proxy holder(s)



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



ACHHE DIN
aaney waaley hain!

FROM EDIBLE OILS TO FMCG

Forward-looking statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of these results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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ACHHE DIN aaney waaley hain!

THE YEAR 2013-14 MARKED A MOMENTOUS OCCASION IN JVL'S HISTORY AS THE COMPANY ENTERED THE 25TH YEAR OF ITS EXISTENCE.

THE COMPANY SELECTED THIS OCCASION TO REPORT ITS BEST-EVER PERFORMANCE IN THE FACE OF UNPRECEDENTED CHALLENGES FOR THE COUNTRY, SECTOR AND ITSELF.

THESE CHALLENGES WERE A RESULT OF CURRENCY VOLATILITY, FOOD INFLATION AND WEAK CONSUMER SENTIMENT.

JVL AGRO LEVERAGED ITS DEEP COMPETITIVE CAPABILITIES AND GREW ITS REVENUES BY 14.80 PER CENT TO ₹4,405.31 CRORE AND PROFIT AFTER TAX BY 1.47 PER CENT TO ₹61.26 CRORE.

JVL'S RECORD PERFORMANCE IN THE WORST OF TIMES INSPIRES THE OPTIMISM THAT IT SHOULD DO EVEN BETTER WHEN THE INDUSTRY ENVIRONMENT REBOUNDS.

ACHHE DIN AANEY WAALEY HAIN!

Achhe din aaney waaley hain!

Structural reforms. Larger infrastructure outlay. Quicker process clearances. Focus on food security. Greater agriculture spending. Decisive national leadership. Increased accountability. Growing irrigation sector.

Achhe din aaney waaley hain!

Increased capacity. Higher asset utilisation. Wider marketing footprint. Higher efficiencies. Richer product portfolio. Stronger brand. Wider consumer mix. Stronger food product focus. Focused premiumisation. Integrated Mega Food Park. More locations. Superior technology. Port-based facility. International presence. Value-added products. Wide marketing network. From oil to FMCG.

JVL Agro is one of the most attractive proxies of India's food processing industry.

Multi-product. Multi-brand. Multi-locational. Multi-market.

The robustness of this business model has been validated by a growth in the Company's revenues from ₹1,234.14 crore in 2009-10 to ₹4,405.31 crore in 2013-14.

Outperforming sectoral growth and emerging as one of the fastest-growing branded edible oil processing companies in India.



Our vision

To delight the consumer through a complete portfolio of vegetable oils through continuous research and development in healthier oil varieties, leading to one-stop convenience.



Our mission

To extend our leadership from saturated fats to the entire vegetable oils segment in the first stage and to agro-based premium food products thereafter, from a single region in India to a global manufacturing and marketing presence.

About us

The Company was incorporated in the year 1989 for manufacturing hydrogenated vegetable oil (initial capacity of 25 tonnes per day) and has been promoted by Mr. D.N. Jhunjhunwala since 1989.

The Company is among the largest edible oil processing companies in India today – and also one of the fastest growing in terms of finished goods.

The Company is headed by Chairman Mr. D.N. Jhunjhunwala, Mr. S.N. Jhunjhunwala (Managing Director), Mr. Adarsh Jhunjhunwala (Whole time Director) and executives.

Presence

The Company has its headquarters in Varanasi with a subsidiary in Singapore. The Company has four offices in Alwar, Kolkata, Mumbai and Delhi.

The Company's refined oil and *vanaspati* manufacturing units are located in Varanasi (Uttar Pradesh) and Dehri-on-Sone (Bihar), a mustard oil manufacturing unit in Alwar (Rajasthan) and a refinery in Haldia (West Bengal).

The Company's products are available across thousands of retail outlets in 18 Indian states and two union territories.

The Company's shares are listed and actively traded on the Bombay Stock Exchange (BSE), National Stock Exchange (NSE), Delhi Stock Exchange (DSE) and Uttar Pradesh Stock Exchange (UPSE).

Awards and accolades

- All the Company's plants are ISO 9001: 2008 certified.
- The Company was recognised as the 'Fastest growing *vanaspati* brand in 2006' and 'Emerging Company of the

year 2007' by Globoil;

- Mr. S.N. Jhunjhunwala (Managing Director) was presented the 'Globoil Man of the Year 2008' award and 'Globoil India Legend 2011' award was presented to Mr. D.N. Jhunjhunwala (Chairman).

Multi-brand

The Company markets products under the Jhoola, Payal, Joochi, Shankar and Royal brands.

- **Vanaspati:** Jhoola brand
- **RBD palmolien:** Jhoola and Payal brands
- **Refined soyabean oil:** Jhoola Health brand
- **Mustard oil:** Jhoola, Joochi and Shankar brands
- **Blended oil:** Joochi Active brand
- **Premium mustard and soyabean oil:** Royal brand



Products	Product variants	Brand name	Manufacturing locations	Revenue *	Capacity *
Vanaspati	Vanaspati ghee, bakery shortening	Jhoola	Naupur (Uttar Pradesh), Dehri-on-Sone (Bihar)	₹331.78 crore	1,65,000 TPD
Refined oil	Olein, soya, mustard	Jhoola, Payal	Naupur (Uttar Pradesh), Dehri-on-Sone (Bihar), Alwar (Rajasthan), Haldia (West Bengal)	₹2,635.83 crore	6,00,000 TPD
Mustard oil	Kachchi ghani/ Pakki ghani	Jhoola, Shankar, JVL Royal	Alwar (Rajasthan)	₹177.72 crore	1,20,000 TPD

* As on March 31, 2014

Milestones

1990

Commenced production with a 25-TPD capacity

- Emerged as the first Uttar Pradesh-based *vanaspati* manufacturer to commission a 3-MW power plant
- Formed a wholly-owned Singapore subsidiary under JVL Overseas Pte Ltd
- Introduced products in the North-Eastern states

2007

1993

Achieved 100-TPD production at Varanasi

- Commissioned an edible oil refinery/saturated fats unit in Bihar
- Commenced production from a new refinery in Uttar Pradesh
- Initiated de-oiled cake exports

2008

1995

Switched *vanaspati* processing from legacy chemical method to modern mechanical technology-based one

- Commenced commercial production from the Bihar unit
- Introduced products in Jammu and Kashmir, Himachal Pradesh and West Bengal

2009

2010

Commenced development of the Haldia unit with 1,200 TPD refining capacity, captive power plant and oleo chemical section

1999

Installed a 60-TPD unit for refined oil at Jaunpur, introducing crude soyabean and palmolein oil

Got listed on the National Stock Exchange of India Limited

2011

2000

Increased *vanaspati* production capacity to 200 TPD

- Increased mustard seed crushing capacity to 400 MTPD, solvent extraction to 450 MTPD and storage capacity of mustard seed by 6,400 MT at Alwar unit
- Commenced production from the Company's biggest unit, at Haldia
- Introduced refined oil in Eastern India

2012

2005

Introduced a fractionation unit of 200-TPD capacity

- Achieved its topline target of ₹3,500 crore
- Set out to establish a rice mill and a cement unit in Rohtas, Bihar
- Received an in-principle approval from the Ministry of Food Processing in December 2013 for the Mega Food Park project promoted by the Company

2013

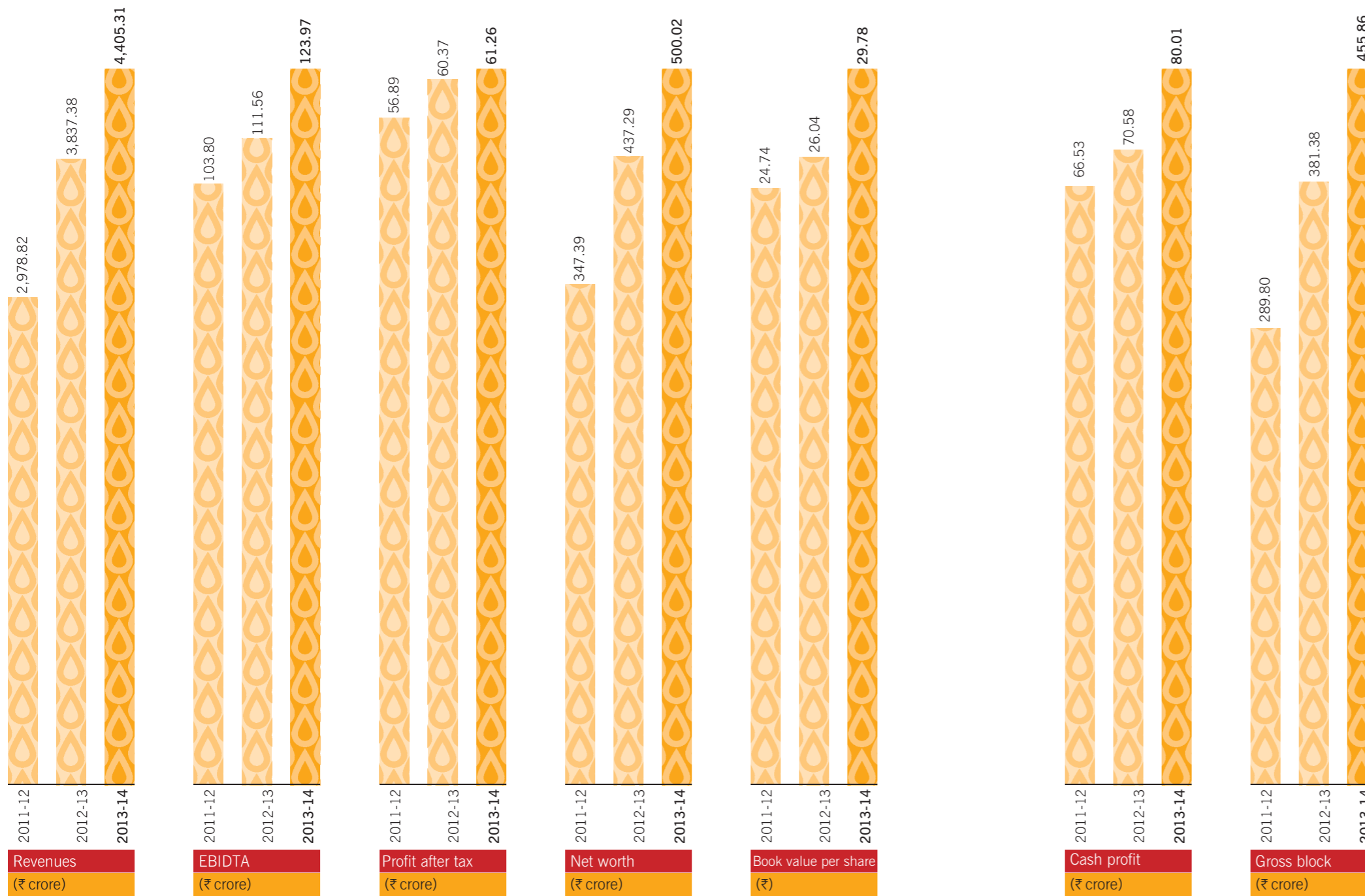
2006

- Acquired Rajasthan-based mustard oil seed-crushing and refining plant
- Invested in Adamjee Extraction, Sri Lanka, to import saturated fats under the *Jhoola* brand
- Sold products in the states of Uttar Pradesh, Bihar, Jharkhand, Madhya Pradesh, Uttaranchal and Chhattisgarh

2014

- Garnered all-time high revenues of ₹4,405 crore
- Earned a record-high profit after tax of ₹61.26 crore
- Marked its growth in other food products by starting to establish a rice mill in Bihar of 60,000 tonnes per annum capacity
- Spent the year in consolidating its growth so far and focusing on optimum utilisation of assets and curtailing its interest costs; laid the foundation for the next round of growth in other food segments

Financial highlights, 2013-14



2013-14 in retrospect

14.80%

Increase in revenues from ₹3,837.38 crore in 2012-13 to ₹4,405.31 crore in 2013-14; a CAGR of 37.45 per cent over the last five years leading to 2013-14

1.47%

Increase in post tax profit from ₹60.37 crore in 2012-13 to ₹61.26 crore in 2013-14; a CAGR of 20.33 per cent over the last five years leading to 2013-14

2,635.83 bps

Increase in the contribution of the refined oil business to the total revenue from 35.15 per cent in 2012-13 to 59.83 per cent

84.18%

Increase in refined oil production from 2,56,678.63 MT in 2012-13 to 4,72,745.23 MT in 2013-14

OUR JOURNEY SINCE
INCEPTION

WHERE WE HAVE COME FROM IS OFTEN A GOOD INDEX OF WHERE WE ARE HEADED.



Our revenues in 2005-06 (₹ crore)

668.21

Our revenues in 2013-14 (₹ crore)

4,405.31



Our PAT, 2005-06 (₹ crore)

6.39

Our PAT, 2013-14 (₹ crore)

61.26



Our locations, 2005-06

Naupur

Our locations, 2013-14

Naupur
Alwar
Dehri-on-Sone
Haldia



Our products, 2005-06

Vanaspati, Refined oil

Our products, 2013-14

Refined soyabean oil
Refined palm oil
Refined sunflower oil
Refined cotton seed oil
Mustard oil
Bakery products
Vanaspati



MANAGING DIRECTOR'S REVIEW

The Indian economy experienced one of the most challenging slowdowns in a decade, reporting a sub-5 per cent GDP growth for the second year running



Dear Shareholders

It was the worst of years and it was the best of years.

The Indian economy experienced one of the most challenging slowdowns in a decade, reporting a sub-5 per cent GDP growth for the second year running in 2013-14. In such an environment it would have been reasonable to report flat revenues and profits and blame it on the economy.

I am happy that JVL Agro reported revenues of ₹4,405.31 crore in 2013-14 compared with ₹3,837.38 crore in 2012-13, a growth of 14.80 per cent over the previous financial year. The fact that the Company reported only a marginal increase in net profit during the year to ₹61.26 crore compared with ₹60.37 crore in 2012-13 must be viewed favourably considering the rupee reported its sharpest two-way movement in years, weakening to an abysmal low of ₹68 per dollar in August 2013.

Quality of earnings

One of the things that I must impress upon our shareholders is the quality of our earnings.

Over the years, the Company selected to trade raw materials in the normal course of its business. This trading was considered essential to capitalise on short-term opportunities, hedge positions and provide the Company with adequate raw material inventory to sustain uninterrupted operations. The trading

exposure is generally conducted for a modest return on the one hand and raw material security on the other. However, given the volatile business environment and with the aim to focus largely on the core business, the Company resolved to moderate its exposure to traded revenues. The Company drew down the traded component of its turnover from 39.19 per cent in 2012-13 to 21.85 per cent in 2013-14. The result is the branded proportion of our revenues have increased from ₹2,307.32 crore in 2012-13 to ₹3,387.89 crore in 2013-14, validating the investments that we have made in plants, products and promotions.

Performance drivers, 2013-14

The Company registered an improved performance during the year under review on the back of a full-year operation at the Company's Haldia unit which was commissioned in October 2012. The Company launched the Royal brand of mustard oil directed at the premium segment, one of the many instances of the Company moving from the low-mid consumer segment to the premium segment. The Company launched a bakery product in preparation of its evolution from edible oil to a food products company. The Company launched cotton seed oil, which helped widen the product mix and enabled the Company to enter a niche category.

The Company took on lease a plant

(15,000 TPM) belonging to KS Oils to supplement the existing capacity of the Haldia facility, validating the success of the said facility and its asset-light business model.

The next big leap

During the year under review, the Company embarked on a project that promises to transform the Company's identity.

The Company promoted JVL Mega Food Park Pvt. Ltd. to commission an 80-acre Mega Food Park in Bihar, which received in-approval from the Ministry of Food Processing, Government of India. The Mega Food Park will deepen the Company's presence in the country's agri-infrastructure space and serve as a foundation for its extension to the fast-growing FMCG sector.

The Bihar Mega Food Park will be the first-of-its-kind in Eastern India. The location is appropriate; the facility will convert the state's abundant throughput of rice, wheat, maize and mustard into processed products and address a growing consumer pool not only within the state but also across a 40 million-strong population in six contiguous states. Over time, one is optimistic that the Mega Food Park will emerge as a hub for farmers, processors and downstream users coupled with adequate financing, warehousing and other support functions. I must assure



At JVL Agro, our aim lies in raising margins from the current level to 5 per cent over the next three to five years

shareholders that this ₹117.43 crore project (first phase) will be funded by a judicious mix of net worth, debt and government support.

Challenges

One of the challenging realities affecting the country's edible oil refining sector was an anomaly in the import duty structure related to raw materials and end products. During the year under review, the edible oil processing industry suffered a reduction in the delta between customs duty on the raw material and import duty on the finished product, the difference declining from 10 per cent to 5 per cent. Following a reduction in the incentive to refine raw materials, a number of companies were compelled to close down while all expansions were put on hold. Thereafter, the government reconsidered the reality and increased the differential to 7.50 per cent, following which the industry stabilised.

At JVL Agro, we are convinced that the future of India's food security hinges on the health of its food processing sector. In turn, the health of its food processing sector lies, among other things, in the duty differential, which serves as an incentive to sustain and expand the business. In view of the need for long-term sustainability, a 10 per cent duty differential will serve the interests of processors and consumers both.

To manage forex volatility in our business, given the large import exposure, the Company established

a dedicated treasury desk comprising ex-bankers and professionals, which we expect will translate into informed decision-making on the one hand and an institutionalised hedging approach on the other.

Strategic direction

At JVL Agro, our aim lies in raising margins from the current level to 5 per cent over the next three to five years. For this purpose your management is following a dual approach of expansion into the premium segment with value-added products on one side and leveraging government subsidy schemes by making investments in greenfield projects on the other. While the value-added products help Company earn more margins, the investments in greenfield projects add to the subsidy inflow, which in turn, improve margins further.

The projects that will enable the Company to more than double its subsidy inflow comprise the proposed Mega Food Park, and a unit in North-East India. Going ahead, the Company expects to increase the number of owned depots from 35 to 50, creating a foundation for enhanced throughput to be distributed across the markets of the Company's presence.

Besides, the Company expects to start manufacturing its products from an international location (Africa) during the year under review, establishing its brand and then setting up a unit there.

Outlook, 2014-15

During the last quarter of the financial year under review, the Company reported an attractive convergence of a number of positive realities – increased outsourcing from the leased KS Oils facility, a stronger rupee, robust offtake and a matured presence in West Bengal. The result is that the Company reported a 2.75 per cent increase in topline over the immediately preceding quarter but a 109.24 per cent increase in its EBIDTA and a 92.46 per cent growth in its post-tax bottomline. This was reinforced by margins (EBIDTA) expansion from 1.98 per cent to 4.03 per cent, which provides shareholders with a peek into the intrinsic profitability of our business.

At JVL Agro, we expect to sustain the growth that we reported in the last quarter into 2014-15 through the following developments: commissioning of the rice processing and branding business starting from the first quarter of current year; the expansion of the Alwar facility which will generate incremental revenues for three quarters of the year, and marketing branded pulses by the second half of the year.

In view of these initiatives, the Company expects to report a topline of ₹5,000 crore in 2014-15 with a proportionate increase in profits.

With warm regards,

S. N. Jhunjhunwala,
Managing Director

OUR BUSINESS MODEL

Brand

The Company is engaged in a trust-based food products business where its brand is a hallmark of quality and hygienic practices. The Company continued to position its brands around health, affordability and choice across all price points. The result is that 80 per cent of the Company's revenues during 2013-14 were derived from branded product offtake. The *Jhoola* brand was the market leader in the large Bihar and Uttar Pradesh markets.

