



partnership for progress

JVL Agro Industries Ltd
(CIN L15140UP1989PLC011396)

October 1, 2017

To,
General Manager,
Listing Operation,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001

To,
Manager - Listing Compliance
**National Stock Exchange of India
Limited**
'Exchange Plaza'. C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Sub: Annual Report pursuant to Regulation 34(1) of the SEBI (LODR) Regulations, 2015

Dear Sir,

In compliance with the Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Annual Report for the financial year ending on 31st March 2017 as approved and adopted in the Annual General Meeting held on 29th September 2017.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,

For JVL Agro Industries Limited

For JVL Agro Industries Ltd.



Company Secretary

Kartik Agrawal
Company Secretary

Encl.: As Above



JVL AGRO INDUSTRIES LIMITED

Annual Report 2016-17

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 or oral, that we periodically make, contain forward-looking statements that set out anticipated results based on 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 relating to future performance of the Company

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of 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. Readers should bear this in mind.

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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India is the world's fastest-growing economy.

This growth is reflected in a nationwide increase in disposable incomes.

This increase in incomes is transforming lifestyles faster than ever before.

The most palpable manifestation of this transformation has been in the evolution in the dietary preferences of the average Indian.

JVL Agro is capitalising on this transformation by making timely investments and widening its product portfolio.

Making it one of the fastest-growing edible oil processing companies in India today

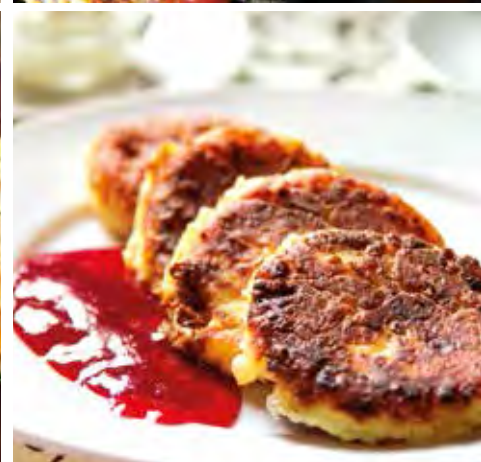
Essentially because JVL Agro has focused on widening choice and enhancing hygiene.

Immaculate product safety.
Extensive product mix. Integrated manufacturing infrastructure.

Making JVL Agro one of the most exciting edible oil processing companies in India today.

The right company. In the right place.
At the right time.

Ghar ghar mein JVL.



JVL Agro Industries Limited is not just a cooking media-cum-foods company; it is a well-respected sectoral player committed towards providing healthy food products that ensure consumer well-being.

Vision

To delight the consumer through a complete portfolio of vegetable oils and other FMCG products through continuous research and development, leading to single-stop convenience.

Mission

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

Background

JVL Agro Industries was incorporated by Mr. D. N. Jhunjhunwala and Mr. Satya Narayan Jhunjhunwala. The Company commenced operations as a small-scale manufacturer of hydrogenated vegetable oils with a capacity of 25 tonnes per day in 1989. Today, JVL Agro has expanded into one of the largest single-unit manufacturers of *vanaspati* in India with a cumulative vegetable oil producing capacity of 3,000 tonnes per day. Apart from *vanaspati*, the Company is also engaged in the manufacture of refined oil (such as olein, soyabean, cotton seed, palm, sunflower), mustard oil and bakery shortening agents. JVL Agro's rice producing mill in Bihar has a capacity of 60,000 tonnes per annum.

Presence

Headquartered in Varanasi, the Company's manufacturing facilities are based in the following locations:

- Naupur (Uttar Pradesh): Refined oil and *vanaspati* mill
- Dehri-on-Sone (Bihar): Refined oil and *vanaspati* mill
- Alwar (Rajasthan): Mustard and refined oil mill
- Haldia (West Bengal): Refined oil mill
- Akhori-gola (Bihar): Rice mill

Subsidiaries

JVL Agro operates a wholly-owned subsidiary company as a back-office in Singapore.

Listing

The Company's shares are listed and actively traded on the Bombay and National Stock Exchanges.



Awards and accreditations

- All JVL Agro plants and products comply with national food quality standards like FSSAI
- All plants are ISO 9001: 2008-certified
- The Company was recognised as the fastest-growing *vanaspati* brand in 2006
- The Company was adjudged 'Emerging Company of the Year' 2007 by Globoil
- Mr. S.N. Jhunjunwala, Managing Director, was conferred with the 'Globoil Man of the Year 2008' award
- Mr. D.N. Jhunjunwala, Chairman, was awarded the 'Globoil India Legend 2011' award
- Mr. S.N. Jhunjunwala, Managing Director, was made Co-Chairman of Oil Technology Association of India, Central Zone on 16 November 2014

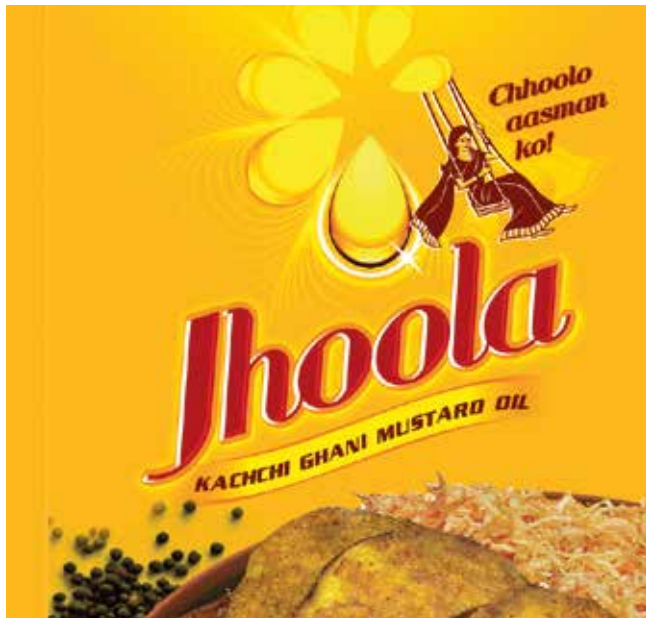
Product portfolio

Brands Jhoola	Brands Jhoola, JVL Royal, Payal	Brands Jhoola, Shankar, JVL Royal	Brands Jhoola, Payal, JVL Royal	Brands Jhoola
Products: <i>Vanaspati</i>	Products: Refined oil	Products: Mustard oil	Products: Rice	Products: Bakery shortening agents
Variants <ul style="list-style-type: none"> ■ <i>Vanaspati</i> ■ <i>Ghee</i> 	Variants <ul style="list-style-type: none"> ■ Olein ■ Soya bean ■ Mustard ■ Cotton seed ■ Palm ■ Sunflower 	Variants <ul style="list-style-type: none"> ■ <i>Kachchi ghani</i> ■ <i>Pakki ghani</i> 	Variants <ul style="list-style-type: none"> ■ Steamed ■ Par-boiled white rice 	

Our cooking solutions



Portfolio



JVL Agro's portfolio is an actively evolving and consciously relevant one. Here's why.

One, the Company's portfolio comprises edible oils that are being increasingly preferred by a health-conscious Indians.

Two, the Company's product basket accounts for a sizeable chunk of the contemporary domestic consumption base.

Three, the growing demand for these edible oils ensures revenue visibility for years to come.

The result: JVL Agro is one of the most trusted cooking media-cum-foods companies in India today.

At JVL, we have not only invested in synergic capacities that consume captive raw materials but also ensured across-the-table qualitative consistency.

Besides, the Company intends to foray into the realms of food manufacturing and logistics infrastructure, in a bid to take the entire industry ahead.

Capacity



JVL Agro has periodically invested in bolstering its edible oil processing capacities with the objective to feed the growing needs of the world's second-most populous country.

The Company has also invested in improving manufacturing competence by accessing best-in-class technologies – irrespective of a boom or bust cycle.

Here's proof: the Company added 122.22%* to its manufacturing capacity during the bearish period following 2008-09.

The Company widened its manufacturing footprint to capitalise on raw material proximity on the one hand and large consumption markets on the other.

*As percentage of its total manufacturing capacity as on 31st March 2016

Brand



Even across some of the most demanding consumer segments, JVL Royal stands principally for two words – ‘safety’ and ‘health’.

JVL Royal is gradually emerging as a much sought-after product in millions of kitchens, pan-India.

Across consumers. Across regions. Across time.

Inspiring the conviction that if it is JVL Royal, one can trust it with eyes closed.

The result: JVL Agro’s brands are the most popular cooking media brand in the states of Uttar Pradesh and Bihar.

Value



JVL Agro does not just manufacture products; it markets products that consumers *want* to buy.

In the first phase of the Company’s existence, the preference for JVL’s products and brands was the result of a prudent positioning strategy which targeted at the country’s price-conscious middle-class and lower middle-class consumers.

In the second phase, JVL reoriented its product mix to address evolving lifestyles, growing disposable incomes and a greater desire for hygienic cooking media.

This accelerated the launch of premium brands and allowed JVL to clock a growth rate that was higher than the broad sectoral average.

Distribution



At JVL Agro, we believe that it is not enough to manufacture quality products. We must make them easily accessible to the consumers.

Over the decades, JVL has made prudent investments in creating a widespread distribution channel. This makes it possible for JVL brands to be available in more than 100,000 Indian retail outlets across 19 Indian states, accounting for 60% of the country's population base.

This extensive footprint has allowed us to not only report a linear increase in revenues but also progressively widen the product mix. In turn, this has made it possible for the new products to achieve break-even faster, enhancing product viability and overall profitability.

Quality



At JVL Agro, we have invested extensively in guaranteeing qualitative consistency. The result is that our products can be trusted as not just safe for consumption but palatable as well.

At our Company, this uncompromising focus on product quality has been mediated via stringent quality control measures: from raw material purchase to final product packaging.

Besides, this qualitative emphasis has been reinforced by a proactive compliance with relevant global standards. Making it possible to deliver first-rate quality to consumers. Time and time again.

The result: JVL's products enjoy a premium over competing unbranded alternatives.

Technology



Even as JVL Agro has addressed the realities of the day, we have invested in the technologies of tomorrow.

The result is that the Company's manufacturing facilities are benchmarked with the best in the industry (at the time of their commissioning).

We invested in the cutting-edge Alfa Laval technology for its Haldia plant to maximise oil extraction and refining efficiencies, and report lower energy consumption.

The result: the Haldia plant is acknowledged as one of the most modern oil processing facilities in India.

This combination – efficiency and consistency – has positioned JVL Agro as a front-ranking Indian edible oils company.

JVL's products are available across more than 100,000 retail outlets across India.

From an one-product portfolio in 2005-06, the Company has now evolved into a multi-product manufacturer.

Management discussion and analysis

Global economic overview

Buoyant financial markets, combined with a long-awaited cyclical recovery in manufacturing and trade, indicate an increase in global growth from 3.2% in 2016 to 3.5% in 2017 and 3.6% in 2018. Aggregate growth for emerging markets and developing economies was estimated at 4.1% for 2016, just above the post-crisis low reached in 2015. After stagnating in 2015, growth in commodity-exporting nations for 2016 was pegged at 0.4% – substantially below the forecasted 1.6% (January 2016). This reflects a significant downward revision in terms of commodity prices spurred by weak global trade, capital

flow volatilities and inherent domestic challenges. With China reorienting itself into a consumption-centric economy and Saudi Arabia reducing its dependence on oil, the case for base metals has been strengthened. This has in turn propped up commodity prices. Consequently, inflation rates have recovered across advanced economies and commodity prices bottomed out in recent months. *[Source: IMF, World Bank]*

Outlook

The global economy entered its sixth year of stagnation with growth estimates for 2017 continuing to trend the historical

path. A projected stabilisation in energy and commodity prices may provide some respite for resource-rich economies in 2017, but the medium-term outlook continues to be bleak with growth weakening in terms of investment and labour supply. Businesses will need to prepare themselves adequately in order to address the challenges arising from geopolitical tensions, policy uncertainties, financial market volatilities and rapid changes in technology. They can do so by leveraging qualitative sources of growth and boosting their technological quotients and business productivity ratios. *[Source: IMF]*

Growth

	2016	2017(E)	2018 (P)
Global economy	3.2%	3.5%	3.6%
Advanced economies	1.7%	2.0%	1.9%
Emerging market and developing economies	4.1%	4.6%	4.8%
Emerging and developing Asian economies	6.4%	6.5%	6.5%

[Source: IMF]

Global economic overview

The Indian economy slowed in 2016-17 to 7.1% from 8% in FY2015-16, largely owing to the currency demonetisation in the third quarter of the financial year under review. Although the demonetisation initiative has affected the growth rate by 25-100 bps, it is expected to have long-term benefits. Over the last 30 years, India's growth has been robust, backed by policy reforms that have eased the flow of goods and capital. The challenges that India faces include ambivalence about property rights and the private sector, deficiencies in state capacity, especially in delivering essential services, and inefficient redistribution of capital. The growth rate of the industrial sector was estimated to moderate to 5.2% in FY 2017, down from 7.4% in FY 2016. The country's IIP registered a modest growth of 0.4% during the April-November period of 2016-17. With Rajasthan, Madhya Pradesh and

Maharashtra receiving 20% more rain than the usual, the agriculture sector is expected to grow at an above-average level of 4% on a weak base caused by two consecutive poor monsoons. This should lift the sagging rural demand and, by extension, the GDP growth rate. The major impetus is expected to come from the farms as non-agriculture growth is pegged to pick up by 10 bps over the previous fiscal to 8.6%. The Union Budget for 2016-17 came in the context of a fragile economic situation. It was not just the stress in the rural economy, which has caused a steady decline in real wages as well as lowered farm incomes. *[Source: Crisil, HT]*

Outlook

The near-term growth outlook for India seems brighter than it was during the last fiscal. Nonetheless, the growth forecast

for the next fiscal has been trimmed by 40 bps. This has been primarily due to the temporary negative consumption shock induced by cash shortages and payment disruptions associated with the recent currency note withdrawal and exchange initiative. Subsequently, India's GVA growth is likely to stay at 6.6% as economic activity will take more time to normalise. The imminent implementation of the GST will boost interstate trade by ushering in investments, reducing supply chain-related issues, improving economies-of-scale and cutting down overheads. The Asian Development Bank expects the Indian economy to grow at an accelerated 7.4% in 2017-18 and 7.6% in 2018-19, retaining its position as the world's fastest-growing major economy. *[Source: IMF, World Bank, RBI, IBEF]*

Indian edible oil industry

Edible oil is considered to be one of the most important constituents of food expenditure across Indian households. Thus, it is also one of the most important industries of the Indian agricultural sector and a leading player, globally. India is the fourth largest oil seed producer after the US, China and Brazil. Of the nine types of oilseeds produced in India, soya bean, groundnut, and mustard are the most cultivated. In India, the total sowing area for oil seed spans over 27 million hectares and the industry comprises more than 15,000 oil mills, 600 solvent extraction units, 600 vegetable oil refineries and 250 *vanaspati* manufacturing units across the country. India's demand for edible oils is approximately 21 million tonnes per year. It meets this with domestic production of around 7-8 million tonnes and imports of 14-15 million tonnes contributing to approximately 70% of the country's requirements. [Source: IBEF]

Production

The past three years saw a sharp decline of edible oils production of 14.8% to seven million tonnes, post OY2013-14, which further went down by 6.5% to 6.54 million tonnes in OY2015-16. Of this, the majority of oil output was accounted by mustard oil (30%), groundnut oil (24.5%), cottonseed oil

(20.2%) and soya bean oil (11.8%). The other varieties included coconut oil (7%), sesame oil (4.6%), sunflower oil (1.5%), and safflower oil (0.2%). The edible oil production in OY2016-17, driven by an increase in production of groundnut oil, soya bean oil and mustard oil grew by 17.4% to 7.68 million tonnes, as compared to the previous year's actual production of 9.18 million tonnes. [Source: SEIA, USDA]

Consumption

Driven by a rising population, growing disposable incomes, and robust demand from household and institutional buyers, the consumption of edible oils in FY2016-17 is forecasted to grow by 6% to 24.4 million metric tonnes. The per capita edible oil consumption in India is also increasing and is currently estimated at 18 kilograms for 2016-17, well below the global per capita consumption of 24.7 kilograms. A consistent demand-supply deficit, characterised by slow growth in production and the strong consumption demand has widened to 70%, of which palm and soya bean oil shares stood at 65% and 25%, respectively. [Source: USDA]

Imports

The widening of the demand-supply gap of edible oils has come about largely due to the limited availability of oilseeds, farmers shifting towards the cultivation of other crops, and the increasing demand of edible oil. The shutting down of several edible-oil producing companies, owing to the rise in production costs and cheaper imports have led to the financial stress in the edible oil industry. The introduction of a 5% GST on the sale of edible oil, along with the increase in the import duty is expected to help reduce the deficit of edible oil in India.

Outlook

Rising edible oils prices, high dependence on the availability of raw materials, low yield of oil seeds, annual rainfall, global price fluctuations and consumer preferences are some of the major impediments for this sector. However, the long-term outlook for the edible oils sector in India is expected to witness robust expansion, owing to positive macro and demographic fundamentals. Furthermore, the market continues to be underpenetrated, thereby providing immense business opportunities created by evolving lifestyles, growing urbanization, steady rise in affluence levels, surging retail sector and increasing health awareness. [Source: USDA, CARE]

Indian food processing industry

The Indian food processing industry is pegged close to US\$ 121 billion to US\$ 130 billion. With the second-largest arable land in the world, India is the largest producer of milk, pulses, sugarcane and tea in the world and the second-largest producer of wheat, rice, fruits and vegetables. The Indian agriculture sector offers livelihoods to around 60% of the population and contributes to 17% of the GDP. Despite the massive production, the degree of processing is low and ranges between 2 to 35% for different produce. This indicates that there is an extensive opportunity in the food processing sector. The food processing industry, which is currently valued at US\$

39.71 billion, is expected to grow at a CAGR of 11% to US\$ 65.4 billion by 2018. The unorganised sector accounts for 42% of India's food processing industry. The sizeable presence of small-scale industries points to the sector's role in employment generation. Though the market falls under the unorganised sector in the country, the organised sector has a larger share in the secondary processing segment than the primary one. [Source: Grant Thornton]

Demand drivers

- Strong growth in per capita incomes has resulted in a bigger demand for food items
- Incomes have increased at a brisk pace

and could continue rising considering the country's growth prospects

- There has also been a shift in demand from carbohydrates to proteins in line with the various phases of economic growth and from utilitarian to convenience, organic and diet foods
- Strong economic growth since the 1990s has led to urbanisation and nuclearisation of families
- A young population and increasing media penetration have led to a demand surge for processed foods including health foods and supplements

[Source: IMF, World Bank, TechSci Research]

Emerging trends

■ **Changing tastes:** Wide array of products, coupled with increasing global connectivity, has led to a change in preferences. Liberalisation and growth of organised retail have made the Indian market more attractive for global players.

■ **Rising demand:** With a large agriculture sector, abundant livestock and cost-competitiveness, India is fast-emerging as a sourcing hub for processed food. Indian exports of processed food and related items rose at a CAGR of 21.5% during FY11-16, accounting for US\$ 19,337.4 million in FY16.

■ **Healthier ingredients:** Food processing companies serve the cause of health and wellness. Given that health-conscious consumers prefer food products with lower carbohydrate content and with low

cholesterol edible oils, their demand is all set to increase over the medium-term.

■ **Product packaging:** Smart food packaging has enabled consumers to seek options and compare offerings thereof, before purchase. It has also enhanced portability and increased shelf-lives.

■ **Product innovation:** Product innovation is paramount as consumers not only prefer safe ingredients and additives but also useful ones. This creates opportunities mainly in product innovation, specialised products, and product extensions for the various existing players as well as new entrants.

■ **Processed foods:** Frozen processed foods offer both convenience and nutrition. The increase in spending capacities and time paucity has catalysed the launch of processed food products.

■ **Farmer-firm linkages:** Contract farming has been operational in India for long. However, it is only recently that private sector players have begun augmenting incomes and providing access to superior technologies to boost realisations.

Exports

Food processing exports comprised about 460 million tonnes valued at US\$ 3 billion during FY2016-17. India enjoys great potential related to global trade in agricultural and processed foods. The share of food processing exports in total exports was around 12% in the last few years. Growth in food product exports has been aided by significant improvements in product and packaging quality as well as private sector participation. India's geographic proximity to key export destinations like the Middle East and South East Asia has helped catalyse exports.