Economies-of-scale

In a competitive business marked by thin margins, success stems from economies-of-procurement, manufacturing and marketing. For instance, the Company invested in one of the largest edible oil capacities at a single port-based location in India (Haldia, 1,200 TPD) and thousands of retail distribution points for pan-India product availability. Besides, the Company's products are available across various packaging sizes - from 200 millilitres to 5 kilograms to 15 kilograms-tapping into customers across different price points. Besides, the Company's investment in a 3-MW power plant at its Varanasi unit ensures that 100 per cent of its energy requirement is met captively, resulting in reduced energy costs.

Multi-product

The Company's product portfolio addressed diverse consumer preferences (soya bean, mustard, palm oil,

vanaspati), income classes (economy to premium) and geographies (covering 18 states of India and two union territories). The Company extended from *vanaspati* and edible oils to bakery products, cereals and intends to extend to diverse food products. The JVL product portfolio (vegetable oil and *vanaspati*) addresses the cooking media preference of 70 per cent of India.

Logistical advantage

In the edible oils refining business, it is imperative to access raw materials from proximate sourcing points and market products close to the refining facility. The Company countered the conventional approach of import-inland transport-process-onward deliver to import-process-onward deliver following its port-based Haldia facility, moderating transportation costs and turnaround time.

Best-in-class technology

Given the need for hygiene on the one hand and process efficiency on the other, the edible oil refining business warrants sophisticated technology. In view of this, the Company invested in Alfa Laval equipment in Haldia to maximise oil extraction and energy efficiencies, and acquired the ISO 9001-2008 certification.

Widespread presence

In the business of edible oil manufacturing, success is derived from economies-of-brand and efficient distribution. In view of this, the Company

grew from one manufacturing location in 2005 to four locations, seeding markets more effectively. The Company's proposed manufacturing locations in Gujarat and the North-East will strengthen its pan-Indian positioning and revenue broadbasing.

Financial discipline

The business of edible oil manufacture requires consistent investments in capacities, products and locations and success is derived from a robust Balance Sheet. Case in point: the Company's gearing stood at 0.52 as on 31st March 2014.

Trading component

The Company recognises that the trading of raw material is an intrinsic part of the business, opening the Company to opportunistic purchases, hedging and raw material security. However, the Company intends to moderate its trading exposure with the objective to reduce business risk.

Subsidy-driven expansion

The Company has been capitalising on a subsidy-driven industry environment related to fresh capital investments. Over the last three years, the Company increased its refining capacity from an aggregate 4,05,000 TPA to 8,85,000 TPA. During the year under review, the Company earned a substantial ₹54.84 crore from subsidy inflows. Going ahead, the Company intends to increase the subsidy inflow through incremental capex in greenfield and brownfield initiatives.



Achhe din aaney waaley hain!

**NATIONAL
TURNAROUND**

AT JVL AGRO, WE ARE OPTIMISTIC OF BETTER DAYS FOR THE COUNTRY, THE SECTOR AND THE COMPANY FOLLOWING THE INDUCTION OF A NEW CENTRAL GOVERNMENT.

The government has sent out strong signals related to governance, structural reforms, infrastructure spending and fast-tracking economic growth.

At JVL Agro, we are optimistic that the gradual evolution of India into a preferred global asset class will lead to enhanced foreign direct investments, robust inflows and a stronger rupee.

A stronger currency is expected to have significant implications for our business, which is extensively dependant on imported palm oil on the one hand and imported capital equipment on the other. We believe that a stable rupee will make it possible for us to leverage economies-of-purchase and transportation that could widen our margins without the fear of currency losses.

Any appreciation in the value of the rupee could only moderate the cost of raw material, which could in turn make it possible for us to price our end products cheaper and widen the market for the benefit of the Indian consumer. Besides, a currency appreciation could also translate into currency gains (as opposed to losses suffered in the last year).

The result is a picture of optimism for our business, the consumers and the country.



Achhe din aaney waaley hain!

**INCREASED
BRANDED AND
CALORIFIC
INTAKE**

AT JVL AGRO, WE ARE OPTIMISTIC THAT BETTER DAYS ARE ROUND THE CORNER FOR SOME PERTINENT REASONS.

India's overall food consumption has grown incrementally and is expected to double by 2030.

India's GDP is expected to triple over the medium-term, driving food consumption by 4 per cent p.a. - from ₹11 trillion in 2010 to ₹22.5 trillion by 2030 (Source: McKinsey).

The increase in India's income is graduating more and more individuals into the consumption category. A large proportion of these consumers are rural, exposed to the media and showing a willingness to consume branded products.

At JVL Agro, this ongoing growth and transition represent one of the largest opportunities for manufacturing and marketing refined oils anywhere in the world.

This is why the Company continued to invest aggressively in capacity expansion from 4,05,000 TPA in 2010-11 to 885,000 TPA in 2013-14 and expects to sustain this pace over the foreseeable future to service a growing appetite. For instance, by the end of this calendar year, the Company expects to commission a rice processing unit (60,000 TPA) to reinforce its industry position.

Clearly, better days lie ahead.



Achhe din aaney waaley hain!

**WIDENING AND
PREMIUMISING
THE PORTFOLIO**

AT JVL AGRO, WE FEEL THAT THE TIME HAS COME TO GRADUATE FROM A LINEAR INCREASE IN EXISTING CAPACITY TO A WIDENING OF OUR OPERATING PORTFOLIO.

At JVL Agro, we have a successful track record in demonstrating a continuing evolution in our business mix. Until 2005, we were principally a *vanaspati* company; thereafter, we increased edible oil refining capacities to moderate the contribution of *vanaspati* within our revenue mix to 7.53 per cent today. Most companies would have been content with this evolution; at JVL Agro, we reduced our risk further by widening our oil mix – from two varieties of oils in 2005-06 to seven in 2013-14.

At JVL Agro, we are widening our portfolio mix even further. For years, we were perceived as a company that addressed the country's vast mid-market foods segment. The time has come for JVL Agro to premiumise its foods presence - to graduate towards premium mustard oil (launched under the Royal brand), premium branded pulses, fruit juices and rice, start the third quarter of FY15. Besides, the Company expects to scale the launch of bakery products and cotton seed oil.

This progressive evolution from a manufacturing-centric company addressing the low-mid end of the market to a point where we address the premium segment, is expected to translate into enhanced revenues, margins, surpluses and organisational growth.

Indicating that better days are round the corner.



Achhe din aaney waaley hain!

**FROM STANDALONE
MANUFACTURE
TO AN INTEGRATED
FOOD PARK**

FOR DECADES, JVL AGRO FOCUSED ON INDEPENDENT MANUFACTURING UNITS IN VARANASI, ALWAR, HALDIA AND DEHRI-ON-SONE. HOWEVER, THE TIME HAS COME FOR THE COMPANY TO GRADUATE FROM THIS STANDALONE MODEL TO AN INTEGRATED FOOD PARK-BASED APPROACH.

The Company is proposing a 80 acre Mega Food Park on the Akhorigola Road in the Jorawarpur village of Rohtas district in Bihar, in line with a maturing of the Indian consumer and related efficiencies. The Company has already received a relevant in-principle approval from the Ministry of Food Processing Industries on 19th December, 2013.

There are a number of reasons why food parks are the right idea for the right country at the right time.

A country like China possesses 200 food parks; India's proposal of a food park in each state is way below the national requirement. Bihar, where the Mega Food Park is to be located, is abundant in rice, wheat and maize, but deficient in downstream processing capacity. The Company will invest in a large centralised processing capacity to amortise costs better. The Mega Food Park will house food processing companies needing abundant and proximate agri-resources.

The proposed food park in Rohtas district will address a 400 million-strong market (Bihar, West Bengal, Eastern Uttar Pradesh, Jharkhand, Chattisgarh, Madhya Pradesh and Odisha).

JVL Agro engaged IL&FS as project consultants and intends to launch the Mega Food Park in the second quarter of FY15 and to be completed in four years with the objective to make a significant contribution to our revenues and profitability.

Clearly, stakeholders can expect better days ahead.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

After a relatively weak first quarter in 2013, the global economy gained momentum. The eurozone gradually moved out of recession, the US expanded despite fiscal adjustments. Global GDP growth was estimated at a modest 2.9 per cent in 2013, strengthening to 3.5 per cent in 2014 mainly as a result of a growing momentum in OECD economies. However, challenges included postponed fiscal negotiations in the US, the future monetary policy of major central banks, longevity of the eurozone recovery and continued reforms in emerging economies. On account of this, recovery resulted primarily from rising global industrial production.

Indian economy

Buoyed by a good performance from the farming sector, India's economic growth in the current fiscal was estimated at 4.7 per cent, compared to a growth rate of 4.5 per cent in 2012-13. However the mining and manufacturing sectors

remain a cause of concern (Source: Central Statistics Office).

Indian edible oil industry

India's low-margin, high-turnover domestic vegetable oil industry is estimated at ₹80,000 crore. India stands fourth as the world's largest after the US, China and Brazil. The consumption of vegetable oil rose due to a rise in household incomes and consumer demand. However, the per capita consumption of oils and fats is estimated to be much lower than that most of the developed countries. India is the third-largest importer of edible oil in the world. Reports suggest that the domestic edible oil industry was traditionally dominated by unorganised players. However the organised players are finding feet with rising demand for packaged food, revolution in the retail space, growing health consciousness amongst the Indian consumers and the implementation of value-added tax. The Solvent Extractors Association of India estimates the oil industry to comprise

15,000 oil mills, 600 solvent extraction units, 250 *vanaspati* (hydrogenated oil) plants and over 600 refineries. The mustard oil segment is estimated at 20 per cent of the total edible oil industry; the unorganised players constitute more than 50 per cent of the total market; the packaged and branded oil segment constitute only about 10 per cent but are expected to grow significantly (Source: Moneycontrol).

Production: According to an India Ratings report, total edible oil production from domestic sources for 2013-14 was likely to stand at 7.6 metric tonnes, a marginal rise compared to the previous year's 7.5 metric tonnes.

Despite various incentives offered by the government there was not any adequate growth in oilseed production. In fact, according to figures available from the SEA, the production of oilseeds grew marginally by 2 per cent from 2003-04 to 2012-13. One of the factors that contributed to a fall in the production of edible oil was a shift from crops

with higher oil recovery to crops with lower oil recovery – from cotton seed and soyabean with oil recovery of 11.5 per cent and 17 per cent to crops like groundnut and sunflower with an oil recovery ratio of 40 per cent and 30 per cent respectively. Surprisingly, the government's measure to raise the minimum support price in last few years did not yield the desired results. The MSP of various oilseeds rose by 11-21 per cent compounded annually over the last three years. Within the edible oil basket, the production shifted from groundnut and sunflower to soyabean and mustard, influenced by demand, production cost and climatic uncertainty.

Consumption: Affordable prices increased the per capita consumption of edible oils, especially for rural consumers (who buy oil based on the money available, not according to weight). The per capita consumption is increasing two-three per cent annually and is expected to rise to 14.43 kilograms in

2013-14 from 13.92 kilograms in the previous year. India's consumption of edible oil rose to around 17.5 million metric tonnes in 2012-13 from 11.6 million metric tonnes in 2003-04, at a compounded annual growth rate of 4.6 per cent during the period under consideration (Source: Solvent Extractors Association of India).

A growing population, disposable incomes and evolving lifestyles increased the consumption of edible oils around a CAGR of 2.7 per cent in the last three years. The consumption growth may have slowed in the last couple of years due to a slowing economy but even at a slow CAGR, consumption is likely to cross 21 million metric tonnes by 2019-20. With economic growth expected to improve, demand may rise higher. A modest CAGR expectation of 4 per cent by the SEA indicates that demand could touch 23 million metric tonnes by 2019-20.

Import: India is a leading importer of edible oil, its demand far exceeding domestic availability. The gap between demand and production of oil is likely to sustain. Despite the increase in oilseed output, India's dependence on imported edible oil is set to rise. The increasing direct consumption of oilseeds, including soyabean, mustard seed and groundnut, reduced crushing supplies. This oil year (October 2013-November 2014), the share of imports in the overall edible oil consumption is expected at 65.3 per cent, against 61.2 per cent in the previous year (Source: US Department of Agriculture). India's overall edible oil import is likely to stand at 11.8 million metric tonnes in 2013-14, against 10.7 million metric tonnes in the previous year. The edible oil import bill could exceed ₹60,000 crore from ₹57,500 crore in the previous year. For the November 2013-March 2014 period, overall edible oil import declined by 6 per cent to 4.3 million metric tonnes from 4.6 million metric tonnes in the previous year (Source: Business Standard).

During the oil year 2012-13, about 60 per cent of India's edible oil consumption was met by imports. Amongst major imported edible oils, the share of palm oil was about 75 per cent because of its abundant and relatively cheaper supply from Malaysia and Indonesia. Edible oil imports grew at a CAGR of 7 per cent during the last three years and by 16 per cent in the last five years. From November 2012 to July 2013 in the current oil marketing year, edible

Slippery Ground

Edible oil demand-supply dynamics

(in million tonnes)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14*
Oilseed production	32.9	35.7	36.3	36.8	38
Oilseed crushed	25.1	29.1	28.9	29.2	29.4
Edible oil production	7.8	8.5	8.1	7.5	7.6
Imports	9.2	8.7	10.1	10.7	11.8
Total supplies	17	17.2	18.2	18.1	19.4
Import share (%)	60.8	55.2	60.5	61.2	65.3

* estimates

(Source: USDA and India Ratings)

oil imports rose by 10 per cent to 7.8 million metric tonnes from 7.1 million metric tonnes in the corresponding period of last year.

The import basket saw changes in the last few years. While the share of refined oil increased, the share of crude oil declined though it remained at 77 per cent. Similarly, the palm oil import share rose while that of soft oils declined. A reduction in the duty difference between crude and refined palmolein and inverted duty structure by palm oil exporting countries led to higher imports of refined oil in India, thereby increasing the share of refined oil compared to crude oil.

Outlook: With an increase in the proportion of the higher-margin refinery sales to overall sales, the margins of companies are likely to improve in 2014-15 compared to 2013-14 and 2012-13 as per an India Ratings forecast. The agency expects fully integrated refiners with wider product portfolios to benefit more than those with limited product diversification. The companies whose portfolios include branded products could see additional gains.

The government needs to implement reforms in oilseed cultivation to spur stagnating growth and ensure the country's self-sufficiency as the country's population grows and lifestyles improve. One of the measures that could be fruitful in reducing imports and achieving self-sufficiency is palm oil cultivation. Currently, palm oil cultivation within

India is negligible, marked by low acreage and yields.

Another measure which can be considered is to provide special incentives to farmers to switch from grain cultivation to oilseed cultivation. India, on one hand, has excess of grains, which have to be exported cheap for want of proper storage facilities, while on the other, it imports edible oils which are short in domestic supply.

Food processing industry

India's food processing sector accounts for around 10 per cent of gross domestic product in agriculture and manufacturing sector. Currently growing at more than 10 per cent per annum, the sector is expected to grow from US\$ 121 billion in 2012 to US\$ 194 billion by 2015 (Source: Indian Council of Agricultural Research).

The packaged food industry is the fifth largest sector in India estimated at US\$ 39.7 billion and expected to reach US\$ 65.41 billion by 2020, catalysed by middle-class incomes, changing urban lifestyles and modern retail formats. Urban India consumed 78 per cent of all packaged foods in 2011. The share of food processing export was around 12 per cent of the sector's output. The sector attracted foreign direct investment worth US\$ 5,360.89 million during April 2000–January 2014 (Source: Department of Industrial Policy and Promotion (DIPP)).

Industry opportunities

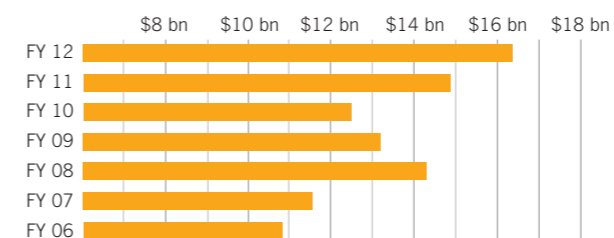
The growth of the Indian food processing

industry has been catalysed by changing demographics, increasing population and urbanisation resulting in a growing demand for value-added food processing products. The industry opportunities are marked by the following:

- India is the seventh largest country, with an extensive administrative structure and independent judiciary, a sound financial and infrastructural network and a stable democracy.
- Due to its diverse agro-climatic conditions, it has a wide and large raw material base suitable for food processing industries. Presently, a small percentage of these are processed into value-added products.
- India is one of the biggest emerging markets with a population of over 1.27 billion people and a 250 million strong middle-class.
- Rapid urbanisation, increased literacy and rising per capita incomes have influenced demand patterns. An average Indian spends about 50 per cent of household expenditure on food items – and the quantum is rising.
- India's comparatively cheaper workforce can be effectively utilised to set up large, low-cost production bases for domestic and exports markets.
- A liberalised policy regime, with specific incentives for the food processing sector, provides a conducive environment for investments and exports.
- Food processing opportunities comprise fruit and vegetable processing, meat, fish and poultry processing, packaged,

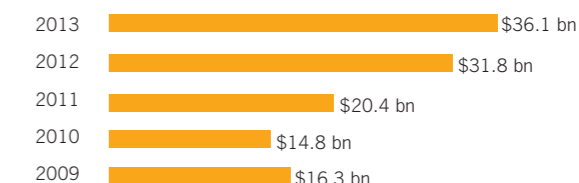
Sectoral growth

During FY06-12, the Indian food processing industry expanded at a CAGR of 7.1 per cent.



During FY09-13, India's exports of processed food and related products increased at a CAGR of 21.9 per cent to US\$ 36.1 billion.

EXPORTS CAGR 21.9%



convenience food and drinks, and milk products, among others.

Road ahead

The growth of the agriculture sector is expected to increase opportunities for players possessing strong agri value-chain linkages. The food processing industry is expected to emerge one of the biggest beneficiaries with significant opportunities in supply chain management, cold storage, financing, retailing and export.

The MOFPI formulated a Vision 2015

Action Plan that includes trebling the size of the food processing industry, raising perishables processing from 6 per cent to 20 per cent, increasing value-addition from 20 per cent to 35 per cent and enhancing India's share in the global food trade from 1.5 per cent to 3 per cent.

Company overview

JVL Agro Industries Limited (formally known as Jhunjhunwala Vanaspati Limited) was incorporated in 1989. The Company manufactures hydrogenated

vegetable oil (*vanaspati*) and refined oils, at its manufacturing facility in Naupur, Varanasi, Uttar Pradesh.

The Company commenced with a production capacity of 25 metric tonnes per day; today, the Company is the single-largest manufacturer of hydrogenated vegetable oil in India (1,400 metric tonnes per day). The Company's name was changed from Jhunjhunwala Vanaspati Limited to JVL Agro Industries Limited on 21st October, 2008.

JVL Agro's consolidated financial highlights

	For the year ended March 31, 2014	For the year ended March 31, 2013
Revenue from operations	4,405.31	3,837.38
EBIDTA	123.97	111.56
Profit before tax	70.02	77.22
Depreciation	18.75	10.21
Profit after tax	61.26	60.37

Consolidated FY 13 highlights

- Total sales increased by 14.80 per cent from ₹3,837.38 crore in 2012-13 to ₹4,405.31 crore in 2013-14.
- EBIDTA increased by 11.12 per cent from ₹111.56 crore in 2012-13 to ₹123.97 crore in 2013-14.
- Cash profits increased by 13.36 per cent from ₹70.58 crore in 2012-13 to ₹80.01 crore in 2013-14.
- Profit after tax increased by 1.47 per cent from ₹60.37 crore in 2012-13 to ₹61.26 crore in 2013-14.

Highlights, 2013-14

The Company embarked on various initiatives to strengthen its business and diversify into the FMCG sector.

- The Company launched the Royal brand of mustard oil and sold 1,407.26 metric tonnes of the product during the year; also the offtake of bakery shortening products increased from 2,232.77 metric tonnes in 2012-13 to 7,211.88 metric tonnes in 2013-14 following capital expenditure in the mustard seed crushing plant in Alwar (Rajasthan) and bakery shortening plant in Haldia (West Bengal). Both initiatives will strengthen the Company's presence in the FMCG sector.
- Efforts to set up the Company's rice mill continued; the Company intends

to launch its branded rice in the third quarter of financial year 2014-15, helping widen its product portfolio.

- The Company plans to set up an 80-acre Mega Food Park in Bihar following an approval from the Ministry of Food Processing, Government of India. The Company hired IL&FS as its project management consultant. This Mega Food Park will help the Company to enter the agri-infrastructure segment.
- The Company established a treasury desk to facilitate forex risk management.
- The Company took on lease a KS Oils factory (Haldia) facility, enhancing overall capacity to 40,000 TPM.

Financial overview

In 2013-14, the Company reported peak revenues of ₹4,405.31 crore compared with ₹3,837.38 crore in 2012-13. The revenue for all four quarters surpassed the corresponding period of the previous financial year. The Company's profit after tax grew from ₹60.37 crore in 2012-13 to ₹61.26 crore in 2013-14. EBIDTA increased by 11.12 per cent to ₹123.97 crore in 2013-14. Cash profit increased from ₹70.58 crore in 2012-13 to ₹80.01 crore in 2013-14.

Raw material consumption: Raw material consumption increased from ₹2,201.62 crore in 2012-13 to

₹3,347.19 crore in 2013-14.

Manufacturing expenses: The Company's manufacturing components comprised the consumption of packing materials, power, fuel, chemicals and other production expenses. The manufacturing expenses of the Company has increased by 18.92 per cent from ₹178.69 crore in 2012-13 to ₹212.49 crore in 2013-14 largely owing to an increase in chemical costs, packaging material costs and costs of power and fuel. The proportion of manufacturing expenses to the total revenue stood at 4.82 per cent in 2013-14 as compared to 4.66 per cent in 2012-13.

Equity: The Company's share capital comprised 16,79,40,000 Equity Shares of face value of Re. 1 each. There was no change in the equity share capital during the year.

Reserves and surplus: Reserves and surplus increased by 14.57 per cent from ₹392.23 crore as on March 31, 2013 to ₹449.36 crore as on March 31, 2014 following an increase in profit ploughback. The security premium account remained unchanged at ₹112.05 crore.

External funds and costs: The size and cost of debt makes the difference between a Company's success and failure. In the short-term it impacts the

profitability, over the long-term it dictates the strength with which the Company is able to mobilise funds for its projects. The Company's reliance on external funds increased the Company's debt portfolio which reduced from ₹211.19 crore as on March 31, 2013 to ₹208.17 crore as on March 31, 2014 – a reduction of 1.43 per cent. The loan fund was largely used to meet working capital requirements consequent to growth in business operations.

Long-term borrowings comprised 35.74 per cent of the borrowed debt, a reduction of 25.92 per cent during the year under review due to repayment of term loans. Short-term borrowings increased to ₹133.76 crore as on March 31, 2014 from ₹110.75 crore as on March 31, 2013. Short-term borrowing stood at 64.26 per cent in 2013-14 as a proportion of the total debt against 52.44 per cent in the previous year.

Interest outflow increased from ₹24.13 crore in 2012-13 to ₹35.20 crore in 2013-14 on account of increased cost of borrowing

Fixed assets: In 2013-14, the Company had a net block of ₹383.13 crore as on March 31, 2014. The contemporariness of the fixed assets can be judged by a simple statistic – accumulated depreciation as a percentage of

gross block stood at 15.95 per cent. Depreciation increased from ₹10.21 crore in 2012-13 to ₹18.75 crore in 2013-14. The Company followed the straight-line method of depreciation, a consistent treatment for the last number of years.

Debtors: The sundry debtors stood at ₹188.64 crore as on March 31, 2014. The receivable cycle stood at 15 days in 2013-14.

Investments: The Company's investment portfolio comprised mutual funds and equity investments only. It stood at ₹5.53 crore as on March 31, 2014.

Working capital: Working capital was essential to fund day-to-day operations of a growing business. Working capital constituted 36.91 per cent of the total capital employed. The Company's working capital was used to purchase raw material, manage overheads and provide credit.

Inventory: Inventory increased from ₹453.21 crore as on March 31, 2013 to ₹454.20 crore as on March 31, 2014. Of the inventory as on March 31, 2014 for raw material inventory, the Company followed an efficient inventory management system supported by best-in-class IT systems.

Human resource management

The Company's comprehensive HR policy provides manpower training and development, keeping in mind the growing requirement for custom trained manpower for its new initiatives. The Company's factory at Naupur was used as a technical training ground for technical manpower. The employees were also sent to the Company's other units for training, helping reducing manpower costs avoiding poaching of manpower, and developing a sense of belonging, resulting in greater employee satisfaction and a high retention rate.

Internal controls and systems

JVL's elaborate internal control systems ensure efficient use and protection of resources and compliance with policies, procedures and statutory requirements. The internal control systems comprise well-documented guidelines, authorisation and approval procedures, including audit. Intrinsic to the overall governance process, JVL Agro has institutionalised a well-established internal audit framework which covers all aspects of financial and operational controls, covering all units, functions and departments.

Risk management

AT JVL AGRO, RELEVANT PROCESSES AND CONTROLS HAVE BEEN INSTITUTED TO MANAGE THE EXTENSIVE RISKS AFFECTING THE BUSINESS.

Industry risk

ANY SLOWDOWN IN THE CONSUMPTION PATTERN OF THE EDIBLE OIL COULD IMPACT THE COMPANY'S BUSINESS

Mitigation

India will become a 20-million tonne vegetable oil economy over the next five years, with local production amounting to six million tonnes and imports amounting to 14 million tonnes.

23 million tonnes
India's overall consumption of cooking oil is set to rise by 2020

Brand risk

JVL'S BRAND COULD GET AFFECTED BECAUSE OF GROWING COMPETITION

Mitigation

- The Company already enjoys a strong recall in Central India and its recall across the rest of the country is strengthening as well.
- JVL is among the few in the country to offer products that address the everyday needs of consumers.
- Repeated advertising, newer commercials and innovative packaging entrenched its brands in the consumer mindset.

₹ **1.01** crore
The quantum the Company invested in branding and advertising activities in 2013-14

Raw material risk

INSUFFICIENT SUPPLY OF RAW MATERIAL OR UNAVAILABILITY COULD AFFECT PROFITABILITY

Mitigation

- The Company has acquired land in Ethiopia for palm oil production and could commence production in a few years, securing raw material supply.
- JVL is the largest importer of palm and soyabean oil from suppliers in Malaysia, Indonesia, Argentina and Brazil resulting in economies-of-purchase.

12,500 acres
Size of a land parcel that JVL has acquired in Ethiopia via an agreement (with a provision to acquire 62,000 acres land)

Currency risk

DEPRECIATION IN THE VALUE OF THE RUPEE AGAINST THE DOLLAR MIGHT AFFECT THE COMPANY'S PROFITABILITY

Mitigation

The Company hedges positions through forward/options contracts, protecting itself from a weaker rupee even though complete protection is not possible. The Company is investing in a professional team to manage the impact of currency volatility.

3
Number of members of a dedicated team to manage the currency impact

Quality risk

INCONSISTENT QUALITY CAN AFFECT THE COMPANY'S BRAND AND PROFITABILITY

Mitigation

- The Company has established protocols for standardising all its raw material imports.
- The Company's R&D team continuously works towards improving the quality of existing products and in delivering innovative and effective products.

4
Number of JVL manufacturing facilities certified with ISO 9001:2008

Product portfolio risk

AN INABILITY TO EXPAND PRODUCT OFFERINGS COULD LEAD TO STAGNATION

Mitigation

- JVL offers four products presently, from offering a single product 25 years ago.
- The Company's diversified product range includes *vanaspati*, refined oil (palm oil and soyabean oil) and mustard oil. The Company has also added blended oil (a combination of essential oils) to its product basket.

5
Number of products that the Company intends to add to its portfolio over the next three years



Corporate Information

Chairman

Mr. D. N. Jhunjhunwala

Managing Director

Mr. S. N. Jhunjhunwala

Wholetime Director

Mr. Adarsh Jhunjhunwala

Directors

Dr. S. K. Dixit

Mr. Mahesh Kedia

Mr. Harsh Agarwal

Mr. Kanhaiya Lal Goenka

Company Secretary

Mr. Kartik Agrawal

Audit Committee*

Mr. D. N. Jhunjhunwala

Dr. S. K. Dixit

Mr. Mahesh Kedia

*As on 30.06.2014

Statutory Auditors

M/s. Singh Dikshit & Co.

Chartered Accountants

Hathua Market, Chetganj, Varanasi

Bankers

Bank of Baroda

Punjab National Bank

State Bank of India

State Bank of Bikaner and Jaipur

State Bank of Hyderabad

State Bank of Travancore

Vijaya Bank

Corporation Bank

Indian Overseas Bank

Union Bank of India

Oriental Bank of Commerce

Allahabad Bank

Standard Chartered Bank

Registrar and Share Transfer Agent

M/s. MCS Limited

Sri Venkatesh Bhavan

F-65, 1st Floor, Okhla Industrial Area

Phase-I,

New Delhi 110020

Registered Office

Jhunjhunwala Bhawan

Nati Imli,

Varanasi-221001

Works

i. Village Naupur, P.O. Thanagaddihe, Kerakat, Dist. Jaunpur (UP)

ii. JVL Agro Foods (a unit of JVL Agro Industries Ltd.) 207 MIA, Alwar 301001), Rajasthan

iii. JVL Oils & Foods (a unit of JVL Agro Industries Ltd.) Village Chakia, P.O. Pahleja, District Rohtas, Bihar-821307

iv. JVL Oil Refinery (A unit of JVL Agro Industries Ltd.) JL # 149, Mouza – Debhog, PS – Bhabanipur, Purba Medinipur, Haldia - 712657

Directors' Profile

Mr. D. N. Jhunjhunwala

▶ Date of birth: February 02, 1936

▶ Date of appointment: November 17, 1989

▶ Expertise in functional areas: Industrialist

▶ Mr. D. N. Jhunjhunwala is the Chairman of the Company. He is a graduate in Industrial Chemistry. He has 54 years of experience in various facets of management, out of which 32 years were dedicated in various oil industries

▶ Mr. D. N. Jhunjhunwala promoted Jhunjhunwala Vanaspati Limited in 1989 and he was President of Solvent Extractors Association, member of U.P. Oil Millers Association, member of Vegetable Oil Refiners Association of India and he is also involved with various philanthropic activities. He has written many books on social and religious topics.

▶ Qualification: B. Sc. (Industrial Chemistry)

Mr. S. N. Jhunjhunwala

▶ Date of birth: April 24, 1957

▶ Date of appointment: November 17, 1989

▶ Expertise in functional areas: Industrialist

▶ Mr. S. N. Jhunjhunwala is the Managing Director and is a Commerce graduate. He has 32 years of experience in solvent extraction, oil refining and Vanaspati manufacturing units.

▶ Qualification: B.Com

Mr. Adarsh Jhunjhunwala

▶ Date of birth: July 05, 1983

▶ Date of appointment: February 27, 2007

▶ Expertise in functional areas: Commerce and Financial Accounting

▶ Mr. Adarsh Jhunjhunwala is Whole Time Director of the Company.

▶ Qualification: Chartered Accountant and MBA (Finance).

Mr. Harsh Agrawal

▶ Date of birth: March 26, 1987

▶ Date of appointment: September 30, 2011

▶ Expertise in functional areas: Engineering

▶ Sri Harsh Agrawal is a Director and having deep insight into Electronic and telecommunication and practical experience in the field

▶ Qualification: Engineering graduate

Dr. S. K. Dikshit

▶ Date of birth: July 01, 1946

▶ Date of appointment: July 10, 2001

▶ Mr. S. K. Dikshit is a Director of the Company. He is a Doctor.

▶ He has expertise in herbal products and medical science.

Mr. Mahesh Kedia

▶ Date of birth: June 13, 1963

▶ Date of appointment: December 29, 2003

▶ Expertise in functional areas: Commerce and Financial Accounting

▶ Shri Mahesh Kedia is a Director, Chartered Accountant and a Science graduate.

▶ Qualification: B. Sc (Statistics), C.A

Mr. Kanhaiya Lal Goenka

▶ Date of birth: March 03, 1979

▶ Date of appointment: February 27, 2007

▶ Expertise in functional areas: Experience in solvent extraction, oil refining and vanaspati manufacturing units.

▶ Qualification: B.Com

Directors' Report



Dear members

Your Directors have pleasure in presenting the 25th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended on March 31, 2014.

Financial Performance

	(₹ In Crore)	
	Year Ended March 31, 2014	Previous Year March 31, 2013
Sales and other Income	4354.91	3817.34
Profit before depreciation	88.77	87.43
Depreciation	18.75	10.21
Profit after depreciation	70.02	77.22
Provision for taxation	3.16	10.91
Add: MAT Credit	0.00	0.00
Profit after tax	66.86	66.31
Less:		
Previous year's Income / Expenses	-	-
Profit after previous year's adjustment	66.86	66.31
Add: Credit Balance		
Profit brought forward from previous year	201.41	171.96
Add:		
Transfer from Investment Allowance Reserve		
	268.27	238.27
Provision for Dividend	3.36	2.88
Provision for Dividend Tax	0.57	0.47
Transfer to General Reserve	2.00	5.00
Deferred Tax	5.60	5.94
Income Tax for earlier years	0.00	0.00
Transfer to Capital Reserve	22.33	22.57
Provision	0.20	-
Credit Balance carried over to Balance Sheet	234.21	201.41
	268.27	238.27

Appropriations

Dividend

Your Directors are pleased to recommend a dividend of 20 % (previous year dividend 20%), subject to the approval of the shareholders at the Annual General Meeting, for fully paid-up equity shares of ₹1.00 each, amounting to ₹3.66 Crore (previous year dividend ₹2.88 Crore). The tax on distributed profits payable

on this dividend is ₹0.57 Crore (previous year ₹0.47 Crore) making the aggregate distribution to ₹3.93 Crore (previous year ₹3.35 Crore). The proposed dividend will be tax-free in the hands of the shareholders.

Transfer to Reserves

The Board recommended a transfer of ₹2.00 crores to the General Reserve (previous year ₹5.00 Crore).

Performance in the year 2013-14

In the financial year 2013-14, the Company performed unexpectedly. The Company crossed its top line target of ₹4400.00 Crore. The total revenue of the financial year 2013-14 is ₹4405.31 Crore which was ₹3837.38 Crore in the financial year 2012-13. There is a growth of 14.80%. The revenue of all the four quarters of 2013-14 surpassed the corresponding period of the last financial year 2012-13. As far as the half-yearly trend is concerned, the turnover of the Company for the first half year period ended as on September 30, 2013 is ₹2021.00 Crore which was ₹2019.33 Crore in the same period in financial year 2012-13. We can clearly see that the Company performed tremendously well in the financial year 2013-14. Profit after tax has also gone up from ₹60.37 Crore in 2012-13 to ₹61.26 Crore in the year 2013-14. EBIDTA for the year 2012-13 was ₹111.56 Crore and increased to ₹123.97 Crore in year 2013-14 i.e. by 11.12%. Further the Cash profit also increased from ₹70.58 Crore in the year 2012-13 to ₹80.01 Crore in the year 2013-14.

Current Performance

The Company is moving aggressively on its sales and marketing efforts and reaching out to bigger population in line with its plan to become a pan-India company. It continues to follow the policy of perpetual technological upgradation. The Company is ISO 9001:2008-certified in recognition of the organisation's quality system.

Annual General Meeting

The Annual General Meeting of the Company will be held on 22.09.2014 at 11.00 A.M. at 'Hotel Gateway (Taj)', Nadesar, Varanasi (U.P.) to transact the businesses as specified in the Notice of the meeting.

Expansion Plans

1. Your company is in the process of getting the final approval from the Ministry of Food Processing for its proposed food park on 80 acres in Bihar. The company will set-up units related to the FMCG space in this food park.

2. The company proposes to set-up a 500 metric tonnes per day plant in Ethiopia. This will be a big step for the company to start its work in Africa which is the next big area of growth.
3. Your company is in the process of buying a land in North-East to set-up an edible oil refinery of 750 MTPD.
4. The sunflower oil processing plant of the company in West Bengal (Haldia) should start production in the next quarter. This will be in addition to the portfolio of soybean, mustard, cotton, palm and vanaspati oils of the company.
5. Your company will start its rice mill in the full fledged manner from this season of paddy production in Bihar from third quarter of financial year 2014-15 onwards.
6. Your Company is in the process of buying land in Gujarat to set-up a refinery of 1000 MTPD (with captive power plant) based on palm oil and Soyabean oil.
7. Other FMCG products will be introduced among the consumers leveraging the capacity of the existing marketing channel of the Company.
8. Your Company has also launched sunflower oil in the premium segment.
9. Your Company is also inclined to come up with more of high value added premium products.

Secretarial Audit

As directed by Securities and Exchange Board of India (SEBI) secretarial audit is being carried out at the specified periodity by a practicing Company secretary. The findings of the secretarial audit were satisfactory.

Human Resources

The Company's comprehensive HR policy interalia provides manpower training and development, keeping in mind the growing requirement for custom trained manpower at its new initiatives. The Company's factory at Naupur is used as a training ground for technical manpower. The employees are also sent to the Company's other units for training which helps in reducing manpower costs, avoids poaching of the Company's



manpower, and develops a sense of belonging among the Company employees, resulting in employee satisfaction and a high employee retention rate.

The Company's office is fully computerized. The new recruits are trained with an ERP system when they join, bringing out their true potential. The Company hires engineers, ITIs, MBAs, among others, for internal training and then positions them at the Company's other locations. The management interacts regularly with staff members to understand their needs and problems and to create a suitable working environment.

The Company promotes employees working in the lower order on a regular basis, and also transfers them to other branches to enable them to undertake more challenging roles, resulting in employee growth and development. The Company provides accommodation to employees whom needed and takes appropriate efforts to make them feel at home.

The Company conducts various sporting activities and celebrates Independence day and Republic day. These initiatives help boost employee morale and create a cordial environment. The senior management participates in various training programmes and attends conferences to update their knowledge base, in turn providing better value to the Company. These proactive measures resulted in an improved performance and a reduction in employee turnover.

The Company is planning on developing a recreation centre for employees and their families in Varanasi, along with a state-of-the-art guest house for employees travelling to the head office from the various offices/units.

Capital and Borrowings

During the year, there was no change in the paid-up equity share capital of the Company. Thus the paid up equity share capital of the company stands at ₹16,79,40,000 divided into 16,79,40,000 equity shares of ₹1/- each.