Government initiatives

The Government of India has focused on policy initiatives which provide incentives for capital grant, duty-free export and tax incentives. Some of the major schemes by MoFPI include Mega Food Parks Scheme, Integrated Cold Chain and Modernisation of Abattoirs, among others. Fund allocation to MoFPI was revised to US\$ 1088.5 million in the 12th Five Year Plan from US\$37.5 million during the 10th Five Year Plan. The initiatives of the MoFPI augmented the development of food processing infrastructure in the country. Growth was a focus, with a reduction in losses for farm produce, value-addition, increasing exports, employment generation and increase in farm incomes.

Tax incentives

■ Entities in infrastructure development for food processing unit are given a tax deduction of 100% for the first five years and 30% for the next five years for the calculation of taxable income.

■ Customs duty on all imported capital goods, raw materials and other inputs is exempted, in addition to excise duty and sales tax on domestic inputs, for all export-oriented units.

■ There is a provision for duty-free import

replenishment of inputs, subject to basic input-output norms for approximately 600 export categories.

■ Import duty scrapped on capital goods and raw materials for 100% export-oriented units. 100% tax exemption for five years followed by 25% in subsequent years.

■ Tax exemption for the next five years for new agro processing industries. Full excise duty exemption for goods that are used in installation of cold storage facilities.

Policy support

■ 100% export-oriented units are allowed to sell up to 50% of their produce in the domestic market.

■ 100%-FDI under automatic route allowed (except for alcohol, beer and sectors reserved for small scale industries).

■ Repatriation of capital and profits permitted

■ 60 agro export zones have been set up across the country.

■ 42 mega food-parks have been approved along with 128 cold chains.

■ 100% deduction of capital expenditure for setting up and operating cold chain

facilities (for specified products) and for setting up and operating warehousing facilities (for storage of agricultural produce).

■ Convergence of different food safety laws under the FSSAI

[Source: Grant Thornton]

Outlook

The Indian food processing industry offers benefits through its adoption of food safety and quality assurance mechanisms such as TQM including ISO 9000, ISO 22000, HACCP, GMP and GHP. This has facilitated stringent quality and hygiene norms, protecting consumer health, preparing the industry to face global competition, enhancing product acceptance by overseas buyers and keeping the industry technologically abreast of international best practices.

Going forward, urbanisation and integrated food supply chains are expected to boost industry growth. As per industry projections the Indian food processing industry is projected to reach US\$ 480 billion by 2020, owing to growing disposable incomes, infrastructure investments and policy support.

Challenges

- **Existing competition:** Intense competition is largely influenced by the unorganised sector in this industry
- **New entrants:** High investments are required to set up processing units and this acts as an entry barrier for new players

- **Bargaining power:** Suppliers have low bargaining power as the population largely relies on the unorganised sector for processed food products. Tastes and preferences of consumers in certain products change, and hence, brand loyalty is low in these products.

Did you know?

By FY2020, the Indian food and retail market is projected to touch US\$ 482 billion. [Source: IBEF]

Did you know?

By FY2022, food processing sector will have the potential of attracting US\$ 33 billion of investment in coming years and generate employment of nine million person-days.

[Source: IBEF]

Company overview

JVL Agro Industries Limited (formerly known as Jhunjunwala Vanaspati Limited) is primarily engaged in the manufacture of edible oils and rice. The Company commenced production with a capacity of 25 metric tonnes per day and has rapidly grown to become one of the largest manufacturers of edible oil in India with

a capacity of 3,000 metric tonnes per day. In October 2008, the Company changed its name to JVL Agro Industries Limited, owing to the diversification of its operations from just a hydrogenated vegetable oil manufacturer to manufacturing multiple products. Its manufacturing facilities are present in the following five locations:

- Naupur (Uttar Pradesh)
- Pahleza (Bihar)
- Alwar (Rajasthan)
- Haldia (West Bengal)
- Rohtas (Bihar)

Financial overview

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (The 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Act, to the extent notified. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the Company are consistent with those used in the previous year.

Analysis of the profit and loss statement

Revenues for the year stood at ₹3,860.30 crore. Like last year, the management strategically focused on scaling branded sales resulting in an increase worth ₹52.96 crore. The sales, primarily, decreased due to reduced trading sales from ₹622.29 crore in 2015-16 to ₹322.03 crore in 2016-17. Other incomes during the year under review stood at ₹3.12 crore. Total expenses

decreased by 5% from ₹4,094.21 crore in 2015-16 to ₹3,857.80 crore largely due to change in the inventories levels and reduced purchases of goods traded. Raw material costs reduced by 1.83% from ₹3,373.49 crore to ₹3,311.85 crore while employee expenses increased marginally by 3.84% from ₹11.99 crore to ₹12.45 crore.

Balance Sheet analysis

Sources of funds

- Capital employed by the Company increased by 2.59% from ₹643.99 crore as on 31st March 2016 to ₹660.07 crore as on 31st March 2017.
- Return on capital employed derived from every rupee invested in the business stood at 18.78% in 2016-17.
- The net worth of the Company increased by 5.92% from ₹607.44 crore (including deferred tax liabilities) as on 31st March 2016 to ₹643.41 crore (including deferred tax liabilities) as on 31st March 2017 owing to increase in reserves and surpluses.
- The Company's share capital comprised 16,79,40,000 equity shares with a face value of ₹1 each. There was no change in the

paid-up equity share capital during the last financial year.

- Long-term debt of the Company reduced by 53.66% from ₹35.95 crore as on 31st March 2016 to ₹16.66 crore due to constant repayments during the year.

- Finance costs stood at ₹69.50 crore in 2016-17 compared to ₹64.50 crore in 2015-16.

- There was no change in non-current investments of the Company which stood at ₹4.23 crore as on 31st March 2017.

Working capital management

- Current assets increased by 1.76% from ₹1,718.55 crore as on 31st March 2016 to ₹1,748.85 crore as on 31st March 2017. Current ratio of the Company stood at 114.75% in 2016-17 against 113.60% in 2015-16.
- Inventories including raw materials, work-in-progress and finished goods, among others reduced by ₹10.72 crore from ₹974.88 crore as on 31st March 2016 to ₹964.16 crore as on 31st March 2017.

■ Cash and bank balances of the Company increased by 14.67% from ₹227.13 crore as on 31st March 2016 to ₹260.44 crore as on 31st March 2017.

■ Loans and advances made by the Company increased marginally by 7.06% from ₹18.12 crore as on 31st March 2016 to ₹19.40 crore as on 31st March 2017.

■ The EBITDA margin of the Company in 2016-17 is 3.21% while the net profit margin of the Company stood at 0.84% due to lower revenue of ₹3,860.30 crore in 2016-17.

Internal control systems and their adequacy

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 periodic audits. Intrinsic to the overall governance process, JVL has institutionalised a well-established internal audit framework which covers all aspects of financial and operational controls across functions and

departments. The Company has recently completed the installation of SAP, which is expected to strengthen internal monitoring and control systems of the Company in near future. For this purpose, the Company hired the services of KPMG India and Vital Wires.

Human resources

The Company's comprehensive HR policy conducts manpower training and development exercises keeping in mind the growing requirement for skilled manpower for its new initiatives. The Company's factory at Naupur was used as training ground for technical employees. The employees were also sent to the Company's other units for training, helping reduce manpower costs. This

also reduced the poaching of manpower and developed a sense of belonging, resulting in greater employee satisfaction and a high retention rate. During the year under review, the Company completed the installation of SAP system and hired the services of KPMG and subsequently Vital Wires of Delhi for this purpose. With the installation of SAP, the Company's operational efficiency will

be strengthened. The KPMG team, along with the IT team of the Company, is in the process of providing suitable training to the Company's human resources. Furthermore, the Company hired management trainees from reputed MBA institutions and gave them on-the-job exposure.

Risk management

Our business, financial condition or results of operations could be materially affected by any of the risks and uncertainties described below. Additional risks not presently known to us, or that we currently deem immaterial, may also impair our financial condition and business operations.

Self-sufficiency risk	India may not have adequate oilseeds and oil to service its needs.	Mitigation: India is dependent on the import of oilseeds for the production of edible oil. Indians consume ~24 million tonnes per year of edible oil and the country's per capita consumption stands at around 18 kilograms, compared with a global average of 24.7 kilograms. The Central Government's 12 th Five Year Plan aims to increase domestic production of oils to 38 million tonnes by 2017-end. JVL Agro's production capacity is well-poised to cater to the impending rise in demand.
Product risk	Excessive dependence on a single product and the inability to expand the product portfolio may affect the Company's profitability.	Mitigation: The Company has, over the years, expanded its portfolio from mass products to premium products. Thus, it has successfully positioned itself as a complete solution provider in the edible oil segment. The Company restructured its product portfolio from the <i>vanaspati</i> segment to the premium oil segment (sunflower oil and soya bean oil) in response to evolving consumer needs and preferences and has also added canola oil to its portfolio. In order to reduce its dependence on the oil business, the Company embarked on the decision to set up a chemical plant in Assam to manufacture cosmetic products as a part of its forward integration strategy.
Raw material risk	Any supply disruptions could lead to a reduction in the output and, in turn, impact the sales and profitability of the Company.	Mitigation: Over the years, the Company established relationships with palm plantation owners in Indonesia and Malaysia as well as soya bean oil providers in Argentina and Brazil, facilitating consistent raw material supply even in adverse situations.
Quality risk	The failure or alleged failure to maintain high standards for quality, safety, integrity environmental sustainability and social responsibility could adversely affect the reputation, growth and performance of the Company.	Mitigation: JVL Agro's business is largely driven by an increasing population and evolving life-standards. Its product portfolio caters primarily to the rising demand for health food and supplements, thus providing the company with an edge in a volatile market. The Company undertakes stringent quality control measures at all levels – right from the purchase of raw materials to the packaging process. Moreover, longstanding healthy relationships with raw material suppliers extend product shelf life. The Company also has in place a proactive R&D team, which ensures that the Company delivers quality products to its customers.
Brand risk	Growing competition may lead to an inability to achieve top-of-the-mind customer recall which, in turn, may affect the Company's brand and offtake.	Mitigation: JVL has been the market leader for the last 15 years in Uttar Pradesh and Bihar in the cooking oil segment through a strong customer pull. JVL is among the few players in the industry who has been able to position themselves as one-stop shop for all kinds of edible oil needs, creating a strong identity. The Company invested ₹2.10 crore during FY17 towards its branding, promotional and selling activities, which helped create strong awareness for its products. The Company was predominantly present in Central and Eastern India; with the objective to become an all-India brand, the Company forayed into Western India.

Corporate Information

Chairman

Mr. D. N. Jhunjhunwala

Managing Director & CEO

Mr. S. N. Jhunjhunwala

Whole-time Director

Mr. Adarsh Jhunjhunwala

Non-Independent Non Executive Woman Director

Mrs. Anju Jhunjhunwala

Independent Directors

Dr. S. K. Dixit

Mr. Mahesh Kedia

Mr. Harsh Agarwal

Mr. Brajesh Kumar Misra

Chief Finance Officer

Mr. R.C. Garg

Company Secretary

Mr. Kartik Agrawal

Audit Committee

Mr. Mahesh Kedia

Mr. Harsh Agrawal

Mr. Brajesh Kumar Misra

Statutory Auditors

Sparsh & Co.

Chartered Accountants

C9/205-2-R, Habibpura, Chetganj, Varanasi,
Uttar Pradesh (India) 221001

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 Share Transfer Agent Limited

Registered Office: 12/1/5, Manoharpukur Road, Kolkata – 700026

Communication Office: F-65, 1st Floor, Okhla Industrial Area, Phase - I,
New Delhi -110020

Registered Office

Jhunjhunwala Bhawan,

Nati Imli, Varanasi-221001 (U. P.) India

Works

- i. Village Naupur, P.O. Thanagaddi, Kerakat, Jaunpur District (Uttar Pradesh)
- 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
- v. JVL Rice Mill (A unit of JVL Agro Industries Limited)
Sasaram Akhorigola Road, Jorawarpur, District Rohtas, Bihar

* As on 28.08.2017

Directors' Profile

Mr. D. N. Jhunjunwala

- Date of birth: February 02, 1936
- Date of appointment: November 17, 1989
- Expertise in functional areas: Industrialist
- Mr. D. N. Jhunjunwala is the Executive Chairman of the Company. He is a graduate in Industrial Chemistry. He has 56 years of experience in various facets of management, out of which 34 years were dedicated in various oil industries
- Mr. D. N. Jhunjunwala promoted Jhunjunwala 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. Jhunjunwala

- Date of birth: April 24, 1957
- Date of appointment: November 17, 1989
- Expertise in functional areas: Industrialist
- Mr. S. N. Jhunjunwala is the Managing Director & Chief Executive Officer (Key Managerial Personnel) and is a Commerce graduate. He has 34 years of experience in solvent extraction, oil refining and Vanaspati manufacturing units.
- Qualification: B.Com

Mr. Adarsh Jhunjunwala

- Date of birth: July 05, 1983
- Date of appointment: February 27, 2007
- Expertise in functional areas: Commerce and Financial Accounting
- Mr. Adarsh Jhunjunwala is Whole Time Director of the Company.
- Qualification: Chartered Accountant and MBA (Finance).

Mrs. Anju Jhunjunwala

- Date of birth: December 12, 1958
- Date of appointment: August 25, 2014
- Expertise in functional areas: Industrialist
- Mrs. Anju Jhunjunwala is Non – Executive Non – Independent Woman Director of the Company.
- Qualification: B.Com

Dr. S. K. Dikshit

- Date of birth: July 01, 1946
- Date of appointment: July 10, 2001
- Mr. S. K. Dikshit is a Non-Executive Independent 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 Chartered Accountant and a Science graduate. He is Non-Executive Independent Director of the Company.
- Qualification: B. Sc (Statistics), C.A

Mr. Brajesh Kumar Misra

- Date of birth: November 21, 1962
- Date of appointment: May 02, 2016
- Expertise in functional areas: He has vast experience in accounts, auditing & taxation practices. He is Non-Executive Independent Director of the Company.
- Qualification: Chartered Accountant

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 Non-Executive Independent Director and having deep insight into Electronic and telecommunication and practical experience in the field
- Qualification: Engineering graduate

Directors' Report

for the year ended 2016-17

Dear members

Your directors are pleased to present the 28th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2017.

Financial Highlights (Standalone)

During the year under review, performance of your company as under:

(₹ in Crores)

Particulars	Standalone	
	Year ended March 31, 2017	Year ended March 31, 2016
Sales and other Income	3860.30	4116.16
Profit before Depreciation (including exceptional item)	54.45	75.11
Depreciation	17.95	17.90
Profit after depreciation	36.50	57.21
Provision for taxation	0.53	4.45
Add: MAT Credit		0.00
Profit after Tax	35.97	52.76
Less:		
Previous year's Income/Expenses	0.00	0.00
Profit after previous year's adjustments	35.97	52.76
Add: Credit Balance		
Profit Brought forward from previous year	299.62	290.67
Add:		
Transfer from Investment allowance reserve	0.00	0.00
	335.59	343.43
Provision for Dividend	0.00	1.68
Provision for Dividend Tax	0.00	0.34
Transfer to General Reserve	0.00	1.00
Deferred Tax	3.58	5.17
Income Tax for earlier years	0.0	0.00
Transfer to Capital Reserve	34.00	35.62
Provision	0.00	0.00
Depreciation adjustment	0.00	0.00
Credit Balance Carried Over to Balance Sheet	298.01	299.62
	335.59	343.43

State of Company's Affairs and Future Outlook

In the financial year 2016-17, your Company's sales declined for two reasons – one is reduction of around 52% in traded sales and secondly due to some fssai issues. The Company has been concentrating on its branded sales and the result is that the Company's branded sales have increased by 1.36% from ₹3487.78 cr. in 2015-16 to ₹3535.15 cr in 2016-17. The total revenue of the financial year 2016-17 is ₹3857.18 Crore. Profit after tax for the year under review is ₹32.39 Crore (including exceptional item) in the year 2016-17. EBITDA for the year 2016-17 was ₹123.95 Crore. Further the Cash profit amounted to ₹50.34 crore in 2016-17.

Transforming Organization

During the year under review your Company the production from the rice mill in Bihar has seen an upward trend and rice sales increased from ₹48.37 cr. in 2015-16 to ₹60.29 crores during the year 2016-17 which is a healthy sign of this potential business. The demand for Company's premium segment edible oils under its proprietary brand JVL Royal have also increased.

Dividend

Considering the reduced profit and limited resources the Board has not recommended dividend for the financial year 2016-17.

Amounts Transferred to Reserves

There has been no transfer of profits to General Reserves during the year under review (previous year ₹1.00 crore was carried over to this reserve).

Changes in Share Capital, if any

During the Financial Year 2016-17, the paid-up share capital of the Company remain unchanged to ₹16.794 crores.

Directors and Key Managerial Personnel

Pursuant to the provisions of sub section (6) & (7) of Section 152 of the Companies Act, 2013 Mr. Anju Jhunhunwala (DIN 00189221) 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. None of the directors resigned during the period under review.

However, during the year under review Mr. Brajesh Kumar Misra was appointed as Independent Director of the Company and Mr. S.N. Jhunhunwala, Managing Director was also designated as Chief Executive Officer of the Company w.e.f. 2nd May, 2016.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes the criteria for performance evaluation of the Non-Executive and Executive Directors.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by the SEBI (LODR) Regulations 2015.

The performance of the Board and Committees was evaluated by the Board after seeking inputs from all the Directors/Committee Members on the basis of the criteria such as the Board/Committee meetings, attendance, information and functioning.

The Board reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings & attendance. The Chairman, Managing Director & Whole Time Director was also evaluated on the key aspects of their respective roles.

Pursuant to Section 178(3)&(4) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Board (as mentioned in the Corporate Governance Report) has framed criteria for determining qualifications, positive attributes and independence

of a director and have adopted a policy in this respect.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman were evaluated, taking into account the views of the Executive Directors and Non-Executive Directors.

Particulars of Contracts or Arrangements with Related Parties

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had entered into contracts/arrangements/transactions with few of its group & subsidiary Companies which were not material under provisions of Section 188 of the Companies Act, 2013 and for which the Company had obtained prior clearance from the Audit Committee, Board/ Shareholders as required under the Act and rules made there under. The relevant disclosure for the transactions with related party have been made in the Standalone Audited Financial Statements under Note 43. Information on transactions with related parties pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure II in Form AOC – 2 and the same forms part of this report.

Your directors draw attention of the members to note 43 to the financial statement which set out details of related party transaction.

AUDITORS & AUDITORS' REPORT

The Statutory Auditors of the Company, M/s Sparsh & Company, Chartered Accountants, Varanasi (FRN 013070C) 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 Sparsh & Co, 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.

The Board has duly reviewed the Statutory Auditors' Report on the accounts. The observations and comments appearing in the Auditors' Report are self-explanatory and do not call for any further explanation/comments/clarification of the Board.

Details of Subsidiary, Joint Venture or Associates

JVL Overseas Pte. Ltd. is a wholly-owned subsidiary of the Company based in Singapore. During the year the turnover of the subsidiary was ₹378.19 crores and cost of sales was ₹379.16 crores.

Internal Control System and Risk Management Framework

Section 177(4) of the Companies Act, 2013 mandates Audit Committee to evaluate internal financial controls & risk management system of the Company. The Board has laid down the procedure to inform the Board Members about the risk assessment and minimisation on periodical basis.

The Internal Control System of the Company is commensurate with the size, scale and complexity of its operations. These are constantly revised and strengthened. Internal Auditors carry out audit at regular intervals and submit their report to the Audit Committee. Internal Audit plays a key role in providing an assurance to the Board and value adding advisory service to the business operations. Pursuant to Section 138 of Companies Act, 2013 Jitendra Singh & Company have been appointed as Internal Auditor of the Company for the FY 2017-18.

Secretarial Audit Report

As required under Section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 M/s Adesh Tandon & Associates has submitted its Secretarial Audit Report in prescribed format MR 3 pertaining to the financial year ended 31st March 2017 to the Board and copy of the same is attached as Annexure III to the Directors' Report.