During the year 2013-14, the Company availed credit facilities from State Bank of India, State Bank of Bikaner & Jaipur, State Bank of Hyderabad, State Bank of Travancore and Standard Chartered Bank for its Varanasi and Alwar (Rajasthan) unit, under the consortium arrangement. The Company also availed credit facilities from consortium led by State Bank of India for the units in Bihar. The total outstanding long-term loans from banks/ financial institution/others as on March 31, 2014 is ₹107.28 Crore (previous year ₹127.94 Crore). The gross fixed assets increased by ₹74.48 Crore representing capital expenditure on

setting up new projects, expansion of existing manufacturing facility, research and development facility, other maintenance capital expenditure and for technological upgradation. The Company had cash and cash equivalents aggregating to ₹439.32 Crore as on March 31, 2014, as against ₹323.73 Crore as on March 31, 2013. This increase is largely on account of increase in cash generated from operating activities. The Company has sufficient financial flexibility, in terms of available cash and cash equivalents and committed facilities from banks/financial institution to finance the future growth plans and capitalise on emerging opportunities.

Cash Flow Statement

In accordance with the requirement of Clause 32 of Listing Agreement of the stock exchange cash flow statement duly verified by the Auditors together with their certificate is annexed hereto.

Statutory Auditors

M/s Singh Dikshit & Co., Chartered Accountants, Varanasi, U.P., Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from M/s Singh Dikshit & Company, Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

Auditors Reports

The notes to the accounts referred to in the Auditors' Report have been explained in note schedule of the Audited accounts. Your directors however like to briefly clarify the auditors' qualification as follows:

- The Company has a large network of suppliers dealing with raw material, packing materials, among others, catering to the Company and buyers of its finished products. Hence it is not possible to get confirmation from each and every party therefore the Auditors has qualified the same.
- The Company has not made provision for diminution in the value of long-term investments and it is of the opinion that the fall in the value of such investments is not of permanent nature.

- The salary and wages include payment of remuneration of ₹20.00 lacs to Mr. D.N. Jhunjhunwala, Chairman, ₹25.00 lacs to Mr. S. N. Jhunjhunwala, Managing Director and ₹19.00 lacs to Mr. Adarsh Jhunjhunwala, Wholetime Director of the Company.
- Advances given to Mr. D. N. Jhunjhunwala and Mr. S. N. Jhunjhunwala are pertaining to the Company.
- Other observations made in the Auditors' Report are self-explanatory therefore do not call for further comments under Section 217 of the Companies Act, 1956.
- The contingent liability mentioned in Note No.18 are payable only on the basis of legal pronouncement made by the different authorities previously.
- The Company maintained cost records under Section 209(1) (d) of the Companies Act, 1956.

Particulars of the Employees

Company's (Particulars of Employees) Rules, 1975 as amended read with section 217(2A) of the Companies Act, 1956 are not applicable to the Company as there are no employees drawing the minimum salary envisaged in the rules.

Audit Committee

Pursuant to the requirement under section 292(A) of the Companies Act, 1956, an Audit Committee was constituted. The Committee comprises Mr. D. N. Jhunjhunwala, Dr. S. K. Dikshit and Mr. Mahesh Kedia, Directors of the Company.

Directors Responsibility Statement

The Board of Directors of the Company confirms:

- That in preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as on March 31, 2014 and profit of the Company for the year ended on that date.
- That the proper and sufficient care has been taken for the maintenance of adequate accounting records and are in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for

preventing and detecting fraud and others.

- That the assumption of going concern is followed.

Directors' Re-Appointment

Mr.Kanhaiya Lal Goenka, Mr.Mahesh kedia, Mr. Shashi Kant Dikshit and Mr. Harsh Agarwal are Independent Directors of the Company who are liable for retire by rotation as per old Companies Act, 1956. The necessary resolutions for their appointment as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold office for a term of 5 (five) consecutive years up to 31st March, 2019 are contained in the notice for your approval.

Mr. Adarsh Jhunjhunwala is the Director, retiring by rotataion in pursuance of section 152 of the Companies Act, 2013 and being eligible offer himself for re-appointment

Listing of Shares

The equity shares of the Company continue to be listed during the year under review at the National Stock Exchange, Bombay Stock Exchange, Mumbai, Uttar Pradesh Stock Exchange Association Ltd., Kanpur, and Delhi Stock Exchange Limited, New Delhi. The annual listing fees of each of these stock exchanges were paid on due date.

Corporate Governance

As required by Clause 49 of the Listing Agreement, a separate report on Corporate Governance is included Annexure II to the Director's Report in the annual report and your Directors affirm that the Company has, during the year under review, complied with the conditions of Clause 49 of the Listing Agreement.

Management discussion and analysis

As required by Clause 49 of the Listing Agreement, the detailed analysis of the operating performance of the Company for the year, the state of affairs and the key changes in the operating environment has been included in the management discussion and analysis section which forms a part of the annual report.

Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings

As required u/s 217(1) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the information on conservation of energy, technology absorption and foreign exchange earnings and out go are given in Annexure I forming part of this report.



Corporate Social Responsibility

During the year, your directors have constituted the corporate social responsibility committee comprising Mr. Mahesh Kedia as the chairman and Mr. Adarsh Jhunjunwala And S.N. Jhunjunwala as other members. The said committee has been entrusted with the responsibility of formulating and recommending to the board, a Corporate Social responsibility (CSR Policy) indicating the activities to be undertaken by the company. Monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

Education

Two schools are operated for educating the impoverished and social upliftment in and around the area of operations – first, Prahlad Rai Jhunjunwala Saraswati Shishu Mandir with 400 students close to the Varanasi unit

And the second Hari Vidhya Mandir Higher Secondary School with 300 students proximate to the site of the Company's proposed SEZ (being developed by one of the Group companies).

Both schools are affiliated to the UP Board and funded by the Company. JVL also provides scholarships to deserving students. The company bought more buses to pick the children from remote places and bring them to study at these two school, so that it can spread the message of education and help the needy who cannot afford to travel to its school every day.

Health

It plans to adopt a hospital in the village near the plant to cater to the medical needs of the residents. This initiative is in the process of getting started and the management is currently engaged in formalities to obtain clearance. The Company is trying to provide medical facilities to the village, which will eliminate the need to travel to towns for medical aid and treatment. The Company also provides drinking water to locals and laborers at the Haldia refinery.

Sponsors health camps for local communities. This also includes providing financial help and free medical facilities to the ill and the challenged (mentally and physically).

Environmental

Initiatives to improve the environment enrich community life and preserve ecological balance through a strong environment conscience.

The company has undertaken a plantation drive on the occasion of Independence Day and planted 2500 trees close to all its units in India. The company is also adopting parks in Varanasi for its maintenance as its contribution to the society for greener tomorrow.

Spiritual and Religious

Makes donations for the construction of temples, mosques and churches, among other religious structures; provides drinking water in rural areas; executes various plans for land development, plantation and self-help groups.

Others

The company is making good policies and implementing them for the interest of its employees, stakeholders and everybody having interest in the company by producing quality product, instant credit mechanism, good working capital cycle, among others.

Appreciation and acknowledgements

Your Directors are grateful and pleased to place on record the appreciation for their support, trust, guidance and cooperation extended and reposed by all its stakeholders, employees, customers, consumers, media, financial institutions and banks, all agencies of Government of India and other central and state government bodies, statutory and regulatory bodies and local authorities in the Company and look forward to their continued patronage. The Board also expresses its appreciation of the understanding and support extended by the shareholders and employees of the Company.

For and on behalf of the Board

Sd/-

Place: Varanasi

Dated: August 25, 2014

(D. N. Jhunjunwala)

Chairman

“Annexure 1”

Annexure to Director’s Report

Particulars as required u/s 217 (1) (e) of the Companies Act, 1956 for the year ended March 31, 2014

	(₹ In Crore)	
	Year Ended March 31, 2014	Previous Year March 31, 2013
(A) Power & Fuel Consumption		
(1) Electricity		
(a) Purchased		
Unit (000)	21678	17255
Total Amount (₹ Crore)	15.87	10.41
Rate/Unit (₹)	7.32	6.03
(b) Own Generation		
(i) Through Diesel Generators		
Unit (000)	963	1960
Total Amount (₹ Crore)	1.35	2.55
Rate/Unit (₹)	14.02	13.01
(ii) Through Turbine		
Unit (000)	12030	9957
Total Amount (₹ Crore)	2.20	2.08
Rate/Unit (₹)	1.83	2.09
(2) Coal/Husk		
Quantity (M.T.)	103425	100943
Total Coal/Husk (₹ Crore)	35.00	34.46
Average Rate (₹)	3384.09	3413.81
(3) Furnace Oil	-	-
(4) Other/Internal Generation	-	-
(B) Consumption per MT of Vanaspati production		
Electricity	53.59	62.16
Furnace Oil		
Coal (Kgs.) /Husk (Kgs.)	160	215
(C) Technology Absorption		
Adaptation & Innovation		-
(D) Foreign Exchange Earning and Outgo	(₹ In Crore)	(₹ In Crore)
Total Foreign Exchange earned	20.88	32.35
Total Foreign Exchange Used	-	-

Corporate Governance Report



Corporate Governance Compliance Report

In terms of Clause 49 of the Listing Agreement (Clause 49) entered into with the Stock Exchange, the Corporate Governance Compliance Report is provided hereunder:

1) Company's philosophy on Code of Corporate Governance

"Your" Company philosophy of Corporate Governance envisages attainment of the highest level of transparency, accountability, and equity in all its dealings with shareholders, employees, government and lenders and believes that good Corporate Governance is a powerful medium of sub-serving the long-term interests of its stakeholders and contemplates corporate actions, balances the interests of all stakeholders and satisfy the tests of transparency, independence, accountability, responsibility, fairness and social responsibility.

The Directors (both Executive and Non-Executive Directors) and employees are responsible to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of the authority conferred upon and in accordance with the laws, rules, regulations, agreements, guidelines, standards and internal policies, including such other requirements, which are incidental thereto. As Directors and employees of the Company, they have a duty to make decisions and implement policies in the best interests of the Company and its stakeholders. The Board of Directors of the Company is entrusted with the fiduciary responsibility of oversight over the assets and affairs of the Company.

The highlight of the Corporate Governance system includes:

- The Board of Directors of the Company is well represented with Executive, Non-Executive and Independent Non-Executive Directors with the Executive Chairman and Managing Director. There are seven directors out of which 4 are Non Executive and all 4 are independent director.
- The Board has constituted several Committees viz. Audit Committee, Remuneration Committee and Investors' Grievance Committee for more focused attention. The Board is empowered to constitute additional functional Committee from time to time, depending on the business needs.

- The Company has established a Code of Conduct and Corporate Disclosure Policy for prevention of Insider Trading for Directors and Employee of the Company.
- Risk Management framework to identify the risk for its business and to assess the probability of its occurrence. Its mitigation plans and information placed before the Audit Committee periodically.

2) Board of Directors

The company is managed and guided by the Board of Directors ("Board"). The Board formulate the strategy regularly reviews the performance of the company, determine the purpose and values of the company. The Board provides and evaluates the strategic direction of the company, management policies and their effectiveness and ensures that the long term interests of the shareholders are being served. The managing director with the support of the senior executives overseeing the functional matter of the company. The company has an optimum combination of Executive, Non-Executive and Independent Directors. There are seven directors out of which 4 are Non Executive and all 4 are independent director.

a. Composition of Board:

The Board comprises an Executive Chairman and six other Directors i.e. total seven Directors, of which four Directors are Non-Executive/Independent Directors (i.e. more than half of the Board comprises Non-Executive/Independent Directors). The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company during the year 2013-14. Hence, the composition of the Board complies with the requirements of Clause 49 I (A) of the Listing Agreement for Non-Executive/Independent Directors.

b) Independent Directors:

The definition of independence of Directors is derived from Clause 49 of the Listing Agreement executed with the stock exchanges. All the independent Directors of the Company make declaration to the Company annually regarding their independence status. All such declarations were placed before the Board.

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees across the companies in which he is a Director. The necessary disclosures

regarding Committee positions have been made by the Directors pursuant to Clause 49 of the Listing Agreement.

c) Non-Executive Director's Compensation and Disclosures:

The Non-Executive Directors were not paid any remuneration apart from sitting fees within the limits prescribed under the companies Act, 1956. No Stock options were granted to Non-Executive Directors during the year under review.

d) Other provisions as to Board and Committee:

During the year 2013-14, 14 meeting of the Board of Directors were held April 10 2013, May 01 2013, May 15 2013, May

30 2013, June 14 2013, August 14 2013, August 26 2013, October 9 2013, November 14 2013, November 18 2013, December 10 2013, December 14 2013, January 29 2014, February 08 2014. The maximum time gap between any two consecutive meetings was not exceeding four months.

Details of attendance of Directors at Board meeting and at the last Annual General Meeting held on 30th September, 2013, with particulars of their other Directorships and Chairman/ Membership of Board Committees of other Companies showing the position as on March 31, 2014 are given below:-

Name of the Directors	Category	Attendance at Board Meetings	Attendance at Last AGM	No. of Board Committees membership held	No. of other directorship held
Mr. D. N. Jhunjhunwala	EC/PD/ED/NID	14	Yes	2	1
Mr. S. N. Jhunjhunwala	MD/PD/ED/NID	14	Yes	1	3
Mr. Adarsh Jhunjhunwala	WTD/PD/ED/NID	14	Yes	0	3
Mr. Harsh Agarwal	NED/ID	07	No	0	0
Dr. S. K. Dikshit	NED/ID	10	Yes	3	0
Mr. Mahesh Kedia	NED/ID	09	No	3	0
Mr. Kanhaiya Lal Goenka	NED/ID	08	No	3	0

Notes:

- This number includes memberships of Directors in the Audit Committee, Remuneration Committee, Shareholders'/ Investors' Grievance Committee .
- This number excludes the directorship held in private limited companies, foreign companies and companies registered under Section 25 of the Companies Act, 1956.

Mr. Adarsh Jhunjhunwala is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered himself for reappointment. Relevant details pertaining to them are provided in the notice of the Annual General Meeting.

** EC: Executive Chairman	MD: Managing Director	WTD: Wholetime Director
PD: Promoter Director	ED: Executive Director	ID: Independent Director
NP: Non-Promoter Director	NED: Non-Executive Director	NID: Non-Independent Director

****As per amended clause 49 of the Listing Agreement which will come into force on 1st October 2014, every listed company shall have atleast One Women Director in their Board. Accordingly Women Director shall be appointed in the Board within six months from the commencement of the Act.**



Information placed before the Board

The Board of 'JVL' is presented with all relevant information on various vital matters affecting the working of the company in addition to the matters set out in Annexure IA of Clause 49 of the Listing Agreement. Also, extensive information is provided on various critical matters such as production, sales, exports, financial performance, foreign exchange exposure, staff matters, legal proceedings, share transfer compliance, quarterly financial results, significant labour and human relation matters, and other such matters.

Compliance

The Company Secretary prepares the agenda in consultation with the Chairman, Managing Director, and Wholetime Director of the Company and the Chairman of various committees of the Company. The agenda for the Board meetings and its committees, together with the appropriate supporting documents, are circulated well in advance of the meetings. The meetings are normally held at the Company's registered office.

Number of Board meetings held and their dates

Fourteen Board meetings were held during the period from April 01, 2013 to March 31, 2014 on the following dates:

April 10 2013, May 01 2013, May 15 2013, May 30 2013, June 14 2013, August 14 2013, August 26 2013, October 9 2013, November 14 2013, November 18 2013, December 10 2013, December 14 2013, January 29 2014, February 08 2014.

e. Code of Conduct

The Board of directors has laid down code of conduct for all Board members and Senior management of the company.

The members of the Board of directors and senior Management Personnel have affirmed the compliance with the code applicable to them during the year ended March 31, 2014. The Annual report of the company contains a Certificate by the CEO in this regard.

3) Audit Committee:

(A) Qualified and Independent Audit Committee

The Company complies with the provisions of Section 292A of

the Companies Act, 1956 as well as requirements under Clause 49 of the listing agreement pertaining to the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of the 3 Directors of which majority constitute Independent Directors.
- (ii) All members of the Committee are financially literate and having the requisite financial management expertise.
- (iii) The Chairman of the Audit Committee is an Independent Director.
- (iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30th September 2013.
- (v) M/s Singh Dikshit & Co. has audited the accounts of the Company for the financial year 2013-14 and will continue to audit in future subject to approval of shareholders in Annual General Meeting.
- (vi) Company Secretary to act as the Secretary of the Committee.

(B) Composition, names of Members and Chairperson, its meetings and attendance:

Meetings of the Audit Committee

The Chairman of the Audit Committee is. Dr. S. K. Dixit. During the year, 4 Audit Committee meetings were held on 30.04.2013, 30.07.2013, 30.10.2013 and 30.01.2014.

The Audit Committee consists of Directors viz. Mr. D. N. Jhunjunwala, Dr. S. K. Dikshit, and Mr. Mahesh Kedia. Dr. S. K. Dixit is the Chairman of the Committee and was present in the last Annual General Meeting. Mr. Rohit Kumar Jaiswal was the Secretary of the meeting. The constitution of the Audit Committee complies with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The primary objective of the Audit Committee is to monitor and supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and financial reporting.

The Committee met four times during the year. The composition of the Committee during the year 2013-14 as well as particulars of attendance, category and status is given below:

Name of the member	Category of directorship	Status in Committee	Date of meeting	No. of meetings Attended
Dr. S. K. Dikshit	NED/ID	Chairman	30.04.2013	4
Mr. D. N. Jhunjunwala	EC/PD/ED/NID	Member	30.07.2013	4
Mr. Mahesh Kedia	NED/ID	Member	30.10.2013	4
			30.01.2014	

(C) Function and terms of reference

The function and terms of reference of the Audit Committee meet the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956. The broad terms of reference of the Committee include:-

- a) **Statutory Auditors:** To recommend to the Board for the appointment and/ or re-appointment of the Statutory Auditors, fixation of audit fee and to approve payment for any other services rendered by the statutory auditors.
- b) **Review independence of statutory auditors:** Reviewing the information provided by the management relating to the independence of firm, including, among other things, information relating to the non audit services provided and expected to be provided by the Statutory Auditors.
- c) **Review the performance of the Internal and External Auditors:** Review with the management the performance of the statutory and internal auditors and adequacy of the internal control systems.
- d) **Review Financial Statements**
 1. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications, if any in the draft audit report.
 2. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

e) Review of other Information

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operation.
2. Statement of significant related party transaction submitted by the management.
3. To look into the reasons for substantial defaults in the payment to the creditors.
4. To review the functioning of the Whistle Blower mechanism.
5. Seek legal or professional advice, if any

4) Remuneration Committee

This is a non-mandatory requirement of Clause 49 of the Listing Agreement. Yet the Board formed a Remuneration Committee and all decisions on appointment and remuneration of Directors are taken by the Board of Directors and approved by the shareholders in the general meeting.

Remuneration Committee comprises three Non-Executive Independent Directors viz. Dr. S. K. Dikshit, Mr. Kanhaiya Lal Goenka and Mr. Mahesh Kedia. The policy of the Remuneration Committee is to pay remuneration according to comparable size of the industry.

The broad terms of reference of the Remuneration Committee are as follows:

- To decide on the remuneration policy of the managerial personnel.
- To approve of the appointment/reappointment of the managerial personnel for such tenure as they may decide.
- To approve the remuneration package to the managerial personnel within the limits provided in Schedule XIII of the Companies Act, 1956 read with other applicable provisions of the said Companies Act, 1956.
- Such other powers/functions as may be delegated by the Board from time to time.



The Committee did not meet during the year. The composition of the Committee during the year 2013-14 as well as particulars of attendance, category and status is given below:

Name of the member	Category of directorship	Status in Committee	No. of meetings Attended
Dr. S. K. Dikshit	NED/ID	Chairman	0
Mr. Mahesh Kedia	NED/ID	Member	0
Mr. Kanhaiya Lal Goenka *	NED/ID	Member	0

*As per amended clause 49 of the Listing Agreement which will come into force on 1st October 2014. The Formation of remuneration committee becomes a mandatory requirement & its role is defined under the same.

5) Shareholders'/ Investors' Grievance Committee

The Shareholders'/Investors' Grievance Committee, as a sub-committee of the Board. The Committee comprises Dr. S. K. Dikshit, Mr. Kanhaiya Lal Goenka and Mr. Mahesh Kedia. The Committee, inter alia, reviews shareholders grievances/ complaints like transfer of shares, non-receipt of Balance Sheet and other ancillary matters. The Committee looks after the performance of Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investors services

The Committee met four times during the year. The composition of the Committee during the year 2013-14 as well as particulars of attendance, category and status is given below:

Name of the member	Category of directorship	Status in Committee	No. of meetings Attended
Dr. S. K. Dikshit	NED/ID	Chairman	4
Mr. Mahesh Kedia	NED/ID	Member	4
Mr. Kanhaiya Lal Goenka	NED/ID	Member	4
Mr. Rohit Kumar Jaiswal	COMPANY SECRETARY	Secretary	4

The Board had designated Mr. S. N. Jhunjhunwala, Managing Director as Compliance Officer and Mr. Rohit Kumar Jaiswal, Former Company Secretary as Co-Compliance Officer. Mr. Rohit Kumar Jaiswal, Former Company Secretary, used to provide secretarial support to the Committee. Now the role of Secretary to the Committee will be played by Mr. Kartik Agrawal, Company Secretary. During the year, the Company received 8 complaints from the shareholders and the same were attended within a reasonable period of time.

*As per the amended clause 49 of the Listing Agreement which will come into force on 1st October 2014 the committee will be known as Stake Holders Relationship Committee.

6. Disclosures

(A) Basis of related party transactions

The transactions with the related parties i.e. Promoters, Directors or their management or relatives are not contradictory with the Company's interest as one disclosed in the notes forming part of the accounts. Adequate care was taken to ensure that the potential conflict of interest did not harm the interest of the Company at large.

The Company complied with the requirements of the stock exchanges/SEBI/statutory authorities on all related to the capital market during last three years. There were no penalties or strictures imposed on the Company by the stock exchanges or SEBI or any statutory authorities.

(B) Disclosure of Accounting Treatment

During the year, there has been no change in Accounting Standard applicable to the company.

(C) Board Disclosure - Risk management

The company has laid down procedures to inform the Board of Directors about the risk management and its minimization Procedures. The Audit Committee and Board of Directors review these procedures periodically.

(D) Proceeds from Public issues, right issues, preferential issues etc.

The company did not have any of the above issues during the year under review.

(E) Whistleblower policy

Although the Company does not have any Whistleblower policy at present, yet no personnel is being denied any access to the Audit Committee.

(F) Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

(G) Shareholders

The quarterly results made by the Company are put on the Company's website under the following link www.jvlagro.com

Mr. Adarsh Jhunjhunwala is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-election as Executive Director.

7. CEO/CFO Certification

The Managing Director has certified to the Board in accordance with Clause 49 (V) of the Listing Agreement pertaining to CEO/CFO Certification for the financial year ended March 31, 2014.

8. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchange where the Company's equity shares are listed in the requisite format duly signed by the Compliance officer. Pursuant to the Clause 49 of the Listing Agreement, the Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

9) General body meeting:

(A) Location and time of General Meetings held in the last 3 years Details of the Annual General Meetings (AGM) held during last three years are as under:

Details of the Annual General Meetings (AGM) held during last three years are as under:

Year	Location	Date	Day	Time	Special Resolutions
2010-11	Hotel Ramada Plaza JHV, The Mall, Cantonment, Varanasi	September 2011	Friday	3.00 p.m.	1
2011-12	Hotel Radisson, The Mall, Cantonment, Varanasi	September 2012	Saturday	4.00 p.m.	3
2012-13	Hotel Radisson, The Mall, Cantonment, Varanasi	September 2013	Monday	3.00 p.m.	3

(B) Postal Ballot

(i) Details of the Special/Ordinary Resolutions passed by the Company through Postal Ballot:

During the financial year 2013-14 ended on March 31, 2014, no special/ordinary resolutions passed by the Company through Postal Ballot.

(ii) Whether any special resolution is proposed to be conducted through postal ballot:

There is proposal for the special resolutions to be put through postal ballot at the forthcoming Annual General Meeting for shareholders' approval as per given in the notice of the meeting.

10) Means of communication

During the year, unaudited quarterly results, audited annual financial results and notices of the Company were submitted to the stock exchanges soon after their approval in the Board meeting and the same were published in two leading newspapers –Economic Times (English national daily) and Dainik Jagran (regional newspaper).



11) General shareholder information

- a) **25th Annual General Meeting:**
 Date, day & time : September 22, 2014, Monday, at 11.00 A.M.
 Venue : At 'Hotel Gateway (Taj)', Nadesar, Varanasi (U.P.)
- b) **Tentative Financial Calender for the year 2014-15**
 Financial Year : April 01, 2014 to March 31, 2015
 Annual General Meeting : September 30, 2015 (Approx)
 Results for quarter ending June 30, 2014 : Second week of August, 2014.
 Results for quarter ending Sept.30, 2014 : First week of November, 2014.
 Results for quarter ending Dec 31, 2014 : First week of February, 2015.
 Results for quarter ending Mar 31, 2015 : Last week of May, 2015.
- c) **Book closure date** : September 16, 2014 to September 22, 2014
 (Both days inclusive)
- d) **Dividend payment date** : Within thirty days from the date of dividend declaration.
- e) **Listing of Equity Share** : National Stock Exchange of India Ltd., Mumbai
 The Bombay Stock Exchange, Mumbai,
 Delhi Stock Exchange Limited, New Delhi
 The U.P. Stock Exchange Association Ltd., Kanpur
 The company has paid the annual listing fees for the year 2014-15 to above stock exchanges.
- f) (i) **Stock code:** Scrip Code No. : The Bombay Stock Exchange : 519248
 National Stock Exchange of India : -
 Trading symbol : The Bombay Stock Exchange : JVLAGRO
 National Stock Exchange of India : JVLAGRO
 (ii) Demat ISIN Nos. in NSDL and CDSL for equity shares : INE430G01026

g) Stock Market Price Data

(In ₹)

Month	The Bombay Stock Exchange (BSE)	
	Month's High Price	Month's Low Price
April, 2013	12.90	10.51
May, 2013	12.70	11.25
June, 2013	12.73	9.68
July, 2013	10.90	7.00
August, 2013	10.10	5.62
September, 2013	12.45	6.50
October, 2013	12.75	9.60
November, 2013	12.70	10.60
December, 2013	12.50	9.60
January, 2014	11.00	8.77
February, 2014	9.95	8.75
March, 2014	10.70	8.82

There was no trading at the U.P. Stock Exchange Association Ltd., Kanpur and at Delhi Stock Exchange Limited, New Delhi, during the year 2013-14.

h) Distribution of shareholding as on March 31, 2014

No. of Shares held	No of Shareholders	% of shareholders	No of Shares	% of Shareholding
Up to 500	3481	46.58	790841	0.47
501 to 1000	1600	21.41	1477008	0.89
1001 to 2000	881	11.79	1532705	0.91
2001 to 3000	357	4.78	965542	0.57
3001 to 4000	170	2.27	632480	0.38
4001 to 5000	259	3.47	1265363	0.75
5001 to 10000	344	4.60	2673432	1.59
10001 to 50000	274	3.67	5495526	3.27
50001 to 100000	43	0.58	3010779	1.79
Above 100000	64	0.85	150096324	89.38
	7473	100.00	167940000	100.00

i) Registrar and Transfer Agents

: MCS Limited

(Share transfer and communication regarding share certificates, and change of address, etc.)

Mr. Venkatesh Bhavan,
 F-65, 1st Floor, Okhla Indl. Area,
 Phase 1, New Delhi 110 020

Contact No

: 011-41406149 (Extn. 51&52)

E-mail Id

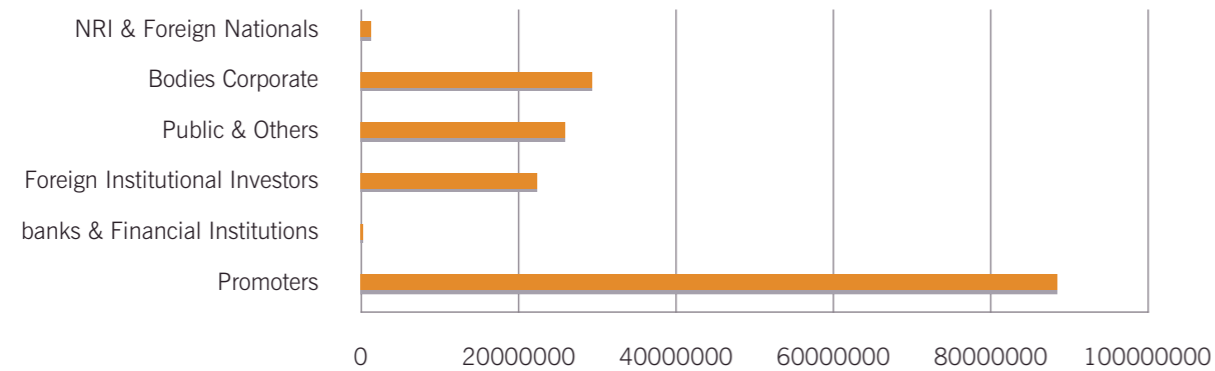
: admin@mcsdel.com, mcscomplaintsdel@mcsdel.com



j) Share transfer system

To expedite the transfer of shares held in physical form, the power to authorise transfers have been delegated to R & TA of the company 'MCS Limited', New Delhi. The requests for share transfers received being valid and complete in all respects are processed and the share certificates after transfer are returned within a period of 21 days from the date of receipt.

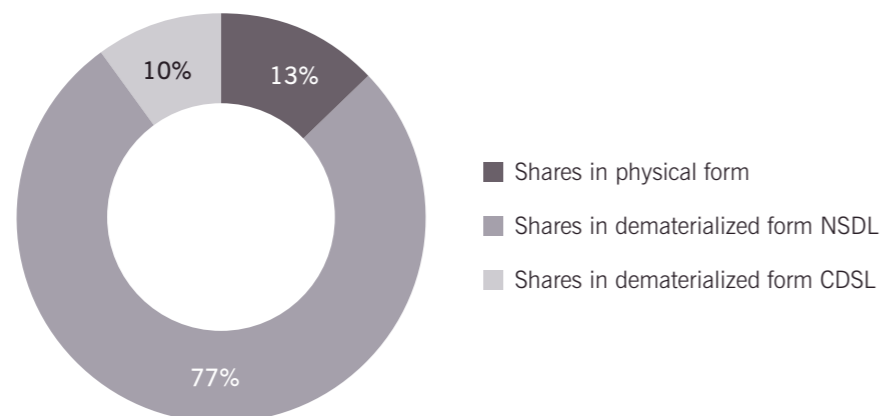
k) Shareholding pattern as on March 31, 2014



	Promoters	banks & Financial Institutions	Foreign Institutional Investors	Public & Others	Bodies Corporate	NRI & Foreign Nationals
No. of total shares	88551387	79000	22504680	26068510	29578098	1158325
% of total shares	52.73%	0.05%	13.40%	15.53%	17.61%	0.69%

l) Dematerialisation of shares and liquidity:

The equity share of the Company is traded compulsorily in the dematerialised segment of all the stock exchanges. The Company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of our shares for scrip less trading and liquidity of shares. As on March 31, 2014, form of shares is as follows:



The shares of the Company are actively traded at the Bombay Stock Exchange, Mumbai and National Stock Exchange, Mumbai.

m) Plant locations:

- (A) Vill. Naupur, P.O. Thanagaddihe, Kerakat, Dist. Jaunpur (U.P.)
- (B) JVL Agro Foods (a unit of JVL Agro Industries Ltd.)
207 MIA RIICO, Alwar, Rajasthan.
- (C) JVL Oils & Foods (a unit of JVL Agro Industries Ltd.)
Pahleja, Dehri On Sone, Bihar
- (D) JVL Oil Refinery (A unit of JVL Agro Industries Ltd.)
JL # 149, Mouza – Debhog, PS – Bhabanipur, Purba Medinipur, Haldia - 712657

n) (i) Investor correspondence:

For transfer/dematerialisation of shares and any other query related to the Company shares.

i) For shares held in physical form:
MCS Limited
F-65, 1ST Floor, Okhla Indl. Area,
Phase 1, New Delhi 110 020
Ph. No. - 011-41406149 (Extn. 51&52)
E-mail -admin@mcsdel.com

ii) For shares held in demat form:
To the depository participants.

(ii) Any query on Annual Report

Secretarial Department
Mr. Kartik Agrawal
Jhunjhunwala Bhawan,
Nati Iml, Varanasi-221001
Ph. No.-0542-2595930/2595931/2595932
E-mail Id- kartikagrwal@jvlagro.com

The above report was adopted by Board of Directors at their meeting held on August 25, 2014



Declaration by the CEO under Clause 49 of the Listing Agreement regarding adherence to the code of conduct

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the stock exchanges, I hereby confirm that, all the Directors and the senior management personnel of the Company have affirmed compliance to the Code of Conduct, as applicable to them for the financial year ended March 31, 2014.

For JVL Agro Industries Limited

Place: Varanasi
Dated: August 25, 2014

Sd/-
(D. N. Jhunjunwala)
Chairman

Financial Section

AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To
The Members of
JVL Agro Industries Ltd

- We have reviewed the implementation of Corporate Governance by JVL Agro Industries Ltd during the year ended 31st March, 2014 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
- The compliance of conditions on Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
- We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.
- On the basis of our review and according to the information and explanations provided to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchanges have been complied with in all material respect by the Company.

FOR SINGH DIKSHIT & CO.
(CHARTERED ACCOUNTANTS)
FRN: 007555C

(RANJISH VISHWAKARMA)
PARTNER
M.No. 404363

Place: Varanasi
Date: 30th day of May 2014



Independent Auditor's Report

To
The Members of
JVL Agro Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of JVL Agro Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year that ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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:

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014
- in the case of the Profit and Loss Account, of the profit for the year ended on that date and

- 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

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by section 227(3) of the Act, 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;
 - 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
 - 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.
 - in our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under 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
 - 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.
 - In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note No. 37 regarding different parties balances taken in accounts and read together with other notes, give the information required by the Companies Act, 1956 in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India.

FOR SINGH DIKSHIT & CO.
CHARTERED ACCOUNTANTS
FRN: 007555C

RANJISH VISHWAKARMA
(PARTNER)
M. No. :404363

Place: Varanasi
Date: 30th day of May 2014

The Annexure referred to in paragraph 1 of Our Report of even date to the members of JVL Agro Industries Limited on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. The company has not yet maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us the assets have been physically verified by the management during the year and according to the management no discrepancy was found during such verification. Fixed Assets Register is under preparation. Addition during the year has been taken as certified by the management. Based on the information and explanation given to us and on the basis of audit procedure performed by us, substantial part of fixed assets have not been disposed off during the year.
2. (a) The inventories have been physically verified during the year by the management, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) On the basis of our examination of the records of inventory, we are of opinion that the Company is generally maintaining proper records of its inventories. The discrepancies noticed between physical stock and the books records were not material.
3. (a) The company has neither taken nor given any loan from/to parties listed under section 301 of the Companies Act, 1956.
(b) There is a due to wholly owned subsidiary of the company without any stipulation. Due at the year end is ₹ 2.06 Crore (previous year ₹ 1.93 Crore).
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, we have not observed major weaknesses in the internal controls.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) In our opinion and according to information & explanations given to us, transaction were made in pursuance of contract or arrangement entered into the register maintained under section 301 and exceeding the value of five lacs in respect of each party during the year, which as per management are at the prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public during the year.
7. In our opinion the Company has an internal audit system commensurate with its size and the nature of its business.
8. (a) According to the records of the company and information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed amounts payable in respect of Provident Fund, Investor Education & Protection Fund, E.S.I., Income Tax, Trade Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable except as mentioned under Note No.41.
(b) According to the information and explanation given to us, there are no dues of Trade tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except as mentioned under Note No. 18.
9. In our opinion the company has made and maintained cost records under section 209 (1)(d) of the Companies Act, 1956. We have not however made detailed examination of the records with a view of determining whether these are accurate or complete.
10. The Company has no accumulated losses at the end of the year. The Company has not incurred cash losses during the five year as well as in immediately preceding financial year.
11. Based on our audit procedure and according to the information and explanations given to us, we are of opinion that the company has not defaulted in repayment of dues to the financial institution and Banks.
12. In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor`s Report) Order, 2003 are not applicable to the company.
13. Based on our examination of the record and information and explanation given to us, proper record have been maintained for dealing in Shares & Other Securities and timely entries have been made in those records. We also report that the company has held the Shares & Securities in its own name.
14. Based on documents and records produced to us and information and explanation given, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
15. According to information and explanation given to us, the company has given guarantee for the loan taken by others (Agriculturist) from banks, the term and conditions were are stated to be not prima facie prejudicial to the interest of the company.
16. The term loans have been utilized for the purpose for which they were taken.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the funds raised on short-term basis have not been used for long-term investment.
18. According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures during the year.
19. According to the information and explanation given to us, there is no public issue by the company during the year.
20. Based upon the audit procedure performed and the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

FOR SINGH DIKSHIT & CO.
CHARTERED ACCOUNTANTS
FRN: 007555C

RANJISH VISHWAKARMA
(PARTNER)
M. No. :404363
Part - 5, 1st Floor, South Block
Hathua Market, Chetganj
Varanasi - 221001.

Place: Varanasi
Date: 30th day of May 2014

Balance Sheet as at 31st March, 2014

(₹ in crore)			
	Note No	As at 31st March 2014	As at 31st March 2013
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
(a) Share Capital	3	16.79	16.79
(b) Reserves & Surplus	4	449.36	392.23
Non-Current Liabilities			
(a) Long-Term Borrowings	5	74.41	100.44
(b) Deferred Tax Liabilities		33.87	28.27
(c) Other Long Term Liabilities	6	11.69	2.26
Current Liabilities			
(a) Short-Term Borrowings	7	133.76	110.75
(b) Trade Payables	8	834.79	729.10
(c) Other Current Liabilities	9	46.56	49.13
(d) Short-Term Provisions	10	4.15	3.36
TOTAL		1605.38	1432.33
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		363.87	308.81
(ii) Capital Work-in-Progress		19.26	18.49
(b) Non-Current Investments	12	5.53	5.61
(d) Long-Term Loans & Advances	13	25.42	39.89
Current Assets			
(a) Inventories	14	454.20	453.21
(b) Trade Receivables	15	188.64	160.86
(c) Cash & Bank Balances	16	439.32	323.73
(d) Short-Term Loans & Advances	17	109.14	121.73
TOTAL		1605.38	1432.33
Summary of Significant Accounting Policies	2		
Contingent Liability & other commitments	18		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Singh Dikshit & Co.