The Board has duly reviewed the Secretarial Audit Report. The observations and comments appearing in the Secretarial Auditor's Report are self-explanatory and following are management's explanation/comments/clarification to the same :

- The Cost Audit is in process and the report for the same to be filed soon.
- The Company is in process of getting the details from the banks to transfer the money to IEPF.
- The observation of the Secretarial Auditors are only informative and need no explanation.
- The observation of the Secretarial Auditors are only informative and need no explanation.

Disclosure on Establishment of a Vigil Mechanism

The Board has adopted the Vigil Mechanism (Whistle Blower Policy). Copy of the said policy is available on the website of the Company www.jvlagro.com. This policy is formulated to provide a secure environment and to encourage the individuals to report unethical, unlawful or improper practices, acts or activities that may be taking place in the Company and to prohibit senior managerial personnel from taking any adverse action against those individuals who report

such practices in good faith. This policy is framed in accordance with the provisions of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 entered by the Company with stock exchanges. The Audit Committee of the Company reviews the functioning of the Vigil Mechanism on regular basis.

Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the requirements set out by the Securities and Exchange Board of India. As required by SEBI (LODR) Regulations, 2015, a detailed report on Corporate Governance is separately annexed to the Annual Report. The Statutory Auditor's certificate on compliance with Corporate Governance requirements is attached to the Corporate Governance Report.

Also, the declaration by CEO/CFO that the Board Members and SMPs have complied with the Code of Conduct is annexed with the Corporate Governance Report forming part of Directors Report.

System for Prevention of Sexual Harassment of Women at Workplace

The Company has in place the system for prevention of sexual harassment of women at workplace in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 notified by the Ministry of Women & Child Development. This system prohibits, prevents or deters the commission of acts of sexual harassment of women at workplace and adequate procedures are in place for redressal of complaints pertaining to sexual harassment. The Internal Audit Committee of the Company is authorised to investigate the cases of sexual harassment of women at workplace.

During the year under review no complaints have been received from any of the women employees from any location or unit of the Company under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Fraud Reporting (Required by Companies Amendment Bill, 2014)

During the year under review no fraud was noted by the Audit Committee and/or the Board having material impact on the Company & hence no reporting was made to the concerned authority.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review as stipulated under SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

Corporate Social Responsibility (CSR) Policy

As required under Section 135 of Companies Act, 2013, the Corporate Social Responsibility Committee, as a sub-committee of the Board was formulated during the year. The Committee comprises Mr. Mahesh Kedia, Mr. S.N. Jhunjhunwala and Mr. Adarsh Jhunjhunwala. The Committee, inter alia, frames CSR policy for the Company and monitors & supervises the progress of Company in CSR initiatives as per the approved policy document. The Company has been disclosed on the website of the company www.jvlagro.com.

The Committee met once during the year. There was no change in the composition of the Committee during the year 2016-17 which is as follows:

Sl. No.	Name of the Member	Category of Directorship	Status In Committee
1	Mr. Mahesh Kedia	NED/ID	Chairman
2	Mr. S.N. Jhunjhunwala	CEO/MD/PD/ED	Member
3	Mr. Adarsh Jhunjhunwala	WTD/PD/ED	Member
4	Mr. Kartik Agrawal	Company Secretary	Secretary

The details of initiatives undertaken on CSR activities during the year are set out in Annexure IV of this report in the format prescribed in the Companies (Corporate Social Responsibility) Policy Rules, 2014.

Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit /loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and that such systems are adequate and operating.
- f) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Other Disclosures

Number of Board Meetings

During the Financial Year 2016-17, Fourteen (14) meetings of the Board of Directors of the company were held. Details of which have been provided in the Corporate Governance Report forming part of this Annual Report.

Particulars of Loan, Guarantees and Investments under Section 186

During the period under review your Company has not provided

any loan, guarantee & made investments u/s 186 of the Companies Act, 2013.

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential right as to dividend, voting or otherwise
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme of Employee Stock Options.
3. Neither the Managing Director nor the Whole Time Director is in receipt of any remuneration/commission from the subsidiary of the Company.
4. The Company has neither received nor repaid any deposit during the year.
5. No significant or material order were passed by the Regulators or courts or Tribunals which would impact the going concern status and Company's operations in future.
6. There was no change in nature of business.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed are provided in Annexure V to this report.

Particulars of Employees and Related Disclosures

None of the directors/employees of the Company were in receipt of remuneration exceeding the level as prescribed in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Other Committees:

The details pertaining to the composition of Audit Committee, Corporate Social Responsibility Committee, Nomination & Remuneration Committee, and Stakeholders' Relationship Committee are included in the Corporate Governance Report which forms part of the Annual Report.

Acknowledgment

The Directors express their sincere appreciation to the valued shareholders, bankers and clients for their support

For and on behalf of the Board of Directors

Place: Varanasi
Date: 28.08.2017

Satya Narayan Jhunjhunwala
(Managing Director & CEO)

Adarsh Jhunjhunwala
(Whole Time Director)

“ANNEXURE – I” OF BOARDS’ REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

of JVL AGRO INDUSTRIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L15140UP1989PLC011396
Registration Date	17/11/1989
Name of the Company	JVL Agro Industries Limited
Category/Sub-Category of the Company	Listed Public Limited Company
Address of the Registered office and contact details	Jhunjhunwala Bhawan, Nati Iml, Varanasi – 221001 (U.P.) India
Whether listed company	Yes on Bombay Stock Exchange & National Stock Exchange
Name , Address and contact details of Registrar & Transfer Agents (RTA), if any	MCS Share Transfer Agent Limited Sri Venkatesh Bhavan F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product / service	% to total turnover of the company
1	Manufacture and sale of vegetable oils and fats (other than hydrogenated)	2110	95% (approx)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sl. No.	Name and Address of the company	CIN/GLN	Holding / Subsidiary Associate	%of shares held	Applicable Section
1	JVL Overseas Pte. Ltd. No: 1 North Bridge Road, #18-07, High Street Centre, Singapore – 179094	200714169R	Subsidiary	99.99	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Statement Showing Shareholding Pattern								
Category code	Category of Shareholder	Number of Share holders	Table (I)(a)		Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialised form	As a % of (A+B)1	As a % of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VII)/(IV)*100
(A)	Shareholding of Promoter and Promoter Group ²							
	Indian							
(a)	Individuals/ Hindu Undivided Family	8	26609637	26609637	15.84	15.84	5000000	18.79
(b)	Central Government/ State Government(s)				0.00	0.00		
(c)	Bodies Corporate	4	58757388	58757388	34.99	34.99		
(d)	Financial Institutions/ Banks				0.00	0.00		
(e)	Any Others(Specify)							
(e-i)	JVL Sewa Trust	1	7419000	7419000	4.42	4.42		
	Sub Total(A)(1)	13	92786025	92786025	55.25	55.25	5000000	5.39
2	Foreign							
a	Individuals (Non-Residents Individuals/			0.00	0.00			
b	Bodies Corporate				0.00	0.00		
c	Institutions				0.00	0.00		
d	Qualified Foreign Investor				0.00	0.00		
e	Any Others(Specify)				0.00	0.00		
e-i					0.00	0.00		
e-ii								
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	13	92786025	92786025	55.25	55.25	5000000	5.39
(B)	Public shareholding							
1	Institutions							
(a)	Mutual Funds/ UTI				0.00	0.00		
(b)	Financial Institutions / Banks	3	79000	0	0.05	0.05		
(c)	Central Government/ State Government(s)				0.00	0.00		
(d)	Venture Capital Funds				0.00	0.00		
(e)	Insurance Companies				0.00	0.00		

Statement Showing Shareholding Pattern								
Category code	Category of Shareholder	Number of Share holders	Table (I)(a)		Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
			Total number of shares	Number of shares held in dematerialised form	As a % of (A+B)1	As a % of (A+B+C)	Number of shares	As a percentage
(f)	Foreign Institutional Investors	4	22387795	22387795	13.33	13.33		
(g)	Foreign Venture Capital Investors				0.00	0.00		
(h)	Qualified Foreign Investor				0.00	0.00		
(i)	Any Other (specify)				0.00	0.00		
(i-ii)					0.00	0.00		
(i-ii)								
	Sub-Total (B)(1)	7	22466795	22387795	13.38	13.38		
B 2	Non-institutions							
(a)	Bodies Corporate	307	27023295	19124295	16.09	16.09		
(b)	Individuals				0.00	0.00		
I	Individuals -i. Individual shareholders holding nominal share capital up to ₹2 lacs	10833	20726738	18946618	12.34	12.34		
II	ii. Individual shareholders holding nominal share capital in excess of ₹2 lacs.	7	4339628	4339628	2.58	2.58		
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00		
(d)	Any Other (specify)							
(d-i)	i. Trust & Foundations	2	571669	571669	0.34	0.34		
(d-ii)	ii. NBFCs registered with RBI	3	25850	25850	0.02	0.02		
	Sub-Total (B)(2)	11152	52687180	44788180	31.37	31.37		
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	11159	75153975	67175975	44.75	44.75		
	TOTAL (A)+(B)	11172	167940000	159962000	100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
1	Promoter and Promoter Group	0	0	0	0	0.00	0	0.00
2	Public	0	0	0	0	0.00	0	
	Sub-Total (C)	0	0	0	0	0	0	
	GRAND TOTAL (A)+(B)+(C)	11172	167940000	159962000	100.00	100.00	5000000	2.98

ii) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered as a % of entire share capital of the Company	No. of shares	% of total shares of the company	% of Shares Pledged/ encumbered as a % of entire share capital of the Company	
1.	Mr. Dinanath Jhunjunwala	6225200	3.71	1.79	6225200	3.71	1.79	NIL
2.	Mr. Satya Narayan Jhunjunwala	4465780	2.66	1.19	4465780	2.66	1.19	NIL
3.	Mrs. Anju Jhunjunwala	4909300	2.92	-	4909300	2.92	-	NIL
4.	Mrs. Kishori Devi Jhunjunwala	3296620	1.96	-	3296620	1.96	-	NIL
5.	Mrs. Uma Jhunjunwala	20000	0.01	-	20000	0.01	-	NIL
6.	Mr. Vishwanath Jhunjunwala	2716087	1.62	-	2716087	1.62	-	NIL
7.	Mr. Vishwanath Jhunjunwala	511500	0.30	-	511500	0.30	-	NIL
8.	Mr. Adarsh Jhunjunwala	4465150	2.66	-	4465150	2.66	-	NIL
9.	Nilambar Trexim & Credit(P)Ltd.	16912900	10.07	-	16912900	10.07	-	NIL
10.	JVL Sewa Trust	-	-	-	7419000	4.42	-	100
11.	Jhunjunwala Gases Pvt. Ltd.	16075000	9.57	-	16075000	9.57	-	NIL
12.	Aryan Multibusiness Pvt. Ltd	12000000	7.15	-	12000000	7.15	-	NIL
13.	Paharia Markets And Investment Private Ltd.	13769488	8.20	-	13769488	8.20	-	NIL
14.	Jhunjunwala Oil Mills Limited	7419000	4.42	-	-	-	-	(100)
	Total	92786025	55.25	2.98	92786025	55.25	2.98	100

iii) Change in Promoter's Shareholding as on 31/03/2017 (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No changes during the year (92786025 fully paid equity shares of ₹1/- each)			
	Date wise Increase /Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus /sweat / equity etc.)	No fresh acquisition/sale during the year by Promoter Group, except inter-se transfer*			
	At the end of the year	No changes during the year (92786025 fully paid equity shares of ₹1/- each)			

*On 30th March 2017, 7419000 equity shares held by Jhunjunwala Oil Mills Limited were donated to M/s JVL Sewa Trust

iv) Shareholding Pattern of top ten Shareholders as on 31/03/2017 (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	LOTUS GLOBAL INVESTMENTS LTD	8307795	4.95	8307795	4.95
2.	UTTAR PRADESH CARBON AND CHEMICALS LIMITED	8280100	4.93	8280100	4.93
3.	JASRAPURIA SILK MILLS PRIVATE LIMITED	5242390	3.12	7,216,218	4.30
4.	CRESTA FUND LTD	4900000	2.92	4900000	2.92
5.	ASIA INVESTMENT CORPORATION (MAURITIUS) LTD	4720000	2.81	8,448,425	5.03
6.	APMS INVESTMENT FUND LIMITED (FORMERLY KNOWN AS MAVI INVESTMENT FUND LIMITED MAURITIUS)	4460000	2.66	531,575	0.32
7.	SUBHAM COAL PROCESSORS PVT LTD	3079000	1.83	4,887,000	2.91
8.	BENNETT COLEMAN AND COMPANY LTD.	2887537	1.72	2887537	1.72
9.	NEELAM AGARWAL	1900000	1.13	1408281	0.84
10.	LILLY EXPORTERS LTD.	1501693	0.89	0	0.00
11.	SHILPI AGARWAL	1415354	0.84	1319317	0.79

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	238.02	-	-	238.02
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	238.02	-	-	238.02
Change in Indebtedness during the financial year				
*Addition	128.45	-	-	128.45
*Reduction	-	-	-	-
Net Change	+128.45	-	-	+128.45
Indebtedness at the end of the financial year				
i) Principal Amount	366.47	-	-	366.47
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii+iii)	366.47	-	-	366.47

iv) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dina Nath Jhunjhunwala	6225200	3.71	6225200	3.71
2.	S.N. Jhunjhunwala	4465780	2.66	4465780	2.66
3.	Anju Jhunjhunwala	4909300	2.92	4909300	2.92
4.	Adarsh Jhunjhunwala	4465150	2.66	4465150	2.66
5.	R. C. Garg	3100	0.002	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Mr. Dina Nath Jhunjhunwala, Executive Chairman	Mr. Satya Narayan Jhunjhunwala, Managing Director	Mr. Adarsh Jhunjhunwala, Whole Time Director	Total Amount
1	Gross salary	21,00,000	26,40,000	20,40,000	67,80,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Others, please specify				
	Total (A)	21,00,000	26,40,000	20,40,000	67,80,000
	Ceiling as per the Act - NA				

B. Remuneration to other directors:

I. Independent Director:

Particulars of Remuneration	Name of Independent Director								Total Amount (₹)
Fee for attending Board / Committee Meetings	-	-	-	-	-	-	-	-	-
Commission	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Total B (I)	-	-	-	-	-	-	-	-	-

Ceiling as Per Act - Being ₹1 Lac per meeting per Director as per Section 197(5) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

II. Other Non-Executive Director:

Particulars of Remuneration	Anju Jhunjunwala	Total Amount (₹)
Fee for attending Board / Committee Meetings	-	-
Commission	-	-
Others (Rent & Remuneration)	10,00,000	10,00,000
Total B (II)		10,00,000
Total B I + II		10,00,000
Ceiling as Per Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER / WTD :

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel Mr. Kartik Agrawal, Company Secretary Mr. R.C. Garg, CFO		Total Amount (₹);
1	Gross Salary			
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	630000	650400	1280400
	b) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	-
	c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit - Others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (C)	630000	650400	1280400

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY	Section 92 of Companies Act, 2013 whereby a prosecution has been instituted against the Company and the Key Directors for delayed filing of Annual Return e-form and non-submission of list of shareholders for FY 2014-15. The Company had filed the Annual Return e-form with late fees and list of shareholders was also deposited with ROC, Kanpur office in CD format in the month of January 2016, however due to some inadvertent reasons the same could not be uploaded in the system records maintained at ROC and thus a prosecution was launched against the Company and its key directors. The matter is currently pending with the Special CJM Court in Varanasi and is most likely to be quashed as there was no default on the part of Company in submission of list of shareholders with the ROC.				
Penalty					
Punishment					
Compounding					
B. DIRECTORS	Section 92 of Companies Act, 2013 whereby a prosecution has been instituted against the Company and the Key Directors for delayed filing of Annual Return e-form and non-submission of list of shareholders for FY 2014-15. The Company had filed the Annual Return e-form with late fees and list of shareholders was also deposited with ROC, Kanpur office in CD format in the month of January 2016, however due to some inadvertent reasons the same could not be uploaded in the system records maintained at ROC and thus a prosecution was launched against the Company and its key directors. The matter is currently pending with the Special CJM Court in Varanasi and is most likely to be quashed as there was no default on the part of Company in submission of list of shareholders with the ROC.				
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT	N.A.				
Penalty					
Punishment					
Compounding					

“ANNEXURE – II” OF BOARDS’ REPORT

FORM NO. AOC- 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act and Rule 8(2) of the Companies (Accounts) Rules 2014)

Form for disclosure of particulars of contract/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm’s length basis

JVL Agro Industries Limited (JVL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm’s length basis to any contract or arrangement or transaction.

2. Details of material contracts or arrangements or transactions at arm’s length basis

a. Name(s) of the related party and nature of relationship: D.N. Jhunjhunwala (Promoter), S.N. Jhunjhunwala (Promoter), S.N. Jhunjhunwala HUF (Promoter group), Anju Jhunjhunwala (Promoter group), Kishori Devi Jhunjhunwala (Promoter group), Juhi Jhunjhunwala (Promoter group), Jhunjhunwala Gases Pvt. Ltd. (Promoter group Company), Jhunjhunwala Oil Mills Ltd. (Promoter group Company), Nilambar Trexim & Credit Pvt. Ltd. (Promoter group Company), JVL Infra Heights Ltd. (Promoter group Company), Jhunjhunwala Sewa Society (Society being run by Promoters) & JVL Overseas Pte. Ltd. (Wholly owned subsidiary).

b. **Nature of contract/ arrangement/ transaction:** Related

party’s appointment to any office or place of profit pursuant to Section 188(f), remuneration, rent, sales of products, purchase or supply of any goods or materials handling & storage charges, bus rent, reimbursement for expenses.

c. **Duration of contract/ arrangement/ transaction:** Contracts are currently ongoing.

d. **Salient Terms of contract or arrangement or transaction including the value if any:** (i) diligently perform the contract in timely manner and provide goods and materials including services in accordance with the work orders given/issued, (ii) submit invoices on monthly basis for the goods and materials and for services received and rendered for each order as per the terms of contract and make payments as per mutually agreed terms. (iii) be responsible for all the expenses incurred in connection with the supply or purchase of goods and materials and for services received and rendered (iv) comply with the local, state and federal laws and regulations applicable while rendering/ receiving services.

e. **Date(s) of approval by the Board, if any:** Contract was entered into in the ordinary course of business and on arm’s length basis and were approved by the Board in its meeting held on 25th August, 2015.

f. **Amount paid as advances, if any :** Nil

For and on behalf of the Board of Directors,

S.N. Jhunjhunwala

Managing Director & CEO

Varanasi 28.08.2017

"ANNEXURE – III" OF BOARDS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
JVL INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JVL INDUSTRIES LIMITED (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by "the company" and also the information provided by "the Company", its officers, agents and authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on March 31, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as applicable :-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - v. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - vii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - viii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - ix. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi) I further report that, having regard to the compliance system prevailing in the Company and as certified by management and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied the following law applicable specifically to the company named as: FOOD SAFETY AND STANDARDS ACT, 2006.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement as entered into by the company with the Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the following observations -:

- a) The form CRA-4 for cost audit report for the year ended 31st March 2017 is yet to be filed.
- b) The amount of ₹0.17 Crores lying on the unpaid/unclaimed dividend account for the earlier years is pending to be transferred to the IEPF account and form IEPF 1 is yet pending to be filed;
- c) The financial results for the quarter and year ended 31st March, 2016 and Quarter ended 30th June, 2016 were approved and submitted to the Stock exchange on 17th September, 2016 and 8th October, 2016 against the requirement of submitting the same on 30th May, 2016 and 15th August, 2016 respectively. The said delay was due to SAP-ERP integration. The company had deposited the penalty in protest and is in process of moving appeal before the Securities appellate tribunal.
- d) The Company had filed a consent application during the year 2016-17 with SEBI in the matter of inadvertent violation of the provision of Insider Trading Regulations. The said application has been heard and is pending to be disposed off as of the

reporting date.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at the Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the board or Committee of the Board as the case may be.

We further report that, in my opinion there exist adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, the same is needed to be further strengthened.

We further report that during the audit period, the Company has:

- i) No instances of Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- ii) No instances of Redemption / buy-back of securities.
- iii) No major decisions were taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv) No instances of Mergers/ Amalgamations/ Reconstruction etc.
- v) No instances of Foreign Technical Collaboration.

Date: 22/05/2017

Place: Kanpur

Adesh Tandon & Associates
Company Secretaries
(Proprietor)
FCS No :2253
CP No :1121

“ANNEXURE – IV” OF BOARDS’ REPORT

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD’S REPORT

1. Brief outline of the Company CSR ACTIVITIES JVL Agro Industries Limited (JVL Agro) has always been committed to the cause of social service and has repeatedly channelised a part of its resources and activities, such that it positively affects the society socially, ethically and also environmentally. The Company has, in past, taken up various Corporate Social Responsibility (CSR) initiatives and did value enhancement in the society.

Social and environmental responsibility has always been at the forefront of JVL Agro operating philosophy and as a result the Company consistently contributes to socially responsible activities. CSR at JVL Agro portrays the deep symbolic ties that the Company enjoys with the communities it is engaged with. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. We believe that to succeed, an organization must maintain highest standards of ethical corporate behavior towards its employees, consumers and societies in which it operates. We are of the opinion that CSR underlines the objective of bringing about a difference and adding value in our stakeholders’ lives.

2. The Composition of the CSR Committee:

The Corporate Social Responsibility Committee was constituted on 25th August, 2014 with three Board Members. Mr. Mahesh Kedia is the Chairman of the Committee, Mr. S. N. Jhunjhunwala and Mr. Adarsh Jhunjhunwala, Directors of the Company are the members of the Committee.

3. Average net profit of the Company for last three financial years: ₹20.53 crore
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹0.41 crore
5. Details of CSR spent during the financial year;
 - (a) Total amount to be spent for the financial year : ₹0.41 crore
 - (b) Amount Spent: ₹0.65 crore
 - (c) Amount unspent: ₹0.00 crore.
 - (d) Manner in which the amount spent during the financial year is detailed below:

(₹ in Crores)

Sl. No.	CSR Project of Activity Identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (Budget) Project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
1	Provision of healthy food & safe drinking water for the needy & mal-nutritional; sanitation; Arrangement of Free Food and clothes for the needy	Eradicating Hunger	Varanasi, Naupur, Chitrakoot, Ayodhya	0.30	0.28	0.28	Directly
2	Promotion of Road safety	Promotion of Education	Varanasi	0.37	0.37	0.37	Rotary Club

6. CSR Committee is responsible for the implementation and monitoring of CSR policy and shall comply with CSR objectives and policy of the Company.

Place: Varanasi

Date: 28.08.2017

S.N. Jhunjhunwala
Managing Director & CEO

Mahesh Kedia
Chairman of CSR Committee

"ANNEXURE – V" OF BOARDS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are provided hereunder:

1. CONSERVATION OF ENERGY

(A) ENERGY CONSERVATION MEASURES TAKEN

The use of energy for production purposes is indispensable for an edible oil cum rice manufacturer like ours. Therefore, significant measures are taken to reduce energy consumption by using energy-efficient equipment. The Company regularly reviews power consumption patterns across all locations and implement requisite improvements/changes in the process in order to optimize energy/ power consumption and thereby achieve cost savings.

Energy costs comprise a substantial part of the Company's total cost of operations. However, as a part of the Company's conservation of energy programme, the management has appealed to all the employees / workers to conserve energy. The management has set up an on-going process for optimum utilization of machines. The measures taken have resulted in savings in cost of production, power consumption and processing time. Some of the measures under use during the year 2016-17 are highlighted below:

- (i) At each & every unit of the Company, Servo Automatic Voltage Stabilizer alongwith Auto Power Factor Controller (APFC) have been installed.
- (ii) In the Naupur based unit of the Company, a captive power plant has been installed, thus making the unit

self-sufficient to satisfy majority of its power needs & also brings in the efficiency in operations of the Company.

- (iii) In Pahleja & Haldia based units of the Company Condensate Recovery System (CRS) have been installed under the survey & guidance of Forbes Marshall in order to utilize excess heat going through the condensate.
- (iv) Variable frequency drives have been installed in all the units of the Company in order to get maximum utilization of variable power load and safe start of the machineries & equipments.
- (v) During the year the Company has been doing R&D on heating the edible oil as a part of manufacturing it through high steam pressure in place of the thermic heating fluid.

(B) INVESTMENTS BEING MADE FOR REDUCTION OF CONSUMPTION OF ENERGY

The Company is getting energy audit survey done for the different units of the Company & will implement the feasible suggestions of the auditors.

(C) IMPACT OF THE ABOVE MEASURES

The impact of above measures is that the Company has saved substantial amount of energy alongwith the economical cost of production & increased efficiency due to low processing time.

(D) TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER PRESCRIBED FORM A OF THE ANNEXURES IN RESPECT OF THE INDUSTRIES SPECIFIED IN THE SCHEDULE THERETO

	Year ended March 31, 2017	Year ended March 31, 2016
(A) Power & Fuel Consumption		
(1) Electricity		
(a) Purchased		
Unit (000)	20593	26242

	Year ended March 31, 2017	Year ended March 31, 2016
Total Amount (₹ In Crores)	15.36	16.76
Rate/Unit (₹)	7.46	6.39
(b) Own Generation		
(i) Through Diesel Generators		
Unit (000)	424	619
Total Amount (₹ In Crores)	0.65	0.94
Rate/Unit (₹)	15.33	15.19
(ii) Through Turbine		
Unit (000)	4324	8004
Total Amount (₹ In Crores)	0.92	1.72
Rate/Unit (₹)	2.13	2.15
(2) Coal/Husk		
Quantity (M.T.)	91498	109338
Total Coal/Husk (₹ In crores)	22.87	38.36
Average Rate (In ₹)	2499.51	3508.39
(3) Furnace Oil	-	-
(4) Other/Internal Generation	-	-
(B) Consumption per MT of Vanaspati Production		
Electricity	47.13	53.17
Furnace Oil	-	-
Coal (kgs.) / Husk (kgs.)	170.00	167.00

2. EFFORTS MADE IN TECHNOLOGY ABSORPTION

(A) Specific areas in which R & D carried out by the Company

R & D is focused on the development of new products & processes. Due emphasis is placed on improving quality standards with enhanced customer satisfaction. This was primarily achieved through process improvements, control on systems, reduction of waste and energy conservation. Effective use of tools and small group activities with the technological support resulted in controlling the variations in processes, maximizing the productivity and minimizing the cost of production.

Specific areas in which R & D carried out by the Company:

- Material evaluation/characterization of raw materials.
- Capability development for in- house processes, designs and strategic applications of material for product improvement.
- Energy cost audit is a development exercise towards better utilization of the power resources.

iv) During the calendar year 2015 the Company has begun R&D on heating the edible oil as a part of manufacturing it through high steam pressure in place of the thermic heating fluid.

v) The Company has its own research labs at the units to monitor the process operations & quality back-up.

(B) Benefits derived as a result of the above R & D

The R & D activities helped to add new quality product to the range viz. sunflower oil and to achieve greater customer acceptance in the retail market. These activities also enabled the Company to reduce waste, increase productivity, achieve higher "customer satisfaction" and derive following benefits:

- Increase product range coupled with technology upgradations and cost reduction;
- Introduction of new product with a focus on achieving global acceptance and in conformity to Indian and International standards;
- Improved quality in edible oil manufacturing;

- d. Increased customer base and additional business volumes;

(C) Future plan of action

- The Company will explore various options to adopt latest technology and use of equipment for its operations.
- Investment in expanding distribution footprint.

(D) Expenditure on R & D

Expenses incurred on R & D were not material enough to be stated in this report and being an ongoing process it is difficult to allocate under the above referred heads.

(E) Technology absorption, adaptation and innovation

(i) Efforts, in brief, made towards technology absorption, adaptation and innovation:-

The Company values innovation and applies it to every facet of its business. This drives development of distinctive new products, ever improving quality standards and more efficient processes.

JVL is the only Company in to have installed the most advanced oil refinery in Haldia. It continues to strive for improvement and has currently adopted technology that helps automate the processes. Product development receives primacy in JVL. The Company is coming up with several premium segment oils as

a part of its innovative drive. It has received numerous industry awards over the years.

The Company has augmented its revenues and per unit price realization by deploying innovative marketing strategies and offering exciting new products.

(ii) Benefits derived as a result of the above efforts e.g. Product improvement, cost reduction, product development, import substitution etc.:-

As a result of the above, the following benefits have been achieved:

- Better efficiency in operations,
- Reduced dependence on external sources for technology for developing new products and upgrading existing products,
- Expansion of product range and cost reduction,
- Meeting Global Standards of quality,
- Retention of existing customers and expansion of customer base.

(iii) Imported Technology (Imported during the last five years reckoned from the beginning of the financial year)

N.A.

3. FOREIGN EXCHANGE EARNING AND OUTGO:

(₹ in Crores)

Foreign Exchange Earning and Outgo	Year ended March 31, 2017	Year ended March 31, 2016
Total Foreign Exchange earned	-	-
Total Foreign Exchange used	3007.01	2996.37

“ANNEXURE – VI” OF BOARDS’ REPORT

Disclosure of Information under Section 197(12) of Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17:

Sl. No.	Name of the Director	Remuneration of each Director Per Annum (in ₹)	Median Remuneration of Employees Per Annum (In ₹)	Ratio (Remuneration of each Director to Median Remuneration)
1.	D. N. Jhunjhunwala	21,00,000	87874	23.90 times
2.	S.N. Jhunjhunwala	26,00,000	87874	29.59 times
3.	Adarsh Jhunjhunwala	20,00,000	87874	22.76 times
4.	Anju Jhunjhunwala	10,00,000	87874	11.37 times

II. Percentage increase in remuneration of each director, CFO, CEO, CS or Manager in the financial year 2016-17:

Sl. No.	Name of the Director/CFO/CEO/CS/ Manager	Designation	Total Remuneration paid during FY 2016-17 (In ₹) (i)	Total Remuneration paid during FY 2015-16 (In ₹) (ii)	% increase between (I) and (II) [(I-II)/II*100]
1.	D. N. Jhunjhunwala	Chairman of the Board	2100000	2100000	-
2.	S.N. Jhunjhunwala	Managing Director & CEO w.e.f. 2nd May 2017	2600000	2600000	-
3.	Adarsh Jhunjhunwala	Whole Time Director	2000000	2000000	-
4.	Anju Jhunjhunwala	Director	1000000 (including rent)	984000	1.63
5.	Deepak Kumar Chopra (resigned)	CEO	-	418242	-
6.	R.C. Garg	CFO	650400	601757	8.08
7.	Kartik Agrawal	CS	630000	600000	5.00

III. Percentage increase in the median remuneration of employees in the financial year 2015-16:

Median Remuneration of employees during the FY 2016-17 (in ₹)	Median Remuneration of employees during the FY 2015-16 (in ₹)	Percentage Increase
87874	84624	3.84

IV. Number of permanent employees on the rolls of the Company – There were 501 permanent employees as on March 31, 2017.

V. Explanation on the relationship between average increase in remuneration and Company performance:

Factors considered while increase in remuneration are financial performance of the Company, Comparison with peer companies, industry benchmark, consideration towards cost of living, inflation, regulatory guidelines as applicable.

Average increase in employee remuneration for the financial year 2016-17 is 3.84% which shows Company's commitment to its workforce given the declined financial performance for the year. The Company follows detailed performance review mechanism to ensure that the increase is commensurate with the performance of the employee.

VI. Comparison of remuneration of Key Managerial Personnel against performance of your Company:

For the financial year 2016-17, KMPs were paid approximately 2.48% of the net profit for the year. There was marginal increase in the remuneration of the KMPs (excluding KMP Directors) during the year under review.

VII. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

	Market Capitalization	Price Earnings Ratio
As on 31st March 2017 (based on NSE closing price)	342.60	10.57
As on 31st March 2016 (as per last year's Annual Report)	298.93	6.29

	Last Market Quotation of the Shares of the Company (in ₹)
As on 31st March 2017 (I) *	20.40
As on date of last public offer (II)	-
% increase/decrease between (I) & (II)	-
[(I-II)/II*100]	

* Taken from NSE

VIII. Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration of managerial personnel, as identified as per Nomination and Remuneration Policy of the Company and employees other than Managerial Personnel is given as follows:

		All Permanent Employees other than Managerial Personnel	Managerial Personnel (Directors)
A	Total salary given in FY 2016-17 (In ₹crores)	11.20	0.67
B	Total number in FY 2016-17	501	3
C	Average Salary in FY 2016-1 (A/B)	0.022	0.22
D	Total salary given in FY 2015-16 (In ₹crores)	10.64	0.67
E	Total number in FY 2015-16	404	3
F	Average Salary in FY 2015-16 (D/E)	0.026	0.22
G	% increase from FY 2015-16 to FY 2016-17 (Average Percentile) [(C-F)/F*100]	(15.38)	-

Average increase in remuneration of managerial personnel, as identified as per Nomination and Remuneration Policy of the Company and employees other than Managerial Personnel is detailed below. Increase in remuneration of both managerial personnel and employees other than Managerial Personnel are in line with financial performance of the Company, industry benchmark, consideration towards cost of living, inflation, regulatory guidelines and after review of performance of all employees and existing contract and approvals, if any. No particular discrimination is made between increase of remuneration of managerial personnel and employees other than Managerial Personnel.

IX. Comparison of the each remuneration of the Key Managerial Personnel against performance of your company

S. No.	Name of the Key Managerial Personnel	% of Net Profit for the financial year 2016-17
1	D.N. Jhunjhunwala	0.65
2	S.N. Jhunjhunwala	0.82
3	Adarsh Jhunjhunwala	0.62
4	Deepak Kumar Chopra	-
5	R.C. Garg	0.20
6	Kartik Agrawal	0.19

X. Key parameters for any variable component of remuneration availed by the Directors:

No variable component in remuneration of the Directors and other Key Managerial Personnel.

XI. Ratio of remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid Director during the year:

None

XII. Affirmation that remuneration is as per remuneration policy of the Company:

It is hereby affirmed that the remuneration of all Employees is in accordance with the remuneration policy of the Company.

Note:

1. Remuneration includes salary, allowances and value of perquisites and excludes contribution to provident fund, gratuity, and encashment of leaves, as per rules of the Company.

Disclosure under Section 197(14)

Details of Whole Time Directors or Managing Directors who are in receipt of any commission from the Company as well as Holding Company or Subsidiary Company:

Name of WTD or MD	Details of commission received from the Company (In ₹) (%)	Commission received from the holding company/subsidiary
N.A.	N.A.	N.A.

Report of Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. Corporate Governance is an integral part of management, execution of business plans, policies and processes as the Company believes that it is a tool to attain and enhance the competitive strengths in business and ensure sustained performance for continuously enhancing the value for every stakeholder. Accordingly, JVL Agro Industries Limited (JVL) endeavors to adhere to the highest levels of transparency, accountability and ethics in all its operations, at the same time fully realizing its social responsibilities. The Company's focus on Corporate Governance is reflected in following:

- Composition, size and functioning of and disclosures to the Board of Directors and various Committees of the Board.
- Board's commitment to discharge duties and responsibilities entrusted upon them by the Statute and to live up to the expectations of stakeholders of the Company and public at large.
- Strong value systems and ethical business conduct.
- Sound internal control and internal audit system.
- Transparency, accountability, social responsibility and ethics in all its operations.
- Putting in place the Code of Conduct for all the members of Board and team of senior Management Personnel.
- Putting in place the Code of Conduct for Prohibition of Insider Trading.

- Vigil Mechanism and Whistle Blower Policy.
- Policy on Related Party Transactions and on dealing with Related Party Transactions.
- Efforts for prompt redressal of investors' grievances.
- Appropriate delegation of authority responsibility, monitoring of performance and collective decision making involving senior management team in all key decisions.
- Comprehensive and integrated work flow to ensure consistency and timely flow of information.

2. BOARD OF DIRECTORS:

According to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), 2015, if the Chairman is Executive, at least half of the Board should consist of independent Directors. The Board at present consists of Eight Directors. Five Directors are Non-Executive of whom four are Independent Directors constituting stipulated 50% of the total strength of Board of Directors.

The Board comprises of Directors of repute, who are experienced businessmen, professionals and executives. The Executive Directors command respect in the industry for their valuable experience and contribution.

There was no change in the constitution of the Board during the last and ensuing Annual General meeting except that-

1. Mr. Brajesh Kumar Misra was appointed as Non-Executive Independent Director of the Company and,
2. Mr. S.N. Jhunjhunwala, Managing Director was also designated as the Chief Executive Officer of the Company.

3. COMPOSITION OF BOARD OF DIRECTORS AND PARTICULARS THEREOF:

Sl. No.	Name	Category of Director	No. of Board Meeting attended during the year	Whether attended last AGM	Relationship with other Directors	Share-holding in the Company in Number & Percentage
1.	Mr. Dina Nath Jhunjhunwala	Promoter, Executive Director, Chairman of the Board	14	Yes	Father of Mr. Satya Narayan Jhunjhunwala Father –in – law of Mrs. Anju Jhunjhunwala Grand Father of Mr. Adarsh Jhunjhunwala	62,25,200 (3.71%)
2.	Mr. Satya Narayan Jhunjhunwala	Promoter, Executive Director, Managing Director and CEO	14	Yes	Son of Mr. Dina Nath Jhunjhunwala Husband of Mrs. Anju Jhunjhunwala Father of Mr. Adarsh Jhunjhunwala	44,65,780 (2.66%)
3.	Mr. Adarsh Jhunjhunwala	Promoter, Executive Director, Whole-time Director	14	Yes	Son of Mr. Satya Narayan Jhunjhunwala and Mrs. Anju Jhunjhunwala Grand Son of Mr. Dina Nath Jhunjhunwala	44,65,150 (2.66%)
4.	Mrs. Anju Jhunjhunwala	Non Executive, Non Independent Director	14	Yes	Daughter – in – law of Mr. Dina Nath Jhunjhunwala Wife of Mr. Satya Narayan Jhunjhunwala Mother of Mr. Adarsh Jhunjhunwala	49,09,300 (2.92)
5.	Mr. Shashi Kant Dikshit	Non Executive Independent Director	10	Yes	-	-
6.	Mr. Mahesh Kedia	Non Executive Independent Director	8	No	-	-
7.	Mr. Brajesh Kumar Misra	Non Executive Independent Director	11	Yes	-	-
8.	Mr. Harsh Agrawal	Non Executive Independent Director	5	No	-	-

Notes:

- Relationship with other Director(s) means 'Relative' of other Director(s) as defined u/s 2(77) of the Companies Act, 2013.
- Company has not issued any convertible instrument.

As per the Companies Act, 2013, Independent Directors are not considered while determining rotation of directors. Mrs. Anju Jhunjhunwala is the director liable to retire by rotation. The directors being eligible have offered themselves for re-appointment.

4. OUTSIDE DIRECTORSHIP AND MEMBERSHIP OF BOARD COMMITTEES AS AT 31ST MARCH, 2017

Sl. No.	Name	Number and Name of Directorships in other Public Companies.	No. of Committee position held in other Companies	
			Chairman	Member
1	Mr. Dina Nath Jhunjunwala	1 (One) - JVL Infra Heights Limited	None	None
2	Mr. Satya Narayan Jhunjunwala	2 (Two) - JVL Infra Heights Limited & JVL Cement Limited	None	None
3	Mr. Adarsh Jhunjunwala	2 (Two) - Sealac Agro Ventures Limited; JVL Infra Heights Limited	None	None
4	Mrs. Anju Jhunjunwala	None	None	None
5	Mr. Shashi Kant Dikshit	None	None	None
6	Mr. Mahesh Kedia	None	None	None
7	Mr. Brajesh Kumar Misra	None	None	None
8	Mr. Harsh Agrawal	None	None	None

Notes:

- Directorship held by Directors in other Companies does not include directorship, if any in Foreign Company, Section 8 and Private Limited Companies.
- In accordance with Regulations 17 to 27 of SEBI (LODR), 2015, Chairmanship/Membership only in Audit Committee, Stakeholder Relationship Committee and Nomination & Remuneration Committee of Public Limited Companies has been considered for Committee positions.
- None of the directors is a member in more than 10 Committees and is not a Chairman in more than 5 Committees across the Companies in which he/ she is a Director.

5. BRIEF PROFILE OF THE DIRECTORS:

1. Mr. D.N. Jhunjunwala (Chairman):

Mr. D. N. Jhunjunwala (aged 81 years) is the Chairman of the Company. He is a graduate in Industrial Chemistry. He has 56 years of experience in various facets of management, out of which 34 years were dedicated in various oil industries. Mr. D. N. Jhunjunwala promoted Jhunjunwala 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. He is a B.Sc. in Industrial Chemistry.