Chartered Accountants

FRN: 007555C

Ranjish Vishwakarma

[Partner]

M.No. 404363

Varanasi - 30th day of May 2014

Adarsh Jhunjunwala

Whole-time Director

S.N. Jhunjunwala

Managing Director

For and on behalf of Board of Directors

Statement of Profit and Loss for the year ended 31st March, 2014

(₹ in crore)			
	Note No	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
INCOME			
I. Income From Operations	19	4350.47	3811.08
II. Other Income	20	4.44	6.26
Total Revenue (I+II)		4354.91	3817.34
EXPENSES			
Cost of Materials Consumed	21	3347.19	2201.62
Purchases of Goods Traded	22	959.70	1414.61
Changes in Inventories	23	(114.00)	40.40
Employee Benefits Expense	24	10.11	7.34
Finance Costs	25	35.20	24.13
Depreciation Expense	11	18.75	10.21
Other Expenses	26	82.78	68.11
Total Expenses		4339.73	3766.42
Profit Before Exceptional Items & Tax		15.18	50.92
Exceptional items	27	54.84	26.30
Profit Before Tax		70.02	77.22
Tax Expense			
(1) Current tax		(3.16)	(10.91)
(2) MAT Credit		-	-
(3) Provision for Tax for Earlier year Written off/provided for		-	-
(4) Deferred Tax		(5.60)	(5.94)
Profit for the Period		61.26	60.37
Earnings per Equity Share:			
(1) Basic		3.65	4.19
(2) Diluted		3.65	4.19
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For Singh Dikshit & Co.

Chartered Accountants

FRN: 007555C

Ranjish Vishwakarma

[Partner]

M.No. 404363

Varanasi - 30th day of May 2014

Adarsh Jhunjunwala

Whole-time Director

S.N. Jhunjunwala

Managing Director

For and on behalf of Board of Directors

Note 1 COMPANY INFORMATION

JVL Agro Industries Limited (the 'Company') is a public limited company and listed on Bombay Stock Exchange (BSE), National Stock Exchange (NSE), Delhi Stock Exchange and Uttar Pradesh Stock Exchange (Kanpur). The company is market leader in edible oil industry. The company has manufacturing facilities in Naupur- Uttar Pradesh, Alwar- Rajasthan, Dehri- Bihar and at Haldia- West Bengal and sell primarily in India.

Note 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis for preparation of accounts:

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities. These accounts are prepared on the principles of going concern and consonance with generally accepted accounting principle.

2.2 Revenue Recognition:-

Sales are recognized when the substantial risks and rewards of ownership in the goods are transferred to the buyer, upon supply of goods, and are recorded net of trade discounts, rebates, trade taxes & Freight (on goods manufactured and traded).

2.3 Expenditures:-

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities except gratuity and misc. petty item which are accounted for on cash basis. Cost of Raw material consumed includes duty, port charges, Transportation, Agent Commission, net of interest on finance charges including gain/(loss) on foreign currency fluctuation, loading/unloading expenses, factory expenses & production expenses etc.

2.4 Tangible Fixed Assets:-

Fixed assets are stated at cost and adjusted by foreign currency fluctuation against loan repayment less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the profit and loss account. Depreciation on account of fluctuation of foreign currency loans availed in respect of fixed assets is provided as aforesaid over the residual life of the respective fixed assets.

2.5 Depreciation:-

Depreciation on fixed assets is provided on the straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

2.6 Intangible Assets:-

The company does not have any intangible assets.

2.7 Investments:-

Investments are stated at the cost value. Investments in shares are stated as Short Term Loans & Advances. As per management, reductions in market rates are temporary, and hence no provision is required to be made in account.

2.8 Inventories:-

Finished goods, traded goods are valued at cost or net market value whichever is lower. Raw Material, Packing Material, Chemicals and Stores are valued at cost. Works in progress are valued at raw material cost. By products are valued at estimated realizable value.



Note 2 SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.9 Current and Deferred Tax Liability:-

Deferred tax is recognized on timing differences being the differences between taxable incomes and accounting income that originate in one reporting period and are capable of reversal in one or more subsequent reporting period.

2.10 Foreign Currency Transaction:-

Foreign currency transactions are recorded on the basis of exchange rate prevailing on the date of their occurrence. Foreign currency liabilities as on Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year, exchange differences arises there from is recognize to the statement of profit & loss or is adjusted to the cost of fixed assets. Other exchange differences are recognized as income or expenses in the period in which they arise. Foreign Exchange Gain/Loss arises on forward contract are also recognized in the statement of profit and loss in the reporting period in which exchange rate change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are also recognized as income or as expense for the period.

2.11 Segment Reporting:-

The company's present operations are related to production of Vanaspati, Refine & Mustard Oil, DOC and trading of goods. The entire income of the company is mainly in India, hence there is no reportable geographical segment. Vanaspati, Refine & Vanaspati Oil, Edible Oils are the primary segment of the company and there is no secondary segment.

2.12 Earning Per Share:-

Basic earnings per share is calculated by dividing the net profit for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.13 Government Grants:-

Grant including subsidy/rebates/re-imburements is transferred to statement of profit & loss a/c from capital reserve on the basis of accrual of same. Grant relating to fixed assets are credited to Capital Reserve Account or adjusted in cost of such assets as the case may be.

2.14 Impairment of Fixed Assets:-

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.15 Borrowing Cost:-

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

2.16 Employee Benefit:-

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered. Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

2.17 Provisions, Contingent Liability & Contingent Assets:-

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes.

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 3 SHARE CAPITAL

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
A. Authorised Capital:		
20,00,00,000 (20,00,00,000) Equity Shares of ₹1/- each	20.00	20.00
5,000 , 10% (5,000) Cumulative Red.Pref.Shares of ₹100/- each	0.05	0.05
2,50,000,(2,50,000) Cumulative Red.Pref.Shares of ₹100/- each	2.50	2.50
	22.55	22.55
B. Issued, subscribed & fully paid up capital :		
16,79,40,000 (16,79,40,000) Equity Shares of ₹1/- each (₹ 1/- each)	16.79	16.79
Total	16.79	16.79
C. Reconciliation of number of shares		
Equity Shares :		
Balance as at beginning of the year 16,79,40,000 Equity Shares	167940000	140440000
Add: Shares Issued	0	27500000
Less: Shares bought back during the year	0	0
Balance as at end of the year	167940000	167940000
D. Rights, preferences and restrictions attached to the shares		
Equity shares: The company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholdings.		
E. Details of equity shares held by shareholders holding more than 5% shares to the aggregate shares in the company	No. of Shares	No. of Shares
a. Nilamber Trexim & Credit Pvt. Ltd.	10.07% (10.07%)	16912900
b. Jhunjunwala Gases Pvt. Ltd.	09.57% (09.57%)	16075000
c. Aryan Multibusiness Pvt. Ltd.	07.15% (07.15%)	12000000
d. Paharia Markets & Investment Pvt. Ltd.	07.15% (07.15%)	12000000

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 4 RESERVE & SURPLUS

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
A. General Reserve :		
Balance as at the beginning of the year	27.16	22.16
Add: Addition during the year	2.00	5.00
Balance as at the end of the year	29.16	27.16
B. Capital Reserve :		
Balance at the beginning of the year	51.61	29.04
Add: Capital Subsidy	54.84	22.80
Less: Withdrawn to Statement of Profit & Loss (Please refer Note No. 27)	(54.84)	(22.80)
Add: Transferred from surplus in Statement of Profit & Loss	22.33	22.57
	73.94	51.61
C. Securities Premium Account :		
Balance as at the beginning of the year	112.05	62.55
Add: Addition during the year	0.00	49.50
Balance as at the end of the year	112.05	112.05
D. Surplus in Statement of Profit & Loss :		
Balance as at the beginning of the year	201.41	171.96
Add: Profit for the year	61.26	60.37
Less: Appropriations		
Transferred to General Reserve	(2.00)	(5.00)
Transferred to Capital Reserve	(22.33)	(22.57)
Provision	(0.20)	-
Proposed Dividend on Equity Shares [per shares ₹ 0.20 (₹ 0.20)]	(3.36)	(2.88)
Dividend Distribution Tax	(0.57)	(0.47)
Balance as at the end of the year	234.21	201.41
Total (A+B+C+D)	449.36	392.23

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 5 LONG-TERM BORROWINGS

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
A. Secured Term Loans from banks :-		
a. Bank of Baroda	0.00	2.49
b. Punjab National Bank	0.00	0.69
(For Naupur & Alwar Unit - First parri passu charge on the entire assets by way of mortgage/ joint deed of hypothecation / intersee agreement & personal guarantee by two directors, their relative and a group company. Also secured by mortgage of joint property of one director.)		
c. State Bank of India	8.18	11.56
d. State Bank of Bikaner & Jaipur	4.99	6.38
e. State Bank of Hyderabad	2.39	3.56
f. State Bank of Travancore	5.11	5.70
(Equitable mortgage of land & factory building and other construction at village pahleza, mauza-chakia,Dehri, bihar,on pari-passu basis with other term lenders. Hypothecation charge on other fixed assets including plant & machinery of the projects at pahleza,chakia,dehri,bihar on pari passu basis with other term lenders of the project and collaterally secured by second charge on current assets of the company's unit at chakia, dehri, Bihar on pari passu basis with personal guarantee of two directors)		
Schedule of Repayment :-		
For State Bank of India		
Remaining 10 installment of ₹ 0.78 Crore each and 1 installment of ₹ 0.38 Crore having maturity F.Y. 2016-17		
For State Bank of Bikaner & Jaipur remaining 10 installment of ₹ 0.46 Crore each & 1 installment of ₹ 0.39 Crore having maturity in F.Y. 2016-17		
For State Bank of Hyderabad 8 installment of ₹ 0.29 Crore each & 3 installment of ₹ 0.07 Crore, having maturity in F. Y. 2015-16		
For State Bank of Travancore remaining 10 installment of ₹ 0.50 Crore each & 1 installment of ₹ 0.11 Crore having maturity in F.Y. 2015-16		
g. Standard Chartered Bank	86.61	97.56
(Exclusive first charge on all movable and immovable fixed assets of Haldia facility and personal guarantee of two directors and second charge on all current assets of Haldia facility. Remaining 13 quarterly installment of USD 1.058 Mio each.		
Total	107.28	127.94
Less: Current Maturity of Long Term Borrowings	32.87	27.50
Balance of Above	74.41	100.44



Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 6 OTHER LONG TERM LIABILITIES

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Security Deposits	2.69	2.26
Others	9.00	0.00
Total	11.69	2.26

Note 7 SHORT TERM BORROWINGS

Secured Loans :		
A. Cash Credit Limit From Banks		
a. Bank of Baroda	51.91	52.23
b. Punjab National Bank	49.13	51.28
(For Naupur & Alwar Unit - Secured by hypothecation of entire stock in trade, trade receivables and movable current assets. Secured by first charge on the fixed assets and personal guarantee by two directors, their relative and a group company. Also secured by mortgage of joint property of one director.)		
c. State Bank of India	10.45	0.00
d. State Bank of Bikaner & Jaipur	0.01	0.00
e. State Bank of Travancore	3.44	0.57
f. Vijaya Bank	3.94	0.00
(Hypothecation of entire current assets of unit at Chakia, Dehri, Bihar on pari-passu basis with other working capital bankers and personal guarantee of two directors and collaterally secured by second charge on equitable mortgage of the land and factory at Chakia,Dehri,Bihar on pari passu basis with other terms lenders and hypothecation charge on other fixed assets including plant & machinery at Chakia, Dehri, Bihar on pari passu basis with other term lenders.)		
g. Allahabad Bank	0.00	0.05
h. Corporation Bank	0.23	0.00
i. Indian Overseas Bank	0.00	0.00
j. Union Bank of India	4.12	0.00
k. Oriental Bank of Commerce	3.02	0.00
(For Haldia Unit - Secured by first hypothecation charge on entire current assets including stock, trade -receivables and movable current assets. Secured by second charge on the fixed assets and personal guarantee by two directors.)		
(Note: Credit balance with Allahabad bank is ₹ 28,078.00 & credit balance with Indian Overseas Bank is ₹ 30,515.00)		
B. Loan Against Fixed Deposits Receipt From Bank		
(Secured by pledge of Fixed Deposits Receipts)	7.51	6.62
Total	133.76	110.75

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 8 TRADE PAYABLES

(₹ in crore)		
Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
(i) Total Outstanding dues of Micro, Small & Medium Enterprises (Due for purchases)	0.01	1.02
(ii) Total outstanding dues of creditors other than above		
Sundry Creditors	834.78	728.08
(For Goods, Expenses & Other Finance)		
Total	834.79	729.10

Note 9 OTHER CURRENT LIABILITIES

Advance from Customers	10.99	18.65
TDS Payable	0.35	0.80
Dividend Payable	0.29	0.25
Other Liabilities	2.06	1.93
Term Loan Installment Repayable	32.87	27.50
Total	46.56	49.13

Note 10 SHORT-TERM PROVISIONS

Provision For Wealth Tax	0.02	0.01
Provision	0.20	0.00
Provision For Dividend	3.36	2.88
Dividend Distribution Tax	0.57	0.47
Total	4.15	3.36

Note 11 TANGIBLE FIXED ASSETS

(₹ in crore)										
PARTICULARS	GROSS BLOCK(AT COST)				DEPRECIATION				NET BLOCK	
	Opening as on 1.4.2013	Addition	Sale/ Transfer	Closing as on 31.3.2014	Upto 31.3.2013	For the Year	Sale/Adj.	Total Upto 31.3.2014	As on 31.3.2014	As on 31.3.2013
A										
1 Land (Free Hold)	2.28	6.13	-	8.41	-	-	-	-	8.41	2.28
2 Land (Lease Hold)	7.89	-	-	7.89	-	-	-	-	7.89	7.89
3 Buildings	45.78	3.71	-	49.49	3.73	1.57	-	5.30	44.19	42.05
4 Plant & Machinery	286.44	62.12	-	348.56	43.96	15.79	-	59.75	288.81	242.48
5 Office Equipments	2.10	0.24	-	2.34	0.59	0.23	-	0.82	1.52	1.51
6 Furniture & Fittings	1.00	0.44	-	1.44	0.11	0.07	-	0.18	1.26	0.89
7 Vehicles	2.60	1.26	0.19	3.67	1.07	0.31	0.10	1.28	2.39	1.53
8 Turbine (Co Generation System along with Pressure Boiler)	14.80	-	-	14.80	4.62	0.78	-	5.40	9.40	10.18
Total of Tangible Assets	362.89	73.90	0.19	436.60	54.08	18.75	0.10	72.73	363.87	308.81
Previous Year	195.55	167.34	-	362.89	43.87	10.21	-	54.08	308.81	-



Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 11 TANGIBLE FIXED ASSETS (contd.)

(₹ in crore)										
PARTICULARS	GROSS BLOCK(AT COST)				DEPRECIATION			NET BLOCK		
	Opening as on 1.4.2013	Addition	Sale/ Transfer	Closing as on 31.3.2014	Upto 31.3.2013	For the Year	Sale/Adj.	Total Upto 31.3.2014	As on 31.3.2014	As on 31.3.2013
B										
Capital Work In Progress :										
- Naupur , Alwar & Pahleza Unit	1.73	-	1.73	-	-	-	-	-	-	1.73
- Alwar Oil Mills	4.22	-	4.22	-	-	-	-	-	-	4.22
- Haldia Project	12.54	6.47	12.54	6.47	-	-	-	-	6.47	12.54
- Rice Mill		12.79		12.79					12.79	
Total of Capital Work in Progress	18.49	19.26	18.49	19.26	-	-	-	-	19.26	18.49
Previous Year	94.25	15.34	91.10	18.49					18.49	-
Total of Fixed Assets	381.38	93.16	18.68	455.86	54.08	18.75	0.10	72.73	383.13	327.30
Previous Year	289.80	182.68	91.10	381.38	43.87	10.21	-	54.08	327.30	-

Note 12 NON-CURRENT INVESTMENTS

Particulars	Face Value	Reporting Period ended on 31st March 2014		Reporting Period ended on 31st March 2013	
		No.of Shares/Units	Amount (₹ in crore)	No.of Shares/Units	Amount (₹ in crore)
A. Unquoted					
Investment in Equity					
i. Trade Investments					
Other					
Jhunjhunwala Oil Mills Ltd	10	100000	0.10	100000	0.10
Hari Fertilizers Ltd	10	57000	0.57	57000	0.57
Bay Star Concrete Pvt. Limited	100	30360	0.38	30360	0.38
Adamjee Extraction Pvt.Ltd, Sri Lanka	10	2231439	1.00	2231439	1.00
Sealac Agro Ventures Limited	10	250000	0.25	250000	0.25
Investments in Subsidiary					
JVL Overseas Pte Ltd, Singapore	1	500000	2.05	500000	2.05
ii. Non Trade Investments					
Other					
Anurodh Infrastructure Pvt. Limited	500	9000	0.45	9000	0.45
B. Quoted					
i. Non Trade Investments					
Investment in Equity					
Other					
Ranbaxy Laboratories Ltd	5	100	0.01	100	0.01
Indo Rama Synthetics (India) Ltd *	10	500	0.01	500	0.01
Tata Tele Services **	10	1000	0.00	1000	0.00

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 12 NON-CURRENT INVESTMENTS (contd.)