2. Mr. S.N. Jhunjunwala (Managing Director and CEO):

Mr. S. N. Jhunjunwala (aged 60 years) is the Managing Director and CEO, and is a Commerce graduate. He has 34 years of experience in solvent extraction, oil refining and Vanaspati manufacturing units. Mr. Jhunjunwala is the key driver behind the immense growth & success of JVL Agro Industries Limited. He is member of several industry associations & has

also bagged several awards for his work & contributions to the society.

3. Adarsh Jhunjunwala (Whole-Time Director):

Mr. Adarsh Jhunjunwala (aged 34 years) is the Whole Time Director. He is having expertise in the areas of Commerce and Financial Accounting. He is a Chartered Accountant and MBA (Finance) by qualification. He brings with himself new age entrepreneurial knowledge & spirit & is directing company through the diversification strategies. He actively monitors business plan implementation & geographical expansions.

4. Anju Jhunjunwala (Women Director):

Mrs. Anju Jhunjunwala (aged 59 years) is the Non-Executive Non-Independent Woman Director in the Company. She does active contributions in Board meetings. She has good hands on management skills. She is B.Com. by qualification.

5. Dr. Shashi kant Dikshit (Independent Director):

Dr. Shashi Kant Dikshit (aged 71 years) is the Non-Executive Independent Director in the Company. He is having expertise

in herbal products & medical science. He is a Doctor by qualification. He brings with himself vast management knowledge & skills & is active participator in the different meetings of the Company.

6. Mr. Mahesh Kedia (Independent Director):

Mr. Mahesh Kedia (aged 54 years) is the Non-Executive Independent Director in the Company. He is a Chartered Accountant by qualification & Science Graduate. He is expert in commerce & financial accounting and heads different committees of the Company.

7. Mr. Brajesh Kumar Misra (Independent Director):

Mr. Brajesh Kumar Misra (aged 59 years) is the Non-Executive Independent Director in the Company. He is a Chartered Accountant by qualification. He has vast experience in accounts, auditing & taxation practices.

8. Mr. Harsh Agrawal (Independent Director):

Mr. Harsh Agrawal (aged 30 years) is the Non-Executive Independent Director in the Company. He is having deep insight into Electronic and telecommunication and practical experience in the field alongwith hands on the financial aspects. He is an Engineering Graduate by qualification.

6. BOARD MEETING AND PROCEDURES:

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company, management policies and their effectiveness and ensures that the long term interest of the shareholders is served.

The internal guidelines of the Board and the Board Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner. The following sub-sections deals with these guidelines:

6A. Scheduling and selection of Agenda Items for Board meetings:

- (i) Minimum four Board meetings are held in each year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- (ii) All divisions/departments of the Company are encouraged to plan their functions well in advance, particularly with

regard to matters requiring discussion / approval / decision at the Board / Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board/Committee meetings.

- (iii) The Board has complete access to any information within the Company and with the employee of the Company. The information placed before the Board includes:-

- 1) Annual operating plans and budgets and any updates.
- 2) Capital budgets and any updates.
- 3) Quarterly results for the Company and its operating divisions or business segments..
- 4) Minutes of meetings of Audit Committee and other Committees of the board and also resolutions passed by Circulation.
- 5) The information on recruitment, remuneration and resignation of senior management personnel just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- 6) Show cause, demand, prosecution notices and penalty notices which are materially important.
- 7) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- 8) Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- 9) Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- 10) Minutes of Board meetings of subsidiaries Companies.
- 11) Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property, if any.
- 12) Significant labour problems and their proposed solutions and any significant development in Human

Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

- 13) Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
 - 14) Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
 - 15) Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
 - 16) Dividend declaration
 - 17) Quarterly summary of the borrowings, loans and investments made.
 - 18) Internal audit findings and external audit report.
 - 19) Company's annual Financial Results, Financial Statements, Auditor's Report and Board Report.
 - 20) Formation/ reconstitution of Board Committees
 - 21) Terms of reference of Board Committees.
 - 22) Declaration of Independent Directors at the time of appointment.
 - 23) Disclosure of Director's interest and their shareholding.
 - 24) Appointment of internal auditors and Secretarial Auditor.
 - 25) Annual Secretarial reports submitted by Secretarial Auditors.
 - 26) Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee.
 - 27) Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996
- (iv) The Chairman, Managing Director and the Company Secretary in consultation with other concerned team members of the senior management, finalize the agenda papers for the Board meetings.

6B. Board Material distributed in advance:

- (i) Agenda and Notes on Agenda are circulated to the Directors, in advance. All material information is incorporated in the Agenda papers for facilitating

meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda.

- (ii) In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted. Sensitive subject matters may be discussed at the meeting without written material being circulated in advance.

6C. Recording Minutes of proceedings at Board and Committee meetings:

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to all the members of the Board / Committee for their comments.

6D. Compliance:

The Chief Finance Officer & Company Secretary are responsible for and are required to ensure adherence to all the applicable laws and regulations including the Companies Act, 1956 and Companies Act, 2013 read with the Rules issued thereunder and to the extent feasible, the Secretarial Standards recommended by the Institute of Company Secretaries of India, New Delhi.

6E. Board Meetings:

14 Board meetings were held during the financial year 2016-2017 on 1st April 2016; 20th April 2016; 2nd May 2016; 24th May 2016; 2nd July 2016; 29th August 2016; 17th September 2016; 8th October 2016; 12th November 2016; 29th November 2016; 6th January 2017; 14th February 2017; 10th March 2017; and 25th March 2017. The gap between any two Board Meetings did not exceed more than 120 days.

Leave of absence was granted to the non-attending directors on their request and noted in the attendance register as well as in the minutes of the meetings.

7. BOARD COMMITTEES:

In terms of Companies Act, 2013 and Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) 2015 the Board has constituted the following Committees i.e. Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination & Remuneration Committee. The Board has also constituted a sub-committee to open the bank accounts and give all

such power of attorney/authorizations as may be needed by the Whole Time Directors and employees to represent the Company before the Governmental authorities etc.

(A) AUDIT COMMITTEE:

In compliance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), 2015 and as per the

requirements of Section 177 of the Companies Act, 2013, an Audit Committee has been constituted. The Audit Committee consists of following non-executive directors which met on May 23rd 2016; September 17th 2016; October 8th 2016; November 12th 2016; and February 14, 2017. The gap between two Audit Committee did not exceed 120 days.

(i) Composition and attendance in Committee meeting during the year:

Name of Committee Members	Position	Meetings held	Meetings attended
Mahesh Kumar Kedia	Chairman (Non-Executive and Independent)	5	5
Harsh Agrawal	Member (Non-Executive and Independent)	5	5
Brajesh Kumar Misra	Member (Non-Executive and Independent)	5	5

The Chairman of the Committee was not present at the last Annual General Meeting held on 30th December, 2016.

Mr. Kartik Agrawal, Company Secretary is Secretary to the Committee.

The Chief Executive Officer, Chief Financial Officer, GM Accounts (Accounts, Audit, Corporate Finance and Treasury) are regular invitees to the said meeting and representatives of the Statutory Auditor and Chief Internal Auditor too are encouraged to attend the Audit Committee meetings and share their findings and address queries.

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.

(ii) Terms of Reference

The Audit Committee while exercising its functions has powers including but not limited to the following:

- To investigate any activity brought to the notice of the Committee.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee performs such additional function as would be assigned to it from time to time by the Board and in particular the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon 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 (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - 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 in the draft audit report.
- 5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 8. Approval or any subsequent modification of transactions of the company with related parties;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the company, wherever there is such occasion;
- 11. Evaluation of internal financial controls and risk management systems;
- 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14. Discussion with internal auditors of any significant findings and follow up there on;
- 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16. Discussion with statutory auditors before the audit

commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18. To review the functioning of the Whistle Blower mechanism;
- 19. Approval of appointment of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

The Audit Committee shall mandatorily review the following information:

- 1. Management discussion and analysis of financial condition and results of operations;
- 2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- 3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- 4. Internal audit reports relating to internal control weaknesses; and
- 5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

The Audit Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.

The Audit Committee shall also have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The Company has established a vigil mechanism for directors and employees to report genuine concerns. Vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make direct access to the chairperson of the Audit Committee in appropriate

or exceptional case. The details of establishment of such mechanism are disclosed by the Company on its website.

All recommendations of Audit Committee were accepted by the Board.

(B) NOMINATION & REMUNERATION COMMITTEE:

In compliance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) 2015, read with the provisions of the Companies Act, 2013, the Nomination & Remuneration Committee of the Board has been constituted. The Nomination & Remuneration Committee consists of following Non-Executive Directors:

(i) Composition and attendance in Committee meeting during the year:

Name of Committee Members	Position	Meetings held	Meetings attended
Dr. S.K. Dikshit	Chairman (Non-Executive and Independent)	1	1
Mr. Mahesh Kedia	Member (Non-Executive and Independent)	1	1
Brajesh Kumar Misra	Member (Non-Executive and Independent)	1	1

Mr. Kartik Agrawal, Company Secretary is Secretary to the Committee.

(ii) Terms of Reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company discloses the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

The Chairman of the nomination and remuneration committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

(iii) Remuneration of Directors

i) Independent & Non-Executive Directors Compensation & Disclosures:

There was no sitting fees paid to any directors during the Financial Year 2016-17 as the directors had waived their right to the sitting fees by way of resolution passed in the Board Meeting at the beginning of the year. However, Mrs. Anju Jhunjunwala was paid the following amount during the year:

Particulars	Salary (In ₹) (Gross of TDS)
Remuneration	5,00,000/-
Rent	5,00,000/-

ii) Executive Directors:

Managerial Remuneration to all Executive Directors during the financial year 2016-17 was paid in accordance with the terms of appointment as approved by the shareholders. The remuneration paid to each Executive Director was as follows:-

Name of Directors	Salary (In ₹) (Gross of TDS)
Dina Nath Jhunjunwala	21,00,000/-
Satya Narayan Jhunjunwala	26,40,000/-
Adarsh Jhunjunwala	20,40,000/-

Notes:

- No bonus, stock option and pension was paid to the Directors.
- No incentives linked with performance are given to the Directors.
- The term of Executive Directors is for a period of 5 years from the date of appointment. The Company does not have any service contract with any of the directors.
- Besides above remuneration, all the Executive Directors are also entitled to Company's contribution to Provident Fund, Gratuity, travel benefits, holiday pays, and encashment of leave, as per their remuneration rules approved by the members of the Company.

iv) Annual evaluation of Board, Committees and individual Directors:

Pursuant to the provisions of the Act, SEBI (LODR), 2015, the Board of Directors/ Independent Directors (as applicable) have undertaken an evaluation of their own performance,

the performance of the Committees of the Board and of all the individual Directors including the Chairman of the Board of Directors based on various parameters relating to roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors and the functioning of its Committees. Such evaluations are presented to the Board of Directors (as applicable).

Directors expressed their satisfaction with the evaluation process.

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) 2015 and provisions of the Companies Act, 2013, the Stakeholders Relationship Committee has been constituted by the Board for a speedy disposal of grievances / complaints relating to stakeholders/ investors. The Stakeholders Relationship Committee consists of following Non-Executive Directors:

Composition and attendance in Committee meeting during the year:

Name of Committee Members	Category	Meetings held	Meetings attended
Dr. S.K. Dikshit	Chairman (Non-Executive and Independent)	5	5
Mr. Mahesh Kedia	Member (Non-Executive and Independent)	5	4
Brajesh Kumar Misra	Member (Non-Executive and Independent)	5	5

Compliance Officer:

Mr. Kartik Agrawal, Company Secretary is designated as the Compliance Officer for complying with the requirements of the Securities Law and SEBI (Listing Obligations and Disclosure Requirements), 2015 with the Stock Exchanges in India.

Investor Grievance Redressal:

The Committee specifically looks into the shareholder redressal and investor complaints on matters relating to refund orders, transfer of shares, dematerialization/ rematerialization, subdivision, consolidation of share certificates, issue of duplicate share certificates, non-receipt of annual report, non-receipt of declared dividends etc. In addition, the Committee advises on matters which can facilitate better investor services and relations. As per the Certificate issued by the Registrar and Share Transfer Agents (RTA), MCS Share Transfer Agent Limited, during the year under review, complaints were received from shareholders/investors which were replied/ resolved to the satisfaction of the shareholders/investors. There were total 14 new grievances received during the year and out of that 12 were resolved during the year.

(D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

In compliance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and CSR activities forms part of the Director's Report.

Terms of Reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance as specified in Schedule VII of the Companies Act, 2013 and rules made thereunder;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To institute the transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company and perform any function as stipulated in Companies Act, 2013 and any applicable laws, as may be prescribed from time to time.

Composition of Committee and attendance in Committee meeting during the year:

Name of Committee Members	Category	Meetings held	Meetings attended
Mr. Mahesh Kedia	Chairman (Non Executive/Independent)	1	1
Mr. Satya Narayan Jhunjunwala	Member (Executive/Non-Independent)	1	1
Mr. Adarsh Jhunjunwala	Member (Non-Executive/Independent)	1	1

MEETINGS OF INDEPENDENT DIRECTORS:

Pursuant to the provisions of Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), 2015 the Company's Independent Directors met on 25th March, 2017 in this financial year without the presence of Executive Directors or management personnel except Company Secretary & CFO who performs the duties of Secretary & financial reportings to the meeting.

Terms of Reference:

- To review the performance of the non-independent directors and Board as a whole;
- To review performance of the Chairman;
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties as has been prescribed by Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015.

8. INTERNAL AUDIT SYSTEM:

The Company has a robust system for internal audit and assesses corporate risk on an ongoing basis. The Company has appointed independent audit firm. Audit observations are periodically reviewed by the Audit Committee of the Board and necessary directions are issued, wherever required.

M/s Anil Rai & Associates are Internal Auditors of the Company.

At the core of our processes is the wide use of technology instead of human intervention that ensures robustness of internal control, integrity and timely submission of reports including Management Reports (MIS).

9. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

The Company has adopted a Code of Conduct for its Directors and Senior Management Personnel. This Code is a

comprehensive Code applicable to all Directors (Executive as well as Non-Executive) as well as members of Senior Management. The Code lays down, in detail, the standards of business conduct, ethics and governance.

A copy of the Code has been put on the Company's corporate website www.jvlagro.com

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them annually. A declaration signed by the Managing Director is enclosed herewith.

10. VIGIL MECHANISM:

A Vigil Mechanism (Whistle Blower Policy) for the Directors and employees to report their genuine concerns or grievances in compliance with the provisions of Rule 7 of Chapter XII of the Companies (Meetings of Board and its Powers) Rules, 2014 has been formed.

The Board designated and authorised Mr. R.C. Garg, CFO of the Company as Vigilance Officer and Mr. Mahesh Kedia, Chairman of the Audit Committee to oversee the vigil mechanism.

The Vigil mechanism shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provides for direct access to the Chairman of the Audit Committee and in case of repeated frivolous complaints being filed by a Director or an employee, the Chairman of the Audit Committee may take suitable action against the concerned Director or employee including reprimanding.

11. MD/CEO/CFO CERTIFICATION:

The MD/CEO/CFO have certified to the Board, inter alia the accuracy of financial statements and adequacy of Internal controls for the financial year ended March 31, 2017, as required under Regulation 33 (1) (e) read with Schedule IV of SEBI (Listing Obligations and Disclosure Requirements), 2015.

12. GENERAL BODY MEETINGS:

The details of Annual General Meetings held in last 3 years are as under:

Year	Day, Date and Time	Venue
2015-2016	27th AGM - Friday, 30th December 2016 at 3.00 P.M.	Hotel Radisson, The Mall, Cantonment, Varanasi (U.P.), India
2014-2015	26th AGM - Friday, 25th September 2015 at 3.00 P.M.	Hotel Radisson, The Mall, Cantonment, Varanasi (U.P.), India
2013-2014	25th AGM - Monday, 22nd September 2014 at 11.00 A.M.	Hotel Gateway (Taj), Nadesar, Varanasi (U.P.), India

At the 27th Annual General Meeting held on December 30, 2016, the shareholders passed the resolutions including one special resolution under Section 5 and Section 14 of the Companies Act, 2013 for the alteration of main object clause of Memorandum of Association of the Company by inserting a new clause bearing Clause No.(iii)(A)(3).

At the 26th Annual General Meeting held on September 25, 2015, the shareholders passed the resolutions including one special resolution under Section 5 and Section 14 of the Companies Act, 2013 for the adoption of new set of Articles of Association of the Company.

At the 25th Annual General Meeting held on September 22, 2014, the shareholders passed the resolutions including two special resolution under Section 180(1)(A) and Section 180(1)(c) & (2) and all applicable provisions of the Companies Act, 2013, for deciding

on the borrowing powers of the Board.

The shareholders with requisite majority passed all the resolutions including special resolutions, set out in the respective notices.

No special resolution on the matters requiring postal ballot is proposed to be placed at the ensuing Annual General Meeting for shareholders' approval.

13. POSTAL BALLOT:

During the year, the Company has conducted one meeting of public shareholders requiring passing of resolutions by postal ballot concerning alteration of main object clause of Memorandum of Association of the Company by inserting a new clause bearing Clause No.(iii)(A)(3). Mr. Adesh Tandon, Practicing Company Secretary was appointed as the Scrutinizer to conduct the e-voting process in a fair and transparent manner.

The following resolution was passed by requisite majority in AGM (through Poll & E-voting):

Date of Declaration of result e-voting process	Particulars of Resolution	Percentage of votes casted in favor of resolution in AGM
01.01.2017	To receive, consider and adopt the Audited Balance Sheet as on March 31, 2016 and Profit & Loss Account for the ear ended on that date and the reports of Directors and Auditors thereon	99.98%
	To declare a Dividend @ 10% (₹0.10/share on the share of face value of ₹1/share) on equity shares for the financial year ended on March 31, 2016	99.99%
	To re-appoint Mr. Adarsh Jhunjhunwala, Director (DIN 01602305) who retires by rotation and being eligible offers himself for re-appointment	99.99%
	To appoint Auditors and fix their remuneration	99.99%
	To appoint Mr. Brajesh Kumar Misra (DIN: 07483516) as an Independent Director	99.98%
	To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017	98.51%

The following resolution was passed by requisite majority through Postal Ballot (including E-Voting):

Date of Declaration of result e-voting process	Particulars of Resolution	Percentage of votes casted in favor of resolution in AGM
06.01.2017	To consider and approve amendment in Memorandum of Association (MOA) by inserting a new clause as Clause No.(iii)(A)(3) in the Main Objects of MOA	100%

The Company has complied with the provisions of Section 108, Section 110 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, as amended thereto from time to time.

No special resolution on the matters requiring postal ballot is proposed to be placed at the ensuing Annual General Meeting for shareholders' approval.

14. DISCLOSURES:

i) Disclosures on materially significant related party transactions

There is no significant or material related party transactions that have taken place during the year which have any potential conflict with the interest of the Company at large. The detailed related party information and transactions have been provided in Note No. 43 of Standalone Accounts forming part of Annual Report.

All related party transactions are negotiated at arm's length basis and are only intended to further the interest of the Company.

ii) Policy on Material Subsidiaries

There are no such subsidiaries of the Company except a foreign subsidiary.

iii) Pecuniary Relationship and Transactions of Non-Executive Director with JVL.

The Company pays remuneration to Non-Executive Directors as detailed in 7B (iii) (i) Remuneration of Directors – Independent and Non-executive Directors and Disclosure above.

iv) Details of Non-Compliance by the Company, penalties, and stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets.

BSE and NSE have imposed penalties on the Company for delayed filing of the financial results for the quarter ended on 31st March 2016 & 30th June 2016 which got delayed due to technical issues of the control of the Management and duly notified to the exchanges. Because of this reason the scrips of the Company were transferred to Z category. The Company,

in the interest of its stakeholders, paid the fees under protest and thereafter the scrips got restored to its original class by the exchanges. The Company is also pursuing the matter before the Hon'ble Securities Appellate Tribunal, Mumbai bench. The next hearing in the matter will be in September 2017.

Further, the consent application filed by the Company was heard by the SEBI designated committee in March 2017 and imposed a hefty fee for only two incidences of non-compliances. The Company in reply to that made counter offer to pay ₹1.00 lacs each for the two defaults. But the same has been rejected by the SEBI and no further action as such has been taken by the exchanges as of date.

v) Policy on Insider Trading:

The Company has formulated the Code of Conduct for the Prevention of Insider Trading (Code) in accordance with the guidelines specified under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The CFO & Compliance Officer under this code are responsible for complying with the procedures, monitoring adherences to the rules for the prevention of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of Code of Conduct under the overall supervision of the Board. The Company's Code inter alia, prohibits purchase and/or sale of shares of the Company by an insider, while in possession of unpublished Price Sensitive Information in relation to the Company during prohibited period which is notified to all sufficiently in advance. The Company's updated Code is available on Company's website.

15. MEANS OF COMMUNICATION:

Quarterly results: The Company regularly intimates and publishes its audited/un-audited results in all the editions of Economic Times/Times of India (English) and Hindustan (Hindi). Quarterly results were sent to the Stock Exchanges immediately after the Board approved them. The financial results, official releases and other relevant information are regularly and promptly updated on the web site of the Company namely www.jvlagro.com.

Presentations to institutional investors / analysts: Detailed presentations are made to institutional investors and financial

analysts on the Company's unaudited quarterly as well as audited annual financial results.

These presentations are also uploaded on the Company's website (www.jvlagro.com).

Website: The Company's website (www.jvlagro.com) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form.

Annual Report: The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information are circulated to members and others entitled thereto.

Communique/ Reminder to Investors: The Company also takes into consideration the shareholders queries, complaints and suggestions which are responded timely and in consistent manner. Shareholders can contact Company directly as well as Registrar & Transfer Agents, MCS Share Transfer Agent Limited for their services.

NSE Electronic Application Processing System (NEAPS): The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are:

Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id: The Company has designated the following email-ids exclusively for investor servicing:

For queries on Annual Report:

kartikagrawal@jvlagro.com

For queries in respect of shares in physical mode:

admin@mcsregistrars.com

16. GENERAL SHAREHOLDERS INFORMATION:

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L15140UP1989PLC011396.

(i) Annual General Meeting:

Day and date : Friday, 29th September, 2017

Time : 3.00 P.M.

Venue: Hotel Gateway (Taj), Gulab Bagh, Nadesar Palace Compound, Varanasi (U.P.) India

(ii) Financial Calendar (tentative):

Financial year: 1st April 2017 to 31st March 2018

For the year ended March 31st 2017 interim results will be announced as follows:

First Quarter - On or before, 14th September 2017 (as IND – As is getting applicable for the first time on the Company)

Second Quarter- On or before, 14th December 2017 (as IND – As is getting applicable for the first time on the Company)

Third Quarter - On or before, 14th February 2018

Fourth Quarter - On or before, 30th May 2018

(iii) Book Closure:

The book closure period is from 22.09.2017 to 29.09.2017 inclusive of both days.

(iv) Dividend:

The Board has not recommended dividend for the financial year 2016-17 considering the limited resources available during the year.

(v) Listing on Stock Exchanges:

The Company's equity shares are listed and traded on the following Stock Exchanges-

Name of Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	519248
National Stock Exchange of India Limited (NSE)	JVLGRO

Annual listing fees for the year 2017-2018 has been paid.

The ISIN Number (or demat number) of JVL Agro Industries Limited on both NSDL and CDSL is INE430G01026.

(vi) **Stock Data:**

The table below shows the monthly high and low share prices and volumes of JVL Agro Industries Limited at National Stock Exchange of India Limited (NSE) and the Bombay Stock Exchange Limited, Mumbai (BSE) for the year ended March 31, 2017.

Monthly share price data and volumes, NSE/BSE

MONTH	NSE			BSE		
	High(Rs.)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
April 2016	20.35	17.65	749101	20.40	17.65	338058
May 2016	21.50	18.05	1807757	21.30	18.10	1093223
June 2016	25.50	18.25	3891874	25.45	18.30	1761377
July 2016	23.80	19.10	4209413	23.50	19.00	2547836
August 2016	20.90	18.10	5763842	20.85	18.15	4759654
September 2016	19.90	15.35	5006471	19.20	15.00	1805218
October 2016	19.40	16.10	417151	19.50	16.00	764559
November 2016	18.90	13.70	459623	18.85	14.00	599310
December 2016	17.80	15.70	465762	17.85	16.00	285153
January 2017	24.30	16.60	3672033	24.40	15.70	2233388
February 2017	23.10	19.70	3869144	23.15	19.65	2161313
March 2017	23.20	19.25	4620811	22.80	19.15	1910027

Source: NSE and BSE Websites.

Note: Closing share prices are considered

(vii) **Share transfer system:**

In terms of SEBI Circular No. D&CC/FITT/CIR-15/2002 dated December 27, 2002, the Company is providing facility of a common agency for all the work related to share registry in terms of both physical and electronic at a single point by its Registrar and Share Transfer Agents, (RTA) i.e., MCS Share Transfer Agent Limited, whose address is given below:

MCS Share Transfer Agent Limited:

M/s. MCS Share Transfer Agent Limited

Registered Office: 12/1/5, Manoharpukur Road, Kolkata – 700026

Communication Office: F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020

Contact Person:

Mr. S. Biswas,

Director,

Tel no. 011 – 41406149, 41406151

Fax No. 011 - 41406152

Presently, the share transfers which are received in physical form and requests received for dematerialization / rematerialisation

of shares are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. Similarly, the processing activities of dematerialization / rematerialisation requests are normally confirmed within 15 days from the date of their receipt provided the documents are in order in all respects.

Mr. S.N. Jhunjunwala, Managing Director and CEO and Mr. Adarsh Jhunjunwala, Whole Time Director are severally empowered to approve transfer. The Company obtains from a Practicing Company Secretary half yearly certificate of compliance as required under Regulation 7 of SEBI (LODR), 2015 and files the same with Stock Exchanges.

(viii) **Secretarial Audit for reconciliation of Capital:**

The Securities and Exchange Board of India has directed vide circular No.D&CC/FITTC/CIR-16/2002 dated December 31, 2002 that all issuer companies shall submit a certificate of capital integrity, reconciling the total shares held in both the Depositories, viz. NSDL and CDSL and in physical form with the total issued / paid up capital.

The said certificate, duly signed by the Practicing Company

Secretary is submitted to the Stock Exchanges where the securities of the Company are listed within 30 days of the end of each quarter and the certificate is also placed before the Board of Directors of the Company.

Certificate from the secretarial auditor of the Company M/s Adesh Tandon & Associates confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 of SEBI (LODR), 2015, is attached to the Directors Report forming Part of the Annual Report.

(ix) Shareholding Pattern:

Table below shows the shareholding pattern of JVL Agro Industries Limited as on March 31, 2017.

a) Distribution of Shareholding by size, as on March 31, 2017:

Category		Number of Cases	% of Cases	Number of Shares	Amount	% of Amount
From	To					
1	500	6240	55.85	1284152	1284152	0.76
501	1000	2066	18.49	1889237	1889237	1.12
1001	2000	1115	9.98	1907264	1907264	1.14
2001	3000	463	4.14	1248990	1248990	0.74
3001	4000	204	1.83	752068	752068	0.45
4001	5000	297	2.66	1449339	1449339	0.86
5001	10000	398	3.56	3076846	3076846	1.83
10001	50000	290	2.60	5973813	5973813	3.56
50001	100000	43	0.38	3024685	3024685	1.80
100001	above	56	0.50	147333606	147333606	87.73
TOTAL		11172	100.00	167940000	167940000	100.00

b) Categories of Shareholding as on March 31, 2017:

Sl. No.	Category	No. Shares held	% of holding
1	Promoters and Promoters Group	92786025	55.25
2	Mutual Funds & UTI	0	0
3	Banks, Financial Institutions, Insurance Companies, Central/ State Gov. Institutions/ Venture Capital (including NBFCs)	104850	0.06
4	Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors	22387795	13.33
5	Private Corporate Bodies	27023295	16.09
6	Individual Public (including NRIs)	25066366	14.93
7	Others	571669	0.34
	TOTAL	167940000	100.00

c) Dematerialization of shares as on March 31, 2017:

Form	No. of Shares	% of Total
Held in dematerialised form in CDSL	19999188	11.91%
Held in dematerialised form in NSDL	138182692	82.28%
Physical form	9758120	5.81%
Total	167940000	100.00

The Company's shares are regularly traded on National Stock Exchange of India Limited and Bombay Stock Exchange Limited, in electronic form.

x) Corporate benefits to investors (During the last Financial Year, i.e. FY 2016-17):

a) Dividend:

Financial Year	Dividend per share (₹)	Dividend percentage
2016-2017	-	-

*On face value of ₹1/- per share

xi) Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent general circular bearing no.17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs (MCA), Companies can now send various notices/ documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

As per the said MCA circular, the Company will forward the communication/letter to Equity shareholders after providing advance opportunity to register their e-mail address with the Company or Depository Participant and changes therein from time to time.

The Shareholders holding Shares in demat mode can register their e-mail address/change their email address with their Depository Participant, in the event they have not done so earlier for receiving notices/documents through Electronic mode.

xii) Information relating to section 125 and relevant provisions of Companies Act, 2013 for the Unpaid Dividend:

During the year under review, the Company is yet to transfer to Investor Education and Protection Fund (IEPF) an amount of ₹0.17 crore lying in the unpaid / unclaimed dividend account, pursuant to Section 125 of the Companies Act 2013 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

xiii) Investor services:

The Company under the overall supervision of Mr. Kartik Agrawal, Company Secretary and Compliance Officer is committed to provide efficient and timely services to its shareholders. The Company has appointed M/s. MCS Share Transfer Agent Limited as its Registrar and Share Transfer

Agents for rendering the entire range of services to the shareholders of the Company in regard to share transfer, refund, rematerialization, dematerialization, change of address, change of mandate, dividend etc.

xiv) Nomination:

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered shareholder/s pursuant to the provisions of Section 109A of the Companies Act, 1956. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with depository participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

xv) Address for correspondence:

- Investors and shareholders can correspond with the Company at the following address:-
The Company Secretary,
Jhunjhunwala Bhawan,
Nati Imli,
Varanasi - 221001
Phone: +91-542 – 2595930-32
Fax: +91-5142-2595941
E-mail: kartikagrawal@jvlagro.com
Website: www.jvlagro.com
- The Registrar and Share Transfer Agents of the Company are:
M/s. MCS Share Transfer Agent Limited
Registered Office: 12/1/5, Manoharpukur Road,
Kolkata – 700026
Communication Office: F-65, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi 110020

Contact Person:

Mr. S. Biswas,
Director,
Tel no. 011 – 41406149, 41406151
Fax No. 011 - 41406152

Works:

- i. Village Naupur, P.O. Thanagaddihe,
Kerakat, Jaunpur District (Uttar Pradesh)
 - 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
 - v. JVL Rice Mill (A unit of JVL Agro Industries Limited)
Sasaram Akhorigola Road, Jorawarpur, District Rohtas, Bihar
-

Disclosure of Compliance with corporate governance requirements

The Company has complied with corporate governance requirements specified in Regulation 17 to 27 and
Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate on Compliance with Code of Conduct

I, Satya Narayan Jhunjunwala, Managing Director and CEO, do hereby confirm that the Company has obtained from all the members of
the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2016-2017
as laid down by the Company pursuant to the requirements of Regulation 17 to Regulation 27 of SEBI
(Listing Obligations and Disclosure Requirements), 2015.

Place: Varanasi
Date: 28th August 2017

Satya Narayan Jhunjunwala
Managing Director & CEO
DIN 00189242

Independent Auditor's Report

To the members of
JVL AGRO INDUSTRIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of JVL AGRO INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by

law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the matter to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the

best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note No.18.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The amounts which were required to be transferred to the Investor Education and Protection Fund by the Company but not transferred are disclosed in financial statement-Refer to Note-40.

For Sparsh & Company
Chartered Accountants
Firm's Registration Number: 013070C

Rahul Kumar Singh
Partner
Membership Number: 405120

Place: Varanasi
Date: 30/05/2017

Annexure 'A' to the Auditors' Report

The Annexure referred to in our report to the members of JVL AGRO INDUSTRIES LIMITED (the 'Company') for the year Ended on 31.03.2017. We report that

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.	The company has not yet maintained proper records showing full particulars including quantitative details and situation of fixed assets. Fixed Assets Register is under preparation.
	(b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account.	As explained to us the assets have been physically verified by the management during the year and according to the management no material discrepancy was found during such verification.
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	According to information and explanation given to us and on the basis of our examination of the records of the company on test check basis, the title deeds of immovable properties are held in the name of the company.
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of accounts;	The inventories have been physically verified during the year by the management, the frequency of verification is reasonable. As explained by management the discrepancies noticed between physical stock and the books records were not material.
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so.	According to information and explanation given to us the company has not given any loan to parties listed under section 189 of the Companies Act, 2013
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	N.A.
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	N.A.
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	In respect of loans, investments, guarantees and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	In our opinion and according to the information and explanations given to us by the management, the company has not made any loans, investments, guarantees, and security which attract section 185 and 186 of the Act.
(v)	in case the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, where applicable, have been complied with? If not, the nature of contraventions should be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The Company has not accepted any deposits from the public during the year

(vi)	where maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 whether such accounts and records have been made and maintained;	In our opinion the company has made and maintained cost records under section 148 (1) of the Companies Act, 2013. We have not however made detailed examination of the records with a view of determining whether these are accurate or complete.
(vii)	(a) is the company regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated .	According to the information and explanation given to us and on the basis of our examination of the records of the company, amount accrued in the books of account in respect of provident fund, Trade tax, income tax, custom duty, wealth tax, excise duty and cess have been regularly deposited during the year and there is no undisputed statutory dues which have not been deposited.
	(b) where dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not constitute a dispute).	Explained under note no. 18
(viii)	whether the company has defaulted in repayment of loans or borrowings to a financial institutions, bank, Government or dues to debenture holders? If yes, the period and amount of default to be reported.	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.
(ix)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans where applied for the purpose for which those are raised. If not, the details together with delays or default and subsequent rectification, if any as may be applicable, be reported.	The company did not raise any money by way of initial public offer or further offer, the term loan taken has been applied for the purpose for which it raised.
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated.	Based upon the audit procedure performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
(xi)	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved as steps taken by the company for securing refund of same.	According to information and explanation given to us and based on our examination of the records of the company, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of the section 197 read with schedule V of the Act.
(xii)	whether the Nidhi Company has complied with the Net Owned Fund to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability.	In our opinion and according to the information and explanation given to us, the company is not Nidhi Company, hence paragraph 3(xii) of the order is not applicable

(xiii)	whether all transaction with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standard.	According to the information and explanation given to us and based on our examination of the records of the company, transaction with related parties are in compliance with section 177 and 188 of the Act, and transaction have been disclosed in <i>Note -43</i> .
(xiv)	whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of sec 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliances.	According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with.	According to the information and explanation given to us and based on our examination of the records of the company, the company has not entered into non-cash transaction with directors or persons connected with him.
(xvi)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For **Sparsh & Company**
Chartered Accountants
Firm's Registration Number: 013070C

Rahul Kumar Singh
Partner
Membership Number: 405120

Place: Varanasi
Date: 30/05/2017

Annexure 'B' to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of JVL Agro Industries Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.

For Sparsh & Company

Chartered Accountants

Firm's Registration Number: 013070C

Rahul Kumar Singh

Partner

Place: Varanasi

Date: 30/05/2017

Membership Number: 405120

Balance Sheet as at 31st March 2017

(₹ In Crore)

	Note No	As at 31st March 2017	As at 31st March 2016
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
(a) Share Capital	3	16.79	16.79
(b) Reserves & Surplus	4	586.03	553.64
Non-Current Liabilities			
(a) Long-Term Borrowings	5	12.19	30.51
(b) Deferred Tax Liabilities		40.59	37.01
(c) Other Long Term Liabilities	6	4.47	5.44
Current Liabilities			
(a) Short-Term Borrowings	7	354.28	207.51
(b) Trade Payables	8	1,106.22	1,249.15
(c) Other Current Liabilities	9	63.59	54.19
(d) Short-Term Provisions	10	-	2.02
TOTAL		2,184.16	2,156.26
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		411.16	414.91
(ii) Capital Work-in-Progress		0.52	0.45
(b) Non-Current Investments	12	4.23	4.23
(c) Long-Term Loans & Advances	13	19.40	18.12
Current Assets			
(a) Inventories	14	964.16	974.88
(b) Trade Receivables	15	331.79	360.33
(c) Cash & Bank Balances	16	260.44	227.13
(d) Short-Term Loans & Advances	17	192.46	156.21
TOTAL		2,184.16	2,156.26
Summary of Significant Accounting Policies	2		
Contingent Liability & other commitments	18		

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

As per our report of even date

For **SPARSH & COMPANY**

Chartered Accountants

FRN - 013070C

Rahul Kumar Singh

[Partner]

M.No. 405120

Place: Varanasi

Date: 30/05/2017

S.N. Jhunjunwala

Managing Director

R.C. Garg

Chief Financial Officer

Adarsh Jhunjunwala

Whole-time Director

Kartik Agrawal

Company Secretary

Statement of Profit and Loss for the year ended 31st March 2017

(₹ In Crore)

	Note No	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
INCOME			
I. Income From Operations	19	3,857.18	4,110.07
II. Other Income	20	3.12	6.09
Total Revenue (I+II)		3,860.30	4,116.16
EXPENSES			
Cost of Materials Consumed	21	3,311.85	3,373.49
Purchases of Goods Traded	22	320.50	616.66
Changes in Inventories	23	55.97	(75.70)
Employee Benefits Expense	24	12.45	11.99
Finance Costs	25	69.50	64.50
Depreciation Expense	11	17.95	17.90
Other Expenses	26	69.58	85.37
Total Expenses		3,857.80	4,094.21
Profit Before Exceptional Items & Tax		2.50	21.95
Exceptional items	27	34.00	35.26
Profit Before Tax		36.50	57.21
Tax Expense			
(1) Current tax		(0.53)	(4.45)
(2) Deferred Tax Assets / (Liabilities)		(3.58)	(5.17)
Profit for the Period		32.39	47.59
Earnings per Equity Share:			
(1) Basic		1.93	2.83
(2) Diluted		1.93	2.83
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

As per our report of even date

For **SPARSH & COMPANY**

Chartered Accountants

FRN - 013070C

Rahul Kumar Singh

[Partner]

M.No. 405120

Place: Varanasi

Date: 30/05/2017

S.N. Jhunjunwala

Managing Director

R.C. Garg

Chief Financial Officer

Adarsh Jhunjunwala

Whole-time Director

Kartik Agrawal

Company Secretary

Notes to the Financial Statements For the reporting period ended 31st March, 2017

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) the company is market leader in edible oil industry. The company has started production of rice also. The company has manufacturing facilities in Naupur- Uttar Pradesh, Alwar- Rajasthan, Dehri- Bihar, Haldia- West Bengal and Rohtas, Bihar 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, 2013. 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. Depreciation is provided based on useful life of the assets as prescribed in Schedule -II to the Companies Act, 2013.

2.6 Intangible Assets

Intangible Assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairments. The cost which can be capitalized include the cost of material/product, direct labour and overhead cost that are directly attributable to preparing and assets for its intended use.

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.

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 2: SIGNIFICANT ACCOUNTING POLICIES (contd.)

2.9 Current and Deferred Tax Liability/Assets

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 company has also started production of rice. The entire income of the company is mainly in India, hence there is no reportable geographical segment. Edible Oils (Vanaspati, Refine & Vanaspati) are the primary segment of the company, production of rice is not reportable segment in accordance with para 27 of Accounting Standard – 17 and there is no secondary segment.

2.12 Earnings 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

Accrued grants of the nature of investment in industrial unit are first credited to Capital reserve account and the same is transferred back to profit & loss statement as exceptional item and actual subsidy received is transferred to Capital Reserve.