Particulars	Face Value	Reporting Period ended on 31st March 2014		Reporting Period ended on 31st March 2013	
		No. of Shares/Units	Amount (₹ in crore)	No. of Shares/Units	Amount (₹ in crore)
Bank of Baroda	10	409	0.01	409	0.01
BGR Energy Systems Ltd	10	550	0.02	550	0.02
Reliance Power Ltd	10	2614	0.07	2614	0.07
Reliance Power Ltd ***	10	0	0.00	55	0.00
India Bull Securities	500	119100	0.25	119100	0.25
Investment in Mutual Fund :					
PNB Mutual Fund	10	15197.57	0.02	15197.57	0.02
HDFC AMC PMS - Real Estate Portfolio			0.19		0.27
Baroda Pioneer Short Term Fund	10	102033.98	0.10	102033.98	0.10
Unicon KBC Equity Fund	10	50000	0.05	50000	0.05
Total			5.53		5.61
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			0.73		0.81
b Aggregate Amount of un - Quoted Investment			4.80		4.80
c Aggregate Provision for Diminution in Value of Investment			0.00		0.00
d Aggregate Market Value of Quoted Investments			0.29		0.17
* Indo Rama Synthetics (India) Ltd ₹46047.00 (₹46047.00)					
** Tata Tele Services ₹34300.00 (₹34300.00)					
*** Reliance power Ltd. ₹ 4852.40 (0.00)					

Note 13 LONG-TERM LOANS & ADVANCES

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Unsecured & Considered Good		
Capital Advances	21.52	23.82
Loans	0.38	0.38
Advance Income Tax & TDS (Net of Provision)	0.00	13.86
Security Deposits & Others	3.51	1.82
Excise Deposits	0.01	0.01
Total	25.42	39.89



Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 14 INVENTORIES (Refer to Note No. 31 & 32)

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
(As Taken, Valued & Certified by the Management)		
Raw Materials (Including in Transit)	225.95	337.42
Finished Products	164.84	64.10
Trading Goods	2.53	0.48
Stock in Process	42.22	31.01
Packing Material, Stores & Chemicals	18.66	20.20
Total	454.20	453.21

Note 15 TRADE RECEIVABLES

A. Above Six Months (from the due dates)		
Un - Secured Considered Good	18.37	15.85
Considered Doubtful	2.11	3.11
Less: Provision for Doubtful Debts	-	(1.00)
Total	20.48	17.96
B. Others		
Un - Secured Considered good	168.16	142.90
Considered Doubtful	0.00	0.00
Less: Provision for Doubtful Debts	0.00	0.00
Total	168.16	142.90
Total (A+B)	188.64	160.86

Note 16 CASH AND BANK BALANCES

i. Cash & Cash Equivalent		
Cash In Hand	0.54	0.22
Balance with Scheduled Bank		
- In Current Accounts	64.85	58.25
Total	65.39	58.47
ii. Other Bank Balances		
With Scheduled Banks:		
- In Fixed Deposit Accounts	252.79	162.51
- In Dividend Account	0.29	0.25
- Margin Money Account	120.85	102.50
Total	373.93	265.26
Total (i+ii)	439.32	323.73

(Please refer to Note No-40)

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 17 SHORT-TERM LOANS & ADVANCES

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
a. Unsecured, Considered Good		
i. Advances	71.83	104.34
ii. Prepaid Expenses	0.41	0.67
iii. Advance Income Tax & TDS (Net of Provision)	20.18	0.00
b. Investments (Please refer to Note no. 42)	16.72	16.72
Total	109.14	121.73

Note 18 CONTINGENT LIABILITY & OTHER COMMITMENTS

Claim against the company not acknowledged as debts		
Trade Tax Liability under appeal before H'ble High Court, Allahabad	0.36	0.36
Excise Demand under appeal at different stage at H'ble High Court, Allahabad	0.03	0.03
Entry Tax demand under appeal before H'ble Supreme Court for different years for which Bank Guarantee given by the company	0.67	0.64
Excise Duty on Fatty Acid not paid for different years under appeal at Appellate Tribunal, Custom, Excise & Service Tax, New Delhi.	10.85	8.42

Note 19 REVENUE FROM OPERATIONS

Sale of Products (Refer to Note No. 30)	4350.47	3811.08
Total	4350.47	3811.08

Note 20 OTHER INCOME

Interest Received (Net)	3.88	3.88
Interest on Income Tax Refund	0.47	0.00
Dividend Received on Shares & Mutual Funds	0.12	0.13
Profit/Loss on Sale of Investment	0.01	2.07
Profit/Loss on Sale of Assets	(0.04)	0.00
Other Income	0.00	0.18
Total	4.44	6.26

Note 21 COST OF MATERIAL CONSUMED

Raw Material Consumed	3192.05	2074.96
Chemical Consumed	5.87	3.46
Packing Material Consumed	149.27	123.20
Total	3347.19	2201.62

(Cost of Raw Material Consumed includes direct expenses)

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 22 PURCHASES OF GOODS TRADED

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Imported Oils	929.46	1408.56
Others	30.24	6.05
Total	959.70	1414.61

Note 23 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND GOODS TRADED

Closing Stock		
Stock in Process	42.22	31.01
Finished Products	164.84	64.10
Goods Traded	2.53	0.48
	209.59	95.59
Less: Opening Stock		
Stock in Process	31.01	12.71
Finished Products	64.10	39.92
Goods Traded	0.48	83.36
	95.59	135.99
	(114.00)	40.40

Note 24 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages, Bonus, etc.	9.13	6.59
Contribution to Provident Fund	0.53	0.43
Employee Welfare Expenses	0.45	0.32
Total	10.11	7.34

Note 25 FINANCE COSTS

(a) Interest to Bank	20.49	13.78
(b) Interest to Other	0.31	0.38
(c) Bank Charges	14.35	9.93
(d) Lease Rent	0.05	0.04
Total	35.20	24.13

Note 26 OTHER EXPENSES

Consumption of Stores, Spares	1.88	1.70
Power & Fuel	55.47	50.33
Repairs & Maintenance	0.76	0.61
Legal Expenses	0.07	0.07
Travelling Expenses	2.16	1.47
Conveyance Expenses	0.51	0.53
Insurance	0.40	0.38
Rates & Taxes	1.18	0.58

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 26 OTHER EXPENSES (contd.)

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Auditor Fees	0.07	0.07
Postage, Telegram & Telephone	0.52	0.57
Repairs to Others	0.18	0.14
Printing & Stationery	0.23	0.24
Miscellaneous Expenses	2.30	1.82
Professional & Consultancy Charge	1.23	1.31
Brokerage & Commission (Net)	9.96	6.37
Advertisement & Publicity	1.01	0.33
Selling Expenses	2.33	0.64
Rent	2.51	0.93
Prior Period Expenditure	0.01	0.02
Total	82.78	68.11
Other Expenses Includes :-		
Internal Audit Fee, Cost Audit Fee & Expenses on auditors	0.22	0.20
Auditor Fee Includes :-		
Statutory Audit Fee & Tax Audit Fee	0.07	0.07

Note 27 EXCEPTIONAL ITEM

Withdrawn from Capital Reserve	54.84	22.80
Provision For Doubtful Debts	-	(1.00)
Realisation of Investment	-	4.50
Total	54.84	26.30

Note 28 PROPOSED DIVIDEND

The Dividend proposed for the year on equity shares of ₹ 1/- each		
Amount of Dividend	3.36	2.88
Dividend per Equity Shares (In paise)	0.20	0.20

Note 29 EARNING PER SHARES

Net Profit attributable to equity shareholders	61.26	60.37
weightage Average Number of share used as denominators for calculating earning per share	167940000	144056438
Basic & Diluted Earning Per Shares	3.65	4.19
Face Value of Shares	1	1



Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 30 SALES (MANUFACTURING)

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Vanaspati	331.78	498.71
Refine Oil	2635.83	1348.90
Mustard Oil	177.71	280.43
DOC	113.34	118.38
Others	129.23	60.90
Sales (Trading)		
Edible Oil	932.04	1487.50
Others	30.54	16.26
Total	4350.47	3811.08

Note 31 CLOSING FINISHED GOODS INVENTORY

Vanaspati	27.06	10.03
Refine Oil	113.82	44.35
Mustard Oil	20.30	8.41
DOC	2.01	0.63
Others	1.65	0.68
Total	164.84	64.10

Note 32 CLOSING STOCK OF GOODS TRADED

Imported Oil	2.31	0.11
Others	0.22	0.37
Total	2.53	0.48

Note 33 VALUE OF IMPORTED AND INDIGENOUS MATERIAL CONSUMED

Particulars	%	(₹ in crore)		
		Reporting Period ended on 31st March 2014	%	Reporting Period ended on 31st March 2013
Raw Material - Oils				
Imported	88.27	2793.91	73.78	1516.57
Indigenous	11.73	371.22	26.22	539.07
Total		3165.13		2055.64
Add: Other Expenses		26.92		19.32
Total		3192.05		2074.96

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 34

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
A) CIF Value of Import During the Year		
Imported Oils	3535.24	3466.80
B) Export Of Goods On FOB Basis	20.88	32.35

Note 35 EXPENDITURE IN FOREIGN CURRENCY

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
For Travelling	0.18	0.07

Note 36 LIABILITY OF GRATUITY

The liability of gratuity of employees is provided by taking LIC's group gratuity insurance scheme. For the year, premium on gratuity is yet to be paid. As per management there is no further liability of gratuity as on 31st March 2014.

Note 37 TRADE RECEIVABLE, TRADE PAYABLE AND LOANS & ADVANCES

Trade Receivables, Trade Payable, Loans & Advances are taken as certified by management, which are subject to confirmation and reconciliation from respective parties.

Note 38 PREVIOUS YEAR FIGURE :

Figures of previous year have been regrouped and rearranged whenever necessary. Figures in brackets are for previous years. All monetary figures are in crore. Figures below ₹ 50000/- are separately stated in Rupees.

Note 39 CAPITAL & OTHER COMMITMENTS

- Estimated amount of expenditures on capital account for next year is ₹ 15.00 Crores as per management certificate.
- The Company has informed that acquisition of 500 Acre of land in Bihar through Court order have been made as a part of its plan to enter in to other commodity in which company can venture out & leverage its existing sales and distribution network. This will further strengthen the position of the company in the market.

Note 40 Fixed Deposit Pledge with Bank

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
FDR's In Banks	1496.68	1951.83
Less:- 100% Margin deposited In Banks for availing extended credit from suppliers.	1123.04	1686.82
Total	373.64	265.01

Note 41 UNPAID DIVIDENT PAYABLE TO INVESTOR EDUCATION & PROTECTION FUND

The dividend payable for the year 2004-05 & 2005-06, which should have been transferred to Investor Education & Protection Fund A/c, but not yet transferred.

Dividend Payable for F.Y. 2004-2005 ₹ .04

Dividend Payable for F.Y. 2005-2006 ₹ .02



Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 42 INVESTMENTS

Particulars	Face Value	(₹ in crore)			
		Reporting Period ended on 31st March 2014		Reporting Period ended on 31st March 2013	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
A. Quoted					
Investment in Equity					
Dhanseri Investments Ltd.	10	162500	0.95	162500	0.95
Housing Development Infrastructure Ltd.	10	30000	0.25	30000	0.25
Pipavav Defence and Offshore Eng. Ltd.	10	377000	3.11	377000	3.11
Himalaya Granites Ltd.	10	51592	0.16	51592	0.16
Elder Healthcare Ltd.	10	4667	0.04	4667	0.04
Ultramarine Pigments Ltd.	2	100000	0.60	100000	0.60
India Glycols Ltd.	10	29493	0.39	29493	0.39
Elder Pharmaceuticals Ltd.	10	191414	6.88	191414	6.88
Hindustan Oil Exploration Co. Ltd.	10	20000	0.23	20000	0.23
Hindustan Construction Co. Ltd.	1	100000	0.19	100000	0.19
Nelcast Ltd.	2	44500	0.08	44500	0.08
Gyan Trade Ltd.	10	159146	3.84	159146	3.84
Total			16.72		16.72
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			16.72		16.72
b Aggregate Amount of un - Quoted Investment			0.00		0.00
c Aggregate Provision for Diminution in Value of Investment			0.00		0.00
d Aggregate Market Value of Quoted Investments			11.43		14.58

Note 43 RELATED PARTY DISCLOSURE

Particulars	Nature of Transaction	(₹ in crore)	
		Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Disclosure of transaction between Company and Related Parties			
i. Key Managerial personnel & their Relative			
D.N. Jhunjunwala	Director Remuneration	0.20	0.19
	Rent	0.01	0.01
S. N. Jhunjunwala	Director Remuneration	0.25	0.24
	Rent	0.01	0.00
Adarsh Jhunjunwala	Director Remuneration	0.19	0.18
ii. Relative of Key Managerial Personnel			
Anju Jhunjunwala	Rent	0.03	0.03
Kishori Devi Jhunjunwala	Salary	0.03	0.03

Notes to the Financial Statements For the reporting period ended 31st March, 2014

Note 43 RELATED PARTY DISCLOSURE (contd.)

(₹ in crore)			
Particulars	Nature of Transaction	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
S. N. Jhunjunwala HUF	Rent	0.03	0.03
Juhi Jhunjunwala	Salary	0.05	0.00
iii. Other Related Companies			
Jhunjunwala Gases Pvt. Ltd.	Lease Rent	0.01	0.01
	Sales	0.00	9.65
Jhunjunwala Oils Mills Ltd.	Raw Material Purchase	0.00	0.23
Nilamber Trexim & Credit Pvt. Ltd.	Handling & Storage	0.18	0.18
	Sale	63.55	53.32
	Brokerage	0.10	0.00
Hari Fertilizers Limited	Rent	0.01	0.00
iii. Other			
Jhunjunwala Sewa Society	Bus Rent	0.01	0.01
iv. Subsidiary Company			
JVL Overseas Pte Ltd.	Loans Taken(Net)	0.13	1.93

As per our report of even date
For Singh Dikshit & Co.
Chartered Accountants
FRN: 007555C

For and on behalf of Board of Directors

Ranjish Vishwakarma
[Partner]
M.No. 404363
Varanasi - 30th day of May 2014

Adarsh Jhunjunwala
Whole-time Director

S.N. Jhunjunwala
Managing Director

Cash Flow Statement for the year ended 31st March, 2014

(₹ in crore)		
	31.03.2014	31.03.2013
A. Cash Flow from operating activities:		
Net Profit before Tax & extraordinary items	70.02	77.22
Adjustments for:		
Depreciation	18.75	10.21
Interest Paid	20.80	14.16
Interest Received	(3.88)	(3.88)
Interest Received From IT Refund	(0.47)	-
Dividend Received	(0.12)	(0.13)
Profit/(Loss) on Sale of Investment/Assets	0.03	(2.07)
Provision For Doubtful Debts	-	1.00
Other Income	-	(4.68)
Operational Profit before working capital changes	105.13	91.83
Trade & other Receivable	(3.02)	(1.83)
Inventories	(0.99)	(12.54)
Trade Payables	118.94	(33.34)
Net cash from operating Activities	220.06	44.12
Interest paid	(20.80)	(14.16)
Direct Taxes Paid	(3.16)	(10.91)
Cash Flow before Extra ordinary Items.	196.10	19.05
Extra Ordinary Items Deferred Tax	(5.60)	(5.94)
Subsidy received during the year	(54.84)	(22.80)
Provision For Doubtful Debts	-	(1.00)
Net Cash Flow from Operating Activities.	135.66	(10.69)
B. Cash Flow from investing activities:		
Purchase of Fixed Assets (Including CWIP)	(72.37)	(81.22)
Sale of Fixed Assets	0.09	-
Other Income	-	4.68
Profit/(Loss) on Sale of Investment/Assets	(0.03)	2.07
Purchase of Investments.	-	(16.97)
Sale of Investments	0.08	5.59
Interest Received	3.88	3.88
Interest Received From IT Refund	0.47	-
Dividend Received	0.12	0.13
Subsidy received during the year	54.84	22.80
Net Cash Flow from Investing Activities	(12.92)	(59.04)
C. Cash Flow From Financing Activities:		
Proceeds from issues Preference Warrant / Conversion into Equity Shares	0.00	26.94
Repayment of Long Term Borrowings	(26.03)	19.29
Proceeds from Short Term Borrowings	23.01	16.01
Dividend Paid including Dividend Tax	(4.13)	(3.35)
Net cash flow from Financing Activities	(7.15)	58.89
Net Increase(Decrease) in cash & Cash Equivalent	115.59	(10.84)
Cash & Cash Equivalents Opening	323.73	334.57
Cash & Cash Equivalents Closing	439.32	323.73

As per our report of even date
For Singh Dikshit & Co.
Chartered Accountants
FRN: 007555C

For and on behalf of Board of Directors

Ranjish Vishwakarma
[Partner]
M.No. 404363
Varanasi - 30th day of May 2014

Adarsh Jhunjunwala
Whole-time Director

S.N. Jhunjunwala
Managing Director

Independent Auditor's Report

To
the Board of Directors of
JVL Agro Industries Limited

We have audited the accompanying consolidated financial statements of JVL Agro Industries Limited ("the Company"), and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial

statements in order to design audit procedures that are appropriate in the circumstances. 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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:

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

FOR SINGH DIKSHIT & CO.
CHARTERED ACCOUNTANTS
FRN: 007555C

RANJISH VISHWAKARMA
(PARTNER)
M. No. :404363
Firm's ICAI Reg. No.007555C
Part-5, 1st Floor, South Block
Hathua Market, Chetganj
Varanasi.-221001

Place: Varanasi
Date: 2nd day of July 2014

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED ON 31ST MARCH 2014

1. Principles of consolidation

The consolidated financial statements relate to JVL Agro Industries Limited ('the Company') and its subsidiary Company. The consolidated financial statements have been prepared on the following basis:

The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 -"Consolidated Financial Statements".

The subsidiary is foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the exchange fluctuation reserve. The average rate of one US \$ for the year is taken ₹ 60.50 (54.36) and closing rate of one US \$ is taken ₹ 58.43 (54.28) for conversion purpose.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

2. Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements

For Singh Dikshit & Co.
Chartered Accountants
FRN: 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Varanasi - 2nd day of July 2014

For and on behalf of Board of Directors

Adarsh Jhunjunwala
Whole-time Director

S.N. Jhunjunwala
Managing Director

Consolidated Balance Sheet as at 31st March 2014

(₹ in crore)			
	Note No	As at 31st March 2014	As at 31st March 2013
I EQUITY AND LIABILITIES			
Shareholders' Fund			
(a) Share Capital	1	16.79	16.79
(b) Reserves & Surplus	2	455.82	396.49
Non-Current Liabilities			
(a) Long-Term Borrowings	3	74.41	100.44
(b) Deferred Tax Liabilities		33.87	28.27
(c) Other Long Term Liabilities	4	11.69	2.26
Current Liabilities			
(a) Short-Term Borrowings	5	133.76	110.75
(b) Trade Payables	6	834.79	729.10
(c) Other Current Liabilities	7	44.63	47.25
(d) Short-Term Provisions	8	4.15	3.36
TOTAL		1,609.91	1,434.71
II ASSETS			
Non-Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		363.87	308.81
(iii) Capital Work-in-Progress		19.26	18.49
(b) Non-Current Investments	10	3.48	3.56
(d) Long-Term Loans & Advances	11	25.68	40.02
Current Assets			
(a) Inventories	12	454.20	453.21
(b) Trade Receivables	13	194.87	164.65
(c) Cash & Bank Balances	14	439.41	324.21
(d) Short-Term Loans & Advances	15	109.14	121.76
TOTAL		1,609.91	1,434.71
Contingent Liability & other commitments	16		

The accompanying notes are an integral part of these financial statements

As per our report of even date
For **Singh Dikshit & Co.**
Chartered Accountants
FRN: 007555C

For and on behalf of Board of Directors

Ranjish Vishwakarma
[Partner]
M.No. 404363
Varanasi - 2nd day of July 2014

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Consolidated Statement of Profit and Loss for the year ended 31st March 2014

(₹ in crore)			
	Note No	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
INCOME			
I. Income From Operations	17	4,829.50	4,397.98
II. Other Income		4.44	6.31
Total Revenue (I+II)		4,833.94	4,404.29
EXPENSES			
Cost of Materials Consumed	18	3,347.19	2,201.62
Purchases of Goods Traded	19	1,436.37	1,999.27
Changes in Inventories	20	(114.00)	40.40
Employee Benefits Expense	21	10.11	7.34
Finance Costs	22	35.20	24.13
Depreciation Expense	9	18.75	10.21
Other Expenses	23	83.51	69.05
Total Expenses		4,817.13	4,352.02
Profit Before Exceptional Items & Tax		16.81	52.27
Exceptional items	24	54.84	26.30
Profit Before Tax		71.65	78.57
Tax Expense			
(1) Current tax		(3.27)	(11.02)
(2) MAT Credit		-	-
(3) Provision for Tax for Earlier year Written off/provided for		-	-
(4) Deferred Tax		(5.60)	(5.94)
Profit for the Period		62.78	61.61
Earnings per Equity Share:			
(1) Basic		3.74	4.28
(2) Diluted		3.74	4.28

The accompanying notes are an integral part of these financial statements

As per our report of even date
For **Singh Dikshit & Co.**
Chartered Accountants
FRN: 007555C

For and on behalf of Board of Directors

Ranjish Vishwakarma
[Partner]
M.No. 404363
Varanasi - 2nd day of July 2014

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 1 SHARE CAPITAL

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
A. Authorised Capital:		
20,00,00,000 (20,00,00,000) Equity Shares of ₹1/- each	20.00	20.00
5,000 , 10% (5,000) Cumulative Red.Pref.Shares of ₹100/- each	0.05	0.05
2,50,000,(2,50,000)Cumulative Red.Pref.Shares of ₹100/- each	2.50	2.50
	22.55	22.55
B. Issued, subscribed & fully paid up capital :		
16,79,40,000 (16,79,40,000) Equity Shares of ₹1/- each (₹ 1/- each)	16.79	16.79
Total	16.79	16.79
C. Reconciliation of number of shares		
Equity Shares :		
Balance as at beginning of the year 14,04,40,000 Equity Shares	167940000	140440000
Add: shares issued	0	27500000
Less: Shares bought back during the year	0	0
Balance as at end of the year	167940000	167940000
D. Rights, preferences and restrictions attached to the shares		
Equity shares: The company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholdings.		
E. Details of equity shares held by shareholders holding more than 5% shares to the aggregate shares in the company	No. of Shares	No. of Shares
a. Nilamber Trexim & Credit Pvt. Ltd.	10.07% (10.07%)	16912900
b. Jhunjhunwala Gases Pvt. Ltd.	09.57% (09.57%)	16075000
c. Aryan Multibusiness Pvt. Ltd.	07.15 % (07.15%)	12000000
d. Paharia Markets & Investment Pvt. Ltd.	07.15% (07.15%)	12000000