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, 2017

Note 3: SHARE CAPITAL

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
A. Authorised Capital:		
30,26,00,000 (30,26,00,000) Equity Shares of ₹1/- each	30.26	30.26
10% (5,000) Cumulative Red. Pref. Shares of ₹100/- each	-	-
(2,50,000) Cumulative Red. Pref. Shares of ₹100/- each	-	-
During the year 2015-16, the Company has re-classified Pref. Shares worth ₹2.55 Cr. Into 2.55 Cr. equity shares of ₹1.00 each. Further, the Company has also increased its Authorized Share Capital by ₹7.71 Cr. by creation of additional outstanding, un-issued 7.71 equity shares of ₹1.00/- each ranking Pari-passu with the existing equity shares of the Company vide shareholders resolution passed in the EOGM dated 31st March 2016		
	30.26	30.26
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	167940000
Add: Shares Issued	-	-
Less: Shares bought back during the year	-	-
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	16912900
b. Jhunjhunwala Gases Pvt. Ltd. 09.57% (09.57%)	16075000	16075000
c. Aryan Multibusiness Pvt. Ltd. 07.15% (07.15%)	12000000	12000000
d. Paharia Markets & Investment Pvt. Ltd. 08.20% (08.20%)	13769488	13769488
e. Asia Investment Corporation (Mauritius) Ltd. 05.40% (02.81%)	9068425	4720000

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 4: RESERVE & SURPLUS

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
A. General Reserve:		
Balance as at the beginning of the year	32.16	31.16
Add: Addition during the year	-	1.00
Balance as at the end of the year	32.16	32.16
B. Capital Reserve:		
Balance at the beginning of the year	109.81	74.19
Add: Capital Subsidy	35.00	36.26
Less: Withdrawn to Statement of Profit & Loss (Please refer Note No. 27)	(35.00)	(36.26)
Add: Transferred from surplus in Statement of Profit & Loss	34.00	35.62
	143.81	109.81
C. Securities Premium Account:		
Balance as at the beginning of the year	112.05	112.05
Add: Addition during the year	-	-
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	299.62	290.67
Add: Profit for the year	32.39	47.59
Less: Appropriations		
Transferred to General Reserve	-	(1.00)
Transferred to Capital Reserve	(34.00)	(35.62)
Provision	-	-
Proposed Dividend on Equity Shares [per shares --- (₹0.10)]	-	(1.68)
Dividend Distribution Tax	-	(0.34)
Balance as at the end of the year	298.01	299.62
Total (A+B+C+D)	586.03	553.64
Surplus in P/L includes unrealized Capital Subsidy ₹111.10 Cr. (₹87.08 cr.) to be transferred to Capital Reserve		

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 5: LONG-TERM BORROWINGS

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
A. Secured Term Loans from banks		
a. Bank of Baroda		
(For Alwar Unit : First pari 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.)	3.08	4.25
(For Rice Mill Unit - Hypothecation Of Plant & Machinery & Other Fixed Assets situated at P.O. Akurhi Gola Dist. Rohatas and personal guarantee of two directors /guarantors . And Equitable mortgage of factory land and building)	13.87	16.47
Schedule of Reypayment :		
For Alwar Unit		
7 installment of ₹0.44 Crore having maturity in FY 2018-19		
For Rice Mill Unit :		
Remaining 6 installment of ₹0.75 Crore, 9 installment of ₹1.00 crore and 1 installment of ₹0.47 crore having maturity in F.Y. 2020-21		
b. State Bank of India	-	2.09
c. State Bank of Bikaner & Jaipur	-	1.27
d. State Bank of Travancore	-	1.63
(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)		
e. Standard Chartered Bank	42.14	42.14
(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 assents of Haldia facility.		
Remaining 6 quarterly installment of USD 1.058 Mio each.		
Total	59.09	67.85
Less: Current Maturity of Long Term Borrowings	46.90	37.34
Balance of Above	12.19	30.51

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 6: OTHER LONG TERM LIABILITIES

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Security Deposits	4.47	5.44
Total	4.47	5.44

Note 7: SHORT TERM BORROWINGS

(₹ In Crore)

Secured Loans :		
A. Cash Credit Limit From Banks		
a. Bank of Baroda	55.00	54.85
b. Punjab National Bank	178.00	53.00
(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.)		
For Rice Mill Unit - Bank of Baroda	14.35	14.86
(Secured by hypothecation of entire stock in trade, trade receivables and movable current assets and secured by first charge on the fixed assets and personal guarantee by two directors)		
c. State Bank of India	17.20	16.22
d. State Bank of Bikaner & Jaipur	3.50	3.50
e. State Bank of Travancore	6.50	8.23
f. State Bank of Hyderabad	3.00	2.97
g. Vijaya Bank	6.50	5.66
(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.)		
h. Allahabad Bank	5.00	5.00
i. Corporation Bank	40.00	15.00
j. Indian Overseas Bank	4.10	4.50
k. Union Bank of India	3.03	3.72
l. Oriental Bank of Commerce	4.83	5.00
(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.)		
B. Standard Chartered Bank	13.27	15.00
C. Loan Against Fixed Deposits Receipt From Bank		
(Secured by pledge of Fixed Deposits Receipts)	-	-
Total	354.28	207.51

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 8: TRADE PAYABLES

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
(i) Total Outstanding dues of Micro, Small & Medium Enterprises (Due for purchases)	-	-
(ii) Total outstanding dues of creditors other than above Sundry Creditors (For Goods, Expenses & Other Finance)	1,106.22	1,249.15
Total	1,106.22	1,249.15

Note 9: OTHER CURRENT LIABILITIES

(₹ In Crore)

Advance from Customers	11.58	11.72
TDS Payable	0.62	1.01
Dividend Payable	0.39	0.37
Other Liabilities	4.10	3.75
Term Loan Installment Repayable	46.90	37.34
Total	63.59	54.19

Note 10: SHORT-TERM PROVISIONS

(₹ In Crore)

Provision For Wealth Tax	-	-
Provision For Dividend	-	1.68
Provision for Dividend Distribution Tax	-	0.34
Total	-	2.02

Note 11: TANGIBLE FIXED ASSETS

(₹ In Crore)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening as on 01.04.2016	Addition	Sale/ Transfer	Closing as on 31.3.2017	Upto 31.3.2016	For the Year	Sale/Adj.	Total Upto 31.3.2017	As on 31.3.2017	As on 31.3.2016
A										
1 Land (Free Hold)	10.00	-	-	10.00	-	-	-	-	10.00	10.00
2 Land (Lease Hold)	7.89	-	-	7.89	-	-	-	-	7.89	7.89
3 Buildings	57.36	1.03	-	58.39	8.78	1.79	-	10.57	47.82	48.58
4 Plant & Machinery	421.06	12.73	-	433.79	86.99	14.68	-	101.67	332.12	334.07
5 Office Equipments	2.84	0.03	-	2.87	2.29	0.25	-	2.54	0.33	0.55
6 Furniture & Fittings	1.51	-	-	1.51	0.48	0.14	-	0.62	0.89	1.03
7 Vehicles	3.99	-	-	3.99	2.14	0.30	-	2.44	1.55	1.85
8 Server & Network	2.40	0.41	-	2.81	0.32	0.53	-	0.85	1.96	2.08
9 Turbine (Co Generation System along with Pressure Boiler)	14.80	-	-	14.80	5.94	0.26	-	6.20	8.60	8.86
Total of Tangible Assets	521.85	14.20	-	536.05	106.94	17.95	-	124.89	411.16	414.91
Previous Year	498.67	23.18	-	521.85	89.04	17.90	-	106.94	414.91	
B Capital Work In Progress :										
- Haldia Unit	-	0.07	-	0.07	-	-	-	-	0.07	-
- Rice Mill	0.45	-	-	0.45	-	-	-	-	0.45	0.45
Total of Capital Work in Progress	0.45	0.07	-	0.52	-	-	-	-	0.52	0.45
Previous Year	1.69	1.16	2.40	0.45	-	-	-	-	0.45	-
Total of Fixed Assets	522.30	14.27	-	536.57	106.94	17.95	-	124.89	411.68	415.36
Previous Year	500.36	24.34	2.40	522.30	89.04	17.90	-	106.94	415.36	-

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 12: NON-CURRENT INVESTMENTS

(₹ In Crore)

Particulars	Face Value	Reporting period ended on 31st March 2017		Reporting Period ended on 31st March 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
A. Unquoted					
Investment in Equity					
i. Trade Investments					
Other					
Jhunjhunwala Oil Mills Ltd	10	100000	0.10	100000	0.10
Adamjee Extraction Pvt.Ltd, Sri Lanka	10	2231439	1.00	2231439	1.00
Sealac Agro Ventures Limited	10	250000	0.25	250000	0.25
Jvl Mega Food Park Pvt. Ltd*	10	2500	0.00	2,500	0.00
Jvl Cement Ltd	10	10000	0.01	10,000	0.01
Jvl Textile Park Pvt. Ltd	10	5000	0.01	5,000	0.01
Investments in Subsidiary					
JVL Overseas Pte Ltd, Singapore	1	500000	2.05	500000	2.05
ii. Non Trade Investments					
Other					
Tripurari Finvest Limited	500	64000	0.45	64000	0.45
B. Quoted					
i. Non Trade Investments					
Investment in Equity					
Other					
Sun Phamaceutical Industries Ltd	5	80	0.01	80	0.01
Indo Rama Synthetics (India) Ltd **	10	500	0.01	500	0.01
Tata Tele Services ***	10	1133	-	1133	-
Bank of Baroda	10	2045	0.01	2045	0.01
BGR Energy Systems Ltd	10	550	0.02	550	0.02
Reliance Power Ltd	10	2614	0.07	2614	0.07
Investment in Mutual Fund :					
PNB Mutual Fund	10	15197.57	0.02	15197.57	0.02
HDFC AMC PMS - Real Estate Portfolio			0.07		0.07
Baroda Pioneer Short Term Fund	10	126335.77	0.10	126335.77	0.10
Unicon KBC Equity Fund	10	50000	0.05	50000	0.05
Total			4.23		4.23
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			0.36		0.36
b Aggregate Amount of un - Quoted Investment			3.87		3.87
c Aggregate Provision for Diminution in Value of Investment			-		-
d Aggregate Market Value of Quoted Investments			0.06		0.21
Jvl Mega Food Park Pvt. Ltd ₹25000.00 (₹25000.00)					
**Indo Rama Synthetics (India) Ltd ₹46047.00 (₹46047.00)					
***Tata Tele Services ₹34300.00 (₹34300.00)					

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 13: LONG-TERM LOANS & ADVANCES

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Unsecured & Considered Good		
Capital Advances	15.10	14.84
Loans	0.38	0.38
Security Deposits & Others	3.91	2.89
Excise Deposits	0.01	0.01
Total	19.40	18.12

Note 14: INVENTORIES (Refer to Note No. 31)

(₹ In Crore)

(As Taken, Valued & Certified by the Management)		
Raw Materials (Including in Transit)	712.70	660.60
Finished Products	193.47	247.92
Stock in Process	31.89	33.41
Packing Material, Stores & Chemicals	26.10	32.95
Total	964.16	974.88

Note 15: TRADE RECEIVABLES

(₹ In Crore)

A. Above Six Months (from the due dates)		
Un - Secured Considered Good	15.48	14.90
Considered Doubtful	3.87	4.25
Less: Provision for Doubtful Debts	(1.00)	(1.00)
Total	18.35	18.15
B. Others		
Un - Secured Considered good	313.44	342.18
Considered Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Total	313.44	342.18
Total (A+B)	331.79	360.33

Note 16: CASH AND BANK BALANCES

(₹ In Crore)

i. Cash & Cash Equivalent		
Cash In Hand	0.49	0.44
Balance with Scheduled Bank		
- In Current Accounts	7.96	6.26
Total	8.45	6.70
ii. Other Bank Balances		
With Scheduled Banks:		
- In Fixed Deposit Accounts	136.08	80.07
- In Dividend Account	0.39	0.36
- Margin Money Account	115.52	140.00
Total	251.99	220.43
Total (i+ii)	260.44	227.13
(Please refer to Note No-39)		

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 17: SHORT TERM LOAN AND ADVANCES

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
a. Unsecured, Considered Good		
i. Advances	166.34	116.30
ii. Prepaid Expenses	3.00	3.06
iii. Advance Income Tax (Net of Provision)	17.03	30.23
b. Investments (Please refer to Note no. 42)	6.09	6.62
Total	192.46	156.21

Note 18: CONTINGENT LIABILITY & OTHER COMMITMENTS

(₹ In Crore)

Claim against the company not acknowledged as debts		
Entry Tax demand under appeal before H'ble Supreme Court for different years for which Bank Guarantee given by the company	0.67	0.68
Entry Tax demand under appeal before appellate authority Varanasi	0.20	0.37
Value added tax demand under appeal before appellate authority, Varanasi.	0.19	0.19
Demand On Excise Duty for different years under appeal at Appellate Tribunal, Custom, Excise & Service Tax, New Delhi/Allahabad	32.46	26.97

Note 19: REVENUE FROM OPERATIONS

(₹ In Crore)

Sale of Products (Refer to Note No. 30)	3,857.18	4,110.07
Total	3,857.18	4,110.07

Note 20: OTHER INCOME

(₹ In Crore)

Interest Received (Net)	1.40	1.00
Interest on Income Tax Refund	0.17	1.40
Dividend Received on Shares & Mutual Funds	-	0.04
Profit/Loss on Sale of Investment	0.27	3.21
Profit/Loss on Sale of Assets	-	0.38
Other Income	1.28	0.06
Total	3.12	6.09

Note 21: COST OF MATERIAL CONSUMED

(₹ In Crore)

Raw Material Consumed	3,126.40	3,185.21
Chemical Consumed	8.87	7.29
Packing Material Consumed	176.58	180.99
Total	3,311.85	3,373.49

(Cost of Raw Material Consumed includes direct expenses)

Note 22: PURCHASES OF GOODS TRADED

(₹ In Crore)

Imported Oils	320.50	616.66
Total	320.50	616.66

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 23: CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND GOODS TRADED (₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Closing Stock		
Stock in Process	31.89	33.41
Finished Products	193.47	247.92
	225.36	281.33
Less: Opening Stock		
Stock in Process	33.41	48.98
Finished Products	247.92	156.65
	281.33	205.63
	55.97	(75.70)

Note 24: EMPLOYEE BENEFITS EXPENSE (₹ In Crore)

Salaries, Wages, Bonus, etc.	11.20	10.64
Contribution to Provident Fund	0.74	0.74
Employee Welfare Expenses	0.51	0.61
Total	12.45	11.99

Note 25: FINANCE COSTS (₹ In Crore)

(a) Interest to Bank	48.35	40.70
(b) Interest to Other	0.09	0.06
(c) Bank Charges	21.00	23.68
(d) Lease Rent	0.06	0.06
Total	69.50	64.50

Note 26: OTHER EXPENSES (₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Consumption of Stores, Spares	1.21	1.29
Power & Fuel	40.67	57.31
Repairs & Maintenance	0.89	0.92
Legal Expenses	0.11	0.25
Travelling Expenses	2.03	2.34
Conveyance Expenses	0.42	0.48
Insurance	0.25	0.23
Rates & Taxes	0.94	0.84
Auditor Fees	0.07	0.07
Postage, Telegram & Telephone	0.74	0.76
Repairs to Others	0.29	0.25
Printing & Stationery	0.21	0.23
Miscellaneous Expenses	2.62	2.75
Professional & Consultancy Charge	2.05	1.46
Brokerage & Commission (Net)	10.33	9.36

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 26: OTHER EXPENSES

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Advertisement & Publicity	0.10	0.28
Selling Expenses	2.00	2.29
Rent	3.92	3.75
Prior Period Expenditure	0.08	0.09
CSR Expenses	0.65	0.42
Total	69.58	85.37
Other Expenses Includes :-		
Internal Audit Fee, Cost Audit Fee & Expenses on auditors	0.25	0.32
Auditor Fee Includes :-		
Statutory Audit Fee & Tax Audit Fee	0.07	0.07

Note 27: EXCEPTIONAL ITEM

(₹ In Crore)

Withdrawn from Capital Reserve	35.00	36.26
Provision For Bad & Doubtful Debts	(1.00)	(1.00)
Capital Subsidy accrued ₹35.00 Cr. (36.26 Cr.) is first credited to capital reserve account then the same is transferred to profit and loss statement and shown as exceptional item. The actual subsidy received ₹10.98 Cr. (36.62 Cr.) is transferred to capital reserve account to report what is accrued and what is actually received. (Refer to Note No. 4 also)		
Total	34.00	35.26

Note 28: PROPOSED DIVIDEND

(₹ In Crore)

The Dividend proposed for the year on equity shares of ₹1/- each		
Amount of Dividend	-	1.68
Dividend per Equity Shares (In paise)	-	0.10

Note 29: EARNING PER SHARES

Net Profit attributable to equity shareholders (₹ In Crore)	32.39	47.59
Weightage Average in number of share used as denominators for calculating earning per share	167940000	167940000
Basic & Diluted Earning Per Shares (₹)	1.93	2.83
Face Value of Shares (₹)	1.00	1.00
Earning Per Share excluding exceptional item (₹)	(0.16)	0.73

Note 30: SALES (MANUFACTURING)

(₹ In Crore)

Edible Oil	3,383.45	3,330.49
DOC	6.29	18.71
Rice	60.29	48.37
Others	85.12	90.21
Sales (Trading)		
Edible Oil	322.03	622.29
Total	3,857.18	4,110.07

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 31: CLOSING FINISHED GOODS INVENTORY

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Edible Oil	186.20	236.05
DOC	0.01	1.10
Rice	0.78	9.44
Others	6.48	1.33
Total	193.47	247.92

Note 32: VALUE OF IMPORTED AND INDIGENOUS MATERIAL CONSUMED

(₹ In Crore)

Particulars	%	Reporting Period ended on 31st March 2017	%	Reporting Period ended on 31st March 2016
Raw Material - Oils				
Imported	93.00	3,057.08	90.90	3,039.09
Indigenous	7.01	230.40	9.10	304.41
Total		3,287.48		3,343.50
Add: Other Expenses		24.37		29.99
Total		3,311.85		3,373.49

Note 33:

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
A) CIF Value of Import During the Year		
Imported Oils	3,007.01	3,613.63
B) Export Of Goods On FOB Basis	-	-

Note 34: EXPENDITURE IN FOREIGN CURRENCY

(₹ In Crore)

For Travelling	0.22	0.19
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Note 35: LIABILITY OF GRATUITY

(₹ In Crore)

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 '2017.

Note 36: TRADE RECEIVABLE, TRADE PAYABLE AND LOANS & ADVANCES

(₹ In Crore)

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

Note 37: PREVIOUS YEAR FIGURE

(₹ In Crore)

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 38: CAPITAL & OTHER COMMITMENTS

(₹ In Crore)

Estimated amount of expenditures on capital account for next year is ₹15.10 Crores as per management certificate.

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 39: FIXED DEPOSIT PLEDGE WITH BANK

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
FDR's In Banks	381.83	733.71
Less:- 100% Margin deposited In Banks for availing extended credit from suppliers.	130.23	513.64
Total	251.60	220.07

Note 40: UNPAID DIVIDEND PAYABLE TO INVESTOR EDUCATION & PROTECTION FUND

(₹ In Crore)

The dividend payable for the year 2004-05, 2005-06, 2006-07, 2007-08 & 2008-09 which have not been transferred to Investor Education & Protection Fund A/c.

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

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

Dividend Payable for F.Y. 2006-2007 ₹.05

Dividend Payable for F.Y. 2007-2008 ₹.04

Dividend Payable for F.Y. 2008-2009 ₹.02

Note 41: CSR EXPENDITURE

(₹ In Crore)

The Company has incurred ₹0.65 crore under corporate social responsibility.