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 2 RESERVE & SURPLUS

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
A. General Reserve :		
Balance as at the beginning of the year	27.16	22.16
Add: Addition during the year	2.00	5.00
Balance as at the end of the year	29.16	27.16
B. Capital Reserve :		
Balance at the beginning of the year	51.61	29.04
Add: Capital Subsidy	54.84	22.80
Less: Withdrawn to Statement of Profit & Loss (Please refer Note No. 24)	(54.84)	(22.80)
Add: Transferred from surplus in Statement of Profit & Loss	22.33	22.57
	73.94	51.61
C. Securities Premium Account :		
Balance as at the beginning of the year	112.05	62.55
Add: Addition during the year	0.00	49.50
Balance as at the end of the year	112.05	112.05
D. Foreign Currency Translation Reserve	1.15	0.48
E. Surplus in Statement of Profit & Loss		
Balance as at the beginning of the year	205.20	174.50
Add: Profit for the year	62.78	61.61
Less: Appropriations		
Transferred to General Reserve	(2.00)	(5.00)
Transferred to Capital Reserve	(22.33)	(22.57)
Provisions	(0.20)	-
Proposed Final Dividend on Equity Shares [per shares ₹ 0.20 (₹ 0.20)]	(3.36)	(2.88)
Dividend Distribution Tax	(0.57)	(0.47)
Balance as at the end of the year	239.52	205.19
Total (A+B+C+D+E)	455.82	396.49

Note 3 LONG-TERM BORROWINGS

Secured Term Loans from banks	107.28	127.94
Less: Current Maturity of Long Term Borrowings	32.87	27.50
Balance of Above	74.41	100.44

Note 4 OTHER LONG TERM LIABILITIES

Security Deposits	2.69	2.26
Other	9.00	0.00
Total	11.69	2.26

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 5 SHORT TERM BORROWINGS

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Secured Loans :		
A. Cash Credit Limit From Banks	126.25	104.13
B. Loan Against Fixed Deposits Receipt From Bank	7.51	6.62
Total	133.76	110.75

Note 6 TRADE PAYABLES

(i) Total Outstanding dues of Micro, Small & Medium Enterprises (Due for purchases)	0.01	1.02
(ii) Total outstanding dues of creditors other than above		
Sundry Creditors	834.78	728.08
(For Goods, Expenses & Other Finance)		
Total	834.79	729.10

Note 7 OTHER CURRENT LIABILITIES

Advance from Customers	10.99	18.65
TDS Payable	0.35	0.80
Dividend Payable	0.29	0.25
Other Current Liabilities	0.13	0.05
Term Loan Installment Repayable	32.87	27.50
Total	44.63	47.25

Note 8 SHORT-TERM PROVISIONS

Provision For Wealth Tax	0.02	0.01
Provision	0.20	0.00
Provision For Dividend	3.36	2.88
Dividend Distribution Tax	0.57	0.47
Total	4.15	3.36

Note 9 TANGIBLE FIXED ASSETS

PARTICULARS	(₹ in crore)									
	GROSS BLOCK(AT COST)				DEPRECIATION			NET BLOCK		
	Opening as on 1.4.2013	Addition	Sale/ Transfer	Closing as on 31.3.2014	Upto 31.3.2013	For the Year	Sale/Adj.	Total Upto 31.3.2014	As on 31.3.2014	As on 31.3.2013
A										
1 Land (Free Hold)	2.28	6.13	-	8.41	-	-	-	-	8.41	2.28
2 Land (Lease Hold)	7.89	-	-	7.89	-	-	-	-	7.89	7.89
3 Buildings	45.78	3.71	-	49.49	3.73	1.57	-	5.30	44.19	42.05
4 Plant & Machinery	286.44	62.12	-	348.56	43.96	15.79	-	59.75	288.81	242.48
5 Office Equipments	2.10	0.24	-	2.34	0.59	0.23	-	0.82	1.52	1.51
6 Furniture & Fittings	1.00	0.44	-	1.44	0.11	0.07	-	0.18	1.26	0.89

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 9 TANGIBLE FIXED ASSETS (CONTD.)

PARTICULARS	(₹ in crore)									
	GROSS BLOCK(AT COST)				DEPRECIATION			NET BLOCK		
	Opening as on 1.4.2013	Addition	Sale/ Transfer	Closing as on 31.3.2014	Upto 31.3.2013	For the Year	Sale/Adj.	Total Upto 31.3.2014	As on 31.3.2014	As on 31.3.2013
7 Vehicles	2.60	1.26	0.19	3.67	1.07	0.31	0.10	1.28	2.39	1.53
8 Turbine (Co Generation System along with Pressure Boiler)	14.80	-	-	14.80	4.62	0.78	-	5.40	9.40	10.18
Total of Tangible Assets	362.89	73.90	0.19	436.60	54.08	18.75	0.10	72.73	363.87	308.81
Previous Year	195.55	167.34	-	362.89	43.87	9.64	-	43.87	308.81	-
B Capital Work In Progress :										
- Naupur , Alwar & Pahleza Unit	1.73	-	1.73	-	-	-	-	-	-	1.73
- Alwar Oil Mills	4.22	-	4.22	-	-	-	-	-	-	4.22
- Haldia Project	12.54	6.47	12.54	6.47	-	-	-	-	6.47	12.54
- Rice Mill		12.79	-	12.79					12.79	
Total of Capital Work in Progress	18.49	19.26	18.49	19.26	-	-	-	-	19.26	18.49
Previous Year	94.25	83.86	-	18.49					18.49	-
Total of Fixed Assets	381.38	93.16	18.68	455.86	54.08	18.75	0.10	72.73	383.13	327.30
Previous Year	289.80	86.80	-	381.38	43.87	10.21	-	54.08	327.30	-

Note 10 NON-CURRENT INVESTMENTS

Particulars	Reporting Period ended on 31st March 2014		Reporting Period ended on 31st March 2013	
	No. of Shares/Units	Amount (₹ in crore)	No. of Shares/Units	Amount (₹ in crore)
A. Unquoted				
Investment in Equity				
i. Trade Investments				
Other	2668799.00	2.30	2668799.00	2.30
ii. Non Trade Investments				
Other	9000.00	0.45	9000.00	0.45
B. Quoted				
i. Non Trade Investments				
Investment in Equity	126328.00	0.37	126328.00	0.37
Investment in Mutual Fund :	167231.55	0.36	617231.55	0.44
Unicon KBC Equity Fund				
Total		3.48		3.56
Disclosure as per Revised Schedule VI				
a Aggregate Amount of Quoted Investments		0.73		0.81
b Aggregate Amount of un - Quoted Investment		4.80		4.80
c Aggregate Provision for Diminution in Value of Investment		0.00		0.00
d Aggregate Market Value of Quoted Investments		0.29		0.17

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 11 LONG-TERM LOANS & ADVANCES

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Unsecured, Considered Good		
Capital Advances	21.78	24.06
Loans	0.38	0.38
Advance Income Tax & TDS (Net of Provision)	0.00	13.75
Security Deposits & Others	3.52	1.83
Total	25.68	40.02

Note 12 INVENTORIES

(As Taken, Valued & Certified by the Management)		
Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Raw Materials (Including in Transit)	225.95	337.42
Finished Products	164.84	64.10
Trading Goods	2.53	0.48
Stock in Process	42.22	31.01
Packing Material, Stores & Chemicals	18.66	20.20
Total	454.20	453.21

Note 13 TRADE RECEIVABLES

A. Above Six Months (from the due dates)		
Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Un - Secured Considered Good	18.37	15.85
Considered Doubtful	2.11	3.11
Less: Provision for Doubtful Debts	-	(1.00)
Total	20.48	17.96
B. Others		
Un - Secured Considered good	174.39	146.69
Considered Doubtful	0.00	0.00
Less: Provision for Doubtful Debts	0.00	0.00
Total	174.39	146.69
Total (A+B)	194.87	164.65

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 14 CASH AND BANK BALANCES

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
i. Cash & Cash Equivalent		
Cash In Hand	0.54	0.23
Balance with Scheduled Bank		
- In Current Accounts	64.94	58.72
Total	65.48	58.95
ii. Other Bank Balances		
With Scheduled Banks:		
- In Fixed Deposit Accounts	252.79	162.51
- In Dividend Account	0.29	0.25
- Margin Money Account	120.85	102.50
Total	373.93	265.26
Total (i+ii)	439.41	324.21

Note 15 SHORT-TERM LOANS & ADVANCES

a. Unsecured, Considered Good		
Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Advances	71.86	104.37
Prepaid Expenses	0.47	0.67
Advance Income Tax & TDS (Net of provision)	20.09	0.00
b. Investments (Please refer to Note no. 30)		
	16.72	16.72
Total	109.14	121.76

Note 16 CONTINGENT LIABILITY & OTHER COMMITMENTS

Claim against the company not acknowledged as debts :		
Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Trade Tax Liability under appeal before H'ble High Court, Allahabad	0.36	0.36
Excise Demand at different stage at H'ble High Court, Allahabad	0.03	0.00
Entry Tax demand under appeal before H'ble Supreme Court for different years for which Bank Guarantee given by the company	0.67	0.64
Excise Duty on Fatty Acid not paid for different years under appeal at Appellate Tribunal, Custom, Excise & Service Tax, New Delhi.	10.85	8.42

Note 17 REVENUE FROM OPERATIONS

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Sale of Products	4829.50	4397.98
Total	4829.50	4397.98

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 18 COST OF MATERIAL CONSUMED

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Raw Material Consumed	3192.05	2074.96
Chemical Consumed	5.87	3.46
Packing Material Consumed	149.27	123.20
Total	3347.19	2201.62

(Cost of Raw Material Consumed includes direct expenses)

Note 19 PURCHASES OF GOODS TRADED

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Imported Oils	1406.13	1993.22
Others	30.24	6.05
Total	1436.37	1999.27

Note 20 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND GOODS TRADED

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Closing Stock		
Stock in Process	42.22	31.01
Finished Products	164.84	64.10
Goods Traded	2.53	0.48
Total (A)	209.59	95.59
Less: Opening Stock		
Stock in Process	31.01	12.71
Finished Products	64.10	39.92
Goods Traded	0.48	83.36
Total (B)	95.59	135.99
Total (B-A)	(114.00)	40.40

Note 21 EMPLOYEE BENEFITS EXPENSE

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Salaries, Wages, Bonus, etc.	9.13	6.59
Contribution to Provident Fund	0.53	0.43
Employee Welfare Expenses	0.45	0.32
Total	10.11	7.34

Note 22 FINANCE COSTS

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
(a) Interest to Bank	20.49	13.78
(b) Interest to Other	0.31	0.38
(c) Bank Charges	14.35	9.93
(d) Lease Rent	0.05	0.04
Total	35.20	24.13



Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 23 OTHER EXPENSES

Particulars	(₹ in crore)	
	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Consumption of Stores, Spares	1.88	1.70
Power & Fuel	55.47	50.33
Repairs & Maintenance	0.76	0.61
Legal Expenses	0.07	0.07
Travelling Expenses	2.16	1.47
Conveyance Expenses	0.51	0.53
Insurance	0.40	0.38
Rates & Taxes	1.18	0.58
Auditor Fees	0.07	0.07
Postage, Telegram & Telephone	0.52	0.57
Repairs to Others	0.18	0.14
Printing & Stationery	0.23	0.24
Miscellaneous Expenses	2.30	1.82
Other Operating Expenses	0.73	0.94
Professional & Consultancy Charge	1.23	1.31
Brokerage & Commission (Net)	9.96	6.37
Advertisement & Publicity	1.01	0.33
Selling Expenses	2.33	0.64
Rent	2.51	0.93
Prior Period Expenditure	0.01	0.02
Total	83.51	69.05

Note 24 EXCEPTIONAL ITEM

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Withdrawn from Capital Reserve	54.84	22.80
Provision For Doubtful Debts	-	(1.00)
Realization of Investments	-	4.50
Total	54.84	26.30

Note 25 EARNING PER SHARES:

Particulars	Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Net Profit attributable to equity shareholders	62.78	61.62
Weightage Average Number of share used as denominators for calculating earning per share	167940000	144056438
Basic & Diluted Earning Per Shares	3.74	4.28
Face Value of Shares	1	1

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 26 THE SUBSIDIARY COMPANY CONSIDERED IN CONSOLIDATED FINANCIAL STATEMENTS IS

Name of Subsidiary	Contry of Incorporation	Extent of Holding
1. JVL Overseas Pte Ltd.	Singapore	100%

Note 27 FINANCIAL INFORMATION OF SUBSIDIARY COMPANY

Name of Subsidiary Company	JVL Overseas Pte Ltd.
Reporting Currency	US Dollar
Financial Year Ending	31.12.2013
Total Assets	8.73
Total Liabilities	8.73
Capital	2.05
Reserves	5.31
Turnover	479.03
Profit Before Tax	1.64
Provision for Tax	0.13
Profit After Tax	1.51
Proposed Dividend	-

(Amounts are in INR crore)

Note 28 CAPITAL & OTHER COMMITMENTS

- Estimated amount of expenditure on capital account for next year is ₹ 15 Crores as per management's certificate.
- The company has informed that acquisition of 500 Acre of land in Bihar through court order have been made as a part of its plan to enter in to other commodity in which company can venture out & leverage its existing sales and distribution network. This will further strengthen the position of the company in the market.
- In the year 2012 JVL Overseas Pte. Ltd. has incorporated a subsidiary of PT JVL Varanasi Nusantara Pertama, Indonesia with an equity share capital of US \$ 600000 out of which 99% interest is held by JVL Overseas Pte. Ltd. The share capital is not called up & paid up yet. Hence capital commitment for investment in subsidiary is US \$ 5.94 lacs (INR 3.47 Crores)

Note 29 RELATED PARTY DISCLOSURE

Particulars	Nature of Transaction	(₹ in crore)	
		Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Disclosure of transaction between Company and Related Parties			
i. Key Managerial personnel & their Relative			
D.N. Jhunjunwala	Director Remuneration	0.20	0.19
	Rent	0.01	0.01
S. N. Jhunjunwala	Director Remuneration	0.25	0.24
Adarsh Jhunjunwala	Director Remuneration	0.19	0.18
ii. Relative of Key Managerial Personnel			
Anju Jhunjunwala	Rent	0.03	0.03



Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2014

Note 29 RELATED PARTY DISCLOSURE (CONTD.)

Particulars	Nature of Transaction	(₹ in crore)	
		Reporting Period ended on 31st March 2014	Reporting Period ended on 31st March 2013
Kishori Devi Jhunjunwala	Salary	0.03	0.03
S. N. Jhunjunwala HUF	Rent	0.03	0.03
Juhi Jhunjunwala	Salary	0.05	0.00
iii. Other Related Companies			
Jhunjunwala Gases Pvt. Ltd.	Lease Rent	0.01	0.01
	Sales	0.00	9.65
Jhunjunwala Oils Mills Ltd.	Raw Material Purchase	0.00	0.23
Nilamber Trexim & Credit Pvt. Ltd.	Handling & Storage	0.18	0.18
	Sales	63.55	53.32
	Brokerage	0.10	0.00
Hari Fertilizers Ltd.	Rent	0.01	0.00
iv. Other			
Jhunjunwala Sewa Society	Bus Rent	0.01	0.01
v. Subsidiary Company			
JVL Overseas Pte Ltd.	Loans Taken (Net)	0.13	1.93

Note 30 INVESTMENTS

Particulars	Face Value	Reporting Period ended on 31st March 2014		Reporting Period ended on 31st March 2013	
		No. of Shares/Units	Amount (₹ in crore)	No. of Shares/Units	Amount (₹ in crore)
A. Quoted					
Investment in Equity		1270312.00	16.72	1270312.00	16.72
Total			16.72		16.72
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			16.72		16.72
b Aggregate Amount of un - Quoted Investment			0.00		0.00
c Aggregate Provision for Diminution in Value of Investment			0.00		0.00
d Aggregate Market Value of Quoted Investments			11.43		14.58

As per our report of even date

For Singh Dikshit & Co.

Chartered Accountants

FRN: 007555C

Ranjish Vishwakarma

[Partner]

M.No. 404363

Varanasi - 2nd day of July 2014

For and on behalf of Board of Directors

Adarsh Jhunjunwala

Whole-time Director

S.N. Jhunjunwala

Managing Director

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31st March, 2014

	(₹ in crore)	
	31.03.2014	31.03.2013
A. Cash Flow from operating activities:		
Net Profit before Tax & extraordinary items	71.65	78.57
Adjustments for:		
Depreciation	18.75	10.21
Interest Paid	20.80	14.16
Interest Received	(3.88)	(3.88)
Interest Received From IT Refund	(0.47)	-
Dividend Received	(0.12)	(0.13)
Profit/(Loss) on Sale of Investment	0.03	(2.07)
Provision For Doubtful Debts	-	1.00
Other Income	-	4.68
Operational Profit before working capital changes	106.76	102.54
Trade & Other Receivable	(5.53)	(10.26)
Inventories	(0.99)	(12.54)
Trade Payables	118.89	(35.27)
Surplus (Deficit) on foreign currency translation on consolidation of subsidiary	0.69	(0.34)
Net cash from operating Activities	219.82	44.13
Interest paid	(20.80)	(14.16)
Direct Taxes Paid	(3.29)	(11.02)
Cash Flow before Extra ordinary Items.	195.73	18.95
Extra Ordinary Items Deferred Tax	(5.60)	(5.94)
Subsidy received during the year	(54.84)	(22.80)
Provision For Doubtful Debts	-	(1.00)
Net Cash Flow from Operating Activities.	135.29	(10.79)
B. Cash Flow from investing activities:		
Purchase of Fixed Assets (Including CWIP & Capital Advance)	(72.39)	(81.22)
Sale Of Fixed Assets	0.09	
Other Income	-	4.68
Profit/(Loss) on Sale of Investment	(0.03)	2.07
Purchase of Investments.	-	(16.97)
Sale of Investments	0.08	5.59
Interest Received	3.88	3.88
Interest Received From IT Refund	0.47	-
Dividend Received	0.12	0.13
Subsidy received during the year	54.84	22.80
Net Cash Flow from Investing Activities	(12.94)	(59.04)
C. Cash Flow From Financing Activities:		
Proceeds from issues Preference Warrant / Conversion into Equity Shares	0.00	26.94
Proceeds from Long Term Borrowings	(26.03)	19.29
Proceeds from Short Term Borrowings	23.01	16.01
Dividend Paid including Dividend Tax	(4.13)	(3.35)
Net cash flow from Financing Activities	(7.15)	58.89
Net Increase in cash & Cash Equivalent	115.20	(10.94)
Cash & Cash Equivalents Opening	324.21	335.15
Cash & Cash Equivalents Closing	439.41	324.21

As per our report of even date

For Singh Dikshit & Co.

Chartered Accountants

FRN: 007555C

Ranjish Vishwakarma

[Partner]

M.No. 404363

Varanasi - 2nd day of July 2014

Adarsh Jhunjhunwala

Whole-time Director

S.N. Jhunjhunwala

Managing Director

For and on behalf of Board of Directors

NOTES



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