Note 42: INVESTMENTS

(₹ In Crore)

Particulars	Face Value	Reporting period ended on 31st March 2017		Reporting Period ended on 31st March 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
A. Unquoted					
Investment in Equity					
Dhunseri Petrochem & Tea Ltd.	10	0	-	8522	0.05
Gyan Trade Ltd.	10	159146	3.84	159146	3.84
Polylink Polymers India Ltd	10	0	-	96619	0.05
Aftek Ltd	10	0	-	405334	0.23
Goldstone Technologies Ltd	10	0	-	10000	0.01
Jubilant Life Sciences Limited	10	0	-	44504	0.70
Hindustan Wires Ltd.	10	0	-	388085	1.74
Union Capital Protection Oriental Fund	10	2250000	2.25	-	-
Total			6.09		6.62
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			6.09		6.62
b Aggregate Amount of un - Quoted Investment			-		-
c Aggregate Provision for Diminution in Value of Investment			-		-
d Aggregate Market Value of Quoted Investments			2.26		7.25

Notes to the Financial Statements For the reporting period ended 31st March, 2017

Note 43: RELATED PARTY DISCLOSURE

(₹ In Crore)

Particulars	Nature of Transaction	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
i. Key Managerial personnel & their Relative			
D.N. Jhunjhunwala	Director Remuneration	0.21	0.21
	Rent	0.01	0.01
S. N. Jhunjhunwala	Director Remuneration	0.26	0.26
	Rent	0.02	0.02
Adarsh Jhunjhunwala	Director Remuneration	0.20	0.20
ii. Relative of Key Managerial Personnel			
Anju Jhunjhunwala	Director Remuneration	0.05	0.05
	Rent	0.05	0.05
Kishori Devi Jhunjhunwala	Salary	0.03	0.03
S. N. Jhunjhunwala HUF	Rent	0.03	0.03
Juhi Fathepuria	Salary	0.05	0.05
JVL Infra Heights Ltd.	Rent	0.01	-
iii. Other Related Companies			
Jhunjhunwala Gases Pvt. Ltd.	Lease Rent	0.01	0.01
Jhunjhunwala Oils Mills Ltd.	Sales	1.98	1.29
	Purchase	-	0.29
Nilamber Trexim & Credit Pvt. Ltd.	Handling & Storage	0.18	0.18
	Sale	-	-
	Brokerage	-	-
iv. Other			
Jhunjhunwala Sewa Society	Bus Rent	0.01	0.01
v. Subsidiary Company			
JVL Overseas Pte Ltd.	Advance	2.31	-

For and on behalf of Board of Directors

As per our report of even date

For **SPARSH & COMPANY**

Chartered Accountants

FRN - 013070C

Rahul Kumar Singh

[Partner]

M.No. 405120

Place: Varanasi

Date: 30/05/2017

S.N. Jhunjhunwala

Managing Director

R.C. Garg

Chief Financial Officer

Adarsh Jhunjhunwala

Whole-time Director

Kartik Agrawal

Company Secretary

Cash Flow Statement for the year ended 31st March 2017

(₹ In Crore)

	31.03.2017	31.03.2016
A Cash Flow from operating activities:		
Net Profit before Tax & extraordinary items	36.50	57.21
Adjustments for:		
Depreciation	17.95	17.90
Interest Paid	48.44	40.76
Interest Received	(1.40)	(1.00)
Interest Received From IT Refund	(0.17)	(1.40)
Dividend Received	-	(0.04)
Profit/(Loss) on Sale of Investment/Assets	(0.27)	(0.38)
Provision For Doubtful Debts	1.00	1.00
Other Income	(1.28)	(0.06)
Operational Profit before working capital changes	100.77	113.99
Trade & other Receivable	(9.59)	(97.07)
Inventories	10.72	(412.27)
Trade Payables	(142.93)	279.41
Net cash from operating Activities	(41.03)	(115.94)
Interest paid	(48.44)	(40.76)
Direct Taxes Paid	(0.53)	(4.45)
Cash Flow before Extra ordinary Items.	(90.00)	(161.15)
Extra Ordinary Items Deferred Tax	(3.58)	(5.17)
Subsidy received during the year	(35.00)	(36.26)
Provision For Doubtful Debts	(1.00)	(1.00)
Net Cash Flow from Operating Activities.	(129.58)	(203.58)
B Cash Flow from investing activities:		
Purchase of Fixed Assets (Including CWIP)	(14.27)	(21.94)
Sale of Fixed Assets	-	-
Other Income	1.28	0.06
Profit/(Loss) on Sale of Investment/Assets	0.27	0.38
Purchase of Investments.	-	-
Sale of Investments	0.53	1.21
Interest Received	1.40	1.00
Interest Received From IT Refund	0.17	1.40
Dividend Received	-	0.04
Subsidy received during the year	35.00	36.26
Net Cash Flow from Investing Activities	24.38	18.41

Cash Flow Statement for the year ended 31st March 2017

(₹ In Crore)

	31.03.2017	31.03.2016
C Cash Flow From Financing Activities:		
Long Term Borrowing	0.00	0.00
Repayment of Long Term Borrowings	(8.76)	(35.26)
Proceeds from Short Term Borrowings	147.27	36.69
Dividend Paid including Dividend Tax	-	(2.02)
Net cash flow from Financing Activities	138.51	(0.59)
Net Increase (Decrease) in cash & Cash Equivalent	33.31	(185.76)
Cash & Cash Equivalents Opening	227.13	412.89
Cash & Cash Equivalents Closing	260.44	227.13

For and on behalf of Board of Directors

As per our report of even date
For **SPARSH & COMPANY**
Chartered Accountants
FRN - 013070C

Rahul Kumar Singh
[Partner]
M.No. 405120

Place: Varanasi
Date: 30/05/2017

S.N. Jhunjhunwala
Managing Director

R.C. Garg
Chief Financial Officer

Adarsh Jhunjhunwala
Whole-time Director

Kartik Agrawal
Company Secretary

Consolidated Financial Statements

Independent Auditor's Report

To
The members of
JVL AGRO INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of JVL Agro Industries Limited ("the Company"), and its subsidiary, which comprise the Consolidated Balance Sheet as at March 31, 2017, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statement based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on auditing specified under Section 143(10) of the Act. 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 amount and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor judgment, 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 auditors consider internal financial control relevant to the Company's preparation and fair presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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 on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

For **Sparsh & Company**
Chartered Accountants
Firm's Registration Number: 013070C

Rahul Kumar Singh
Partner
Membership Number: 405120

Place: Varanasi
Date: 28/08/2017

SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED ON 31ST MARCH 2017

1. PRINCIPLES ON 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 Standards (AS) 21 – "Consolidated Financial Statements"

The Subsidiary is foreign subsidiary, being non integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the 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 ₹65.46 (62.59) and closing rate of one US\$ is taken ₹66.33 (61.15) 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 and on behalf of Board of Directors

As per our report of even date
For **SPARSH & COMPANY**
Chartered Accountants
FRN - 013070C

Rahul Kumar Singh
[Partner]
M.No. 405120

S.N. Jhunjhunwala
Managing Director

Adarsh Jhunjhunwala
Whole-time Director

Place: Varanasi
Date: 28/08/2017

Consolidated Balance Sheet as at 31st March 2017

(₹ In Crore)

	Note No	As at 31st March 2017	As at 31st March 2016
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
(a) Share Capital	1	16.79	16.79
(b) Reserves & Surplus	2	596.47	562.87
Non-Current Liabilities			
(a) Long-Term Borrowings	3	12.19	30.51
(b) Deferred Tax Liabilities		40.59	37.01
(c) Other Long Term Liabilities	4	4.47	5.44
Current Liabilities			
(a) Short-Term Borrowings	5	354.28	207.51
(b) Trade Payables	6	1,106.22	1,249.15
(c) Other Current Liabilities	7	63.85	54.42
(d) Short-Term Provisions	8	-	2.02
TOTAL		2,194.86	2,165.72
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		411.17	414.92
(ii) Capital Work-in-Progress		0.52	0.45
(b) Non-Current Investments	10	2.18	2.18
(c) Long-Term Loans & Advances	11	20.50	19.06
Current Assets			
(a) Inventories	12	964.16	974.88
(b) Trade Receivables	13	333.10	375.50
(c) Cash & Bank Balances	14	260.79	227.65
(d) Short-Term Loans & Advances	15	202.44	151.08
TOTAL		2,194.86	2,165.72
Contingent Liability & other commitments	16		

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

As per our report of even date

For **SPARSH & COMPANY**

Chartered Accountants

FRN - 013070C

Rahul Kumar Singh

[Partner]

M.No. 405120

S.N. Jhunjunwala

Managing Director

Adarsh Jhunjunwala

Whole-time Director

Place: Varanasi

Date: 28/08/2017

Consolidated Statement of Profit and Loss for the year ended 31st March 2017

(₹ In Crore)

	Note No	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
INCOME			
I. Income From Operations	17	4,235.37	4,542.59
II. Other Income		6.81	9.18
Total Revenue (I+II)		4,242.18	4,551.77
EXPENSES			
Cost of Materials Consumed	18	3,311.85	3,373.49
Purchases of Goods Traded	19	699.66	1,048.66
Changes in Inventories	20	55.97	(75.70)
Employee Benefits Expense	21	12.45	11.99
Finance Costs	22	69.50	64.50
Depreciation Expense	9	17.95	17.90
Other Expenses	23	72.29	87.53
Total Expenses		4,239.67	4,528.37
Profit Before Exceptional Items & Tax		2.51	23.40
Exceptional items	24	34.00	35.26
Profit Before Tax		36.51	58.66
Tax Expense			
(1) Current tax		(0.53)	(4.51)
(2) MAT Credit		-	-
(3) Provision for Tax for Earlier year Written off/provided for		-	-
(4) Deferred Tax		(3.58)	(5.17)
Profit for the Period		32.40	48.98
Earnings per Equity Share:			
(1) Basic		1.93	2.92
(2) Diluted		1.93	2.92

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

As per our report of even date
For **SPARSH & COMPANY**
Chartered Accountants
FRN - 013070C

Rahul Kumar Singh
[Partner]
M.No. 405120

S.N. Jhunjhunwala
Managing Director

Adarsh Jhunjhunwala
Whole-time Director

Place: Varanasi
Date: 28/08/2017

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 1 : SHARE CAPITAL

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
A. Authorised Capital:		
30,26,00,000 (30,26,00,000) Equity Shares of ₹1/- each	30.26	30.26
10% (5,000) Cumulative Red. Pref. Shares of ₹100/- each	-	-
(2,50,000) Cumulative Red. Pref. Shares of ₹100/- each	-	-
During the year 2015-16, the Company has re-classified Pref. Shares worth ₹2.55 Cr. Into 2.55 Cr. equity shares of ₹1.00 each. Further, the Company has also increased its Authorized Share Capital by ₹7.71 Cr. by creation of additional outstanding, un-issued 7.71 equity shares of ₹1.00/- each ranking Pari-passu with the existing equity shares of the Company vide shareholders resolution passed in the EOGM dated 31st March 2016		
	30.26	30.26
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	167940000
Add: Shares Issued	-	-
Less: Shares bought back during the year	-	-
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	16912900
b. Jhunjhunwala Gases Pvt. Ltd. 09.57% (09.57%)	16075000	16075000
c. Aryan Multibusiness Pvt. Ltd. 07.15% (07.15%)	12000000	12000000
d. Paharia Markets & Investment Pvt. Ltd. 08.20% (08.20%)	13769488	13769488
e. Asia Investment Corporation (Mauritius) Ltd. 05.40% (02.81%)	9068425	4720000

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 2: RESERVE & SURPLUS

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
A. General Reserve:		
Balance as at the beginning of the year	32.16	31.16
Add: Addition during the year	-	1.00
Balance as at the end of the year	32.16	32.16
B. Capital Reserve:		
Balance at the beginning of the year	109.81	74.19
Add: Capital Subsidy	35.00	36.26
Less: Withdrawn to Statement of Profit & Loss (Please refer Note No. 24)	(35.00)	(36.26)
Add: Transferred from surplus in Statement of Profit & Loss	34.00	35.62
	143.81	109.81
C. Securities Premium Account:		
Balance as at the beginning of the year	112.05	112.05
Add: Addition during the year	-	-
Balance as at the end of the year	112.05	112.05
D. Foreign Currency Translation Reserve	2.50	1.30
E. Surplus in Statement of Profit & Loss:		
Balance as at the beginning of the year	307.55	297.21
Add: Profit for the year	32.40	48.98
Less: Appropriations		
Transferred to General Reserve	-	(1.00)
Transferred to Capital Reserve	(34.00)	(35.62)
Provision	-	-
Proposed Dividend on Equity Shares [per shares ₹0.00 (₹0.10)]	-	(1.68)
Dividend Distribution Tax	-	(0.34)
Balance as at the end of the year	305.95	307.55
Total (A+B+C+D+E)	596.47	562.87

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 3: LONG-TERM BORROWINGS

(₹ In Crore)

	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Secured Term Loans from banks	59.09	67.85
Less: Current Maturity of Long Term Borrowings	46.90	37.34
Balance of Above	12.19	30.51

Note 4: OTHER LONG TERM LIABILITIES

(₹ In Crore)

Security Deposits	4.47	5.44
Other	0.00	0.00
Total	4.47	5.44

Note 5: SHORT TERM BORROWINGS

(₹ In Crore)

Secured Loans :		
A. Cash Credit Limit From Banks	354.28	207.51
Total	354.28	207.51

Note 6: TRADE PAYABLES

(₹ In Crore)

(i) Total Outstanding dues of Micro, Small & Medium Enterprises (Due for purchases)	-	-
(ii) Total outstanding dues of creditors other than above Sundry Creditors (For Goods, Expenses & Other Finance)	1,106.22	1,249.15
Total	1,106.22	1,249.15

Note 7: OTHER CURRENT LIABILITIES

(₹ In Crore)

Advance from Customers	11.58	11.72
TDS Payable	0.62	1.01
Dividend Payable	0.39	0.37
Other Current Liabilities	4.36	3.98
Term Loan Installment Repayable	46.90	37.34
Total	63.85	54.42

Note 8: SHORT-TERM PROVISIONS

(₹ In Crore)

Provision For Wealth Tax	0.00	0.00
Provision For Dividend	0.00	1.68
Dividend Distribution Tax	0.00	0.34
Total	0.00	2.02

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 9: TANGIBLE FIXED ASSETS

(₹ In Crore)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening as on 01.04.2016	Addition	Sale/ Transfer	Closing as on 31.3.2017	Upto 31.3.2016	For the Year	Sale/Adj.	Total Upto 31.3.2017	As on 31.3.2017	As on 31.3.2016
A										
1 Land (Free Hold)	10.00	-	-	10.00	-	-	-	-	10.00	10.00
2 Land (Lease Hold)	7.89	-	-	7.89	-	-	-	-	7.89	7.89
3 Buildings	57.36	1.03	-	58.39	8.78	1.79	-	10.57	47.82	48.58
4 Plant & Machinery	421.06	12.73	-	433.79	86.99	14.68	-	101.67	332.12	334.07
5 Office Equipments	2.85	0.03	-	2.88	2.29	0.25	-	2.54	0.34	0.56
6 Furniture & Fittings	1.51	-	-	1.51	0.48	0.14	-	0.62	0.89	1.03
7 Vehicles	3.99	-	-	3.91	2.14	0.30	-	2.44	1.55	1.85
8 Server & Network	2.40	0.41	-	2.81	0.32	0.53	-	0.85	1.96	2.08
9 Turbine (Co Generation System along with Pressure Boiler)	14.80	-	-	14.80	5.94	0.26	-	6.20	8.60	8.86
Total of Tangible Assets	521.86	14.20	-	536.06	106.94	17.95	-	124.89	411.17	414.92
Previous Year	498.87	23.18	-	521.85	89.04	17.90	-	106.94	414.91	-
B Capital Work In Progress :										
- Haldia Unit	-	0.07	-	0.07	-	-	-	-	0.07	-
- Rice Mill	0.45	-	-	0.45	-	-	-	-	0.45	0.45
Total of Capital Work in Progress	0.45	0.07	-	0.52	-	-	-	-	0.52	0.45
Previous Year	1.69	1.16	2.40	0.45	-	-	-	-	0.45	1.69
Total of Fixed Assets	522.31	14.27	-	536.58	106.94	17.95	-	124.89	411.69	415.37
Previous Year	500.36	24.34	2.40	522.30	89.04	17.90	-	106.94	415.36	-

Note 10: NON-CURRENT INVESTMENTS

(₹ In Crore)

Particulars	Face Value	Reporting period ended on 31st March 2017		Reporting Period ended on 31st March 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
A. Unquoted					
Investment in Equity					
i. Trade Investments					
Other		2598939.00	1.37	2598939.00	1.37
ii. Non Trade Investments					
Other		64000.00	0.45	64000.00	0.45
B. Quoted					
i. Non Trade Investments					
Investment in Equity		6922.00	0.12	6922.00	0.12
Investment in Mutual Fund :		191533.34	0.24	191533.34	0.24
Total			2.18		2.18
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			0.64		0.64
b Aggregate Amount of un-Quoted Investment			1.82		1.82
c Aggregate Provision for Diminution in Value of Investment			0.00		0.00
d Aggregate Market Value of Quoted Investments			0.21		0.21

NB: Cost value of shares of JVL Overseas Pte Ltd ₹2.05 is not considered here as it now contra when both balance sheet are merged. The Value has been reduced 4.23 - 2.05 = 2.18

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 11: LONG-TERM LOANS & ADVANCES

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Unsecured & Considered Good		
Capital Advances	16.20	15.13
Loans	0.38	0.38
Security Deposits & Others	3.91	3.55
Excise Deposits	0.01	0.00
Total	20.50	19.06

Note 12: INVENTORIES

(₹ In Crore)

(As Taken, Valued & Certified by the Management)		
Raw Materials (Including in Transit)	712.70	660.60
Finished Products	193.47	247.92
Stock in Process	31.89	33.41
Packing Material, Stores & Chemicals	26.10	32.95
Total	964.16	974.88

Note 13: TRADE RECEIVABLES

(₹ In Crore)

A. Above Six Months (from the due dates)		
Un - Secured Considered Good	15.48	14.90
Considered Doubtful	3.87	4.25
Less: Provision for Doubtful Debts	(1.00)	(1.00)
Total	18.35	18.15
B. Others		
Un - Secured Considered good	314.75	357.35
Considered Doubtful	0.00	0.00
Less: Provision for Doubtful Debts	0.00	0.00
Total	314.75	357.35
Total (A+B)	333.10	375.50

Note 14: CASH AND BANK BALANCES

(₹ In Crore)

i. Cash & Cash Equivalent		
Cash In Hand	0.52	0.47
Balance with Scheduled Bank		
- In Current Accounts	8.28	6.75
Total	8.80	7.22
ii. Other Bank Balances		
With Scheduled Banks:		
- In Fixed Deposit Accounts	136.08	80.07
- In Dividend Account	0.39	0.36
- Margin Money Account	115.52	140.00
Total	251.99	220.43
Total (i+ii)	260.79	227.65

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 15: SHORT TERM LOAN AND ADVANCES

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
a. Unsecured, Considered Good		
i. Advances	176.25	111.15
ii. Prepaid Expenses	3.07	3.14
iii. Advance Income Tax (Net of Provision)	17.03	30.17
b. Investments (Please refer to Note no. 30)	6.09	6.62
Total	202.44	151.08

Note 16: CONTINGENT LIABILITY & OTHER COMMITMENTS

(₹ In Crore)

Claim against the company not acknowledged as debts		
Entry Tax demand under appeal before H'ble Supreme Court for different years for which Bank Guarantee given by the company	0.67	0.68
Entry Tax demand under appeal before appellate authority Varanasi	0.20	0.37
Value added tax demand under appeal before appellate authority, Varanasi.	0.19	0.19
Demand On Excise Duty for different years under appeal at Appellate Tribunal, Custom, Excise & Service Tax, New Delhi/Allahabad	32.46	26.97

Note 17: REVENUE FROM OPERATIONS

(₹ In Crore)

Sale of Products	4,235.37	4,542.59
Total	4,235.37	4,542.59

Note 18: COST OF MATERIAL CONSUMED

(₹ In Crore)

Raw Material Consumed	3,126.40	3,185.21
Chemical Consumed	8.87	7.29
Packing Material Consumed	176.58	180.99
Total	3,311.85	3,373.49

(Cost of Raw Material Consumed includes direct expenses)

Note 19: PURCHASES OF GOODS TRADED

(₹ In Crore)

Imported Oils	699.66	1048.66
Total	699.66	1048.66

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 20: CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND GOODS TRADED (₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Closing Stock		
Stock in Process	31.89	33.41
Finished Products	193.47	247.92
Goods Traded	0.00	0.00
Total (A)	225.36	281.33
Less: Opening Stock		
Stock in Process	33.41	48.98
Finished Products	247.92	156.65
Goods Traded	0.00	0.00
Total (B)	281.33	205.63
(B-A)	55.97	(75.70)

Note 21: EMPLOYEE BENEFITS EXPENSE (₹ In Crore)

Salaries, Wages, Bonus, etc.	11.20	10.64
Contribution to Provident Fund	0.74	0.74
Employee Welfare Expenses	0.51	0.61
Total	12.45	11.99

Note 22: FINANCE COSTS (₹ In Crore)

(a) Interest to Bank	48.35	40.70
(b) Interest to Other	0.09	0.06
(c) Bank Charges	21.00	23.68
(d) Lease Rent	0.06	0.06
Total	69.50	64.50

Note 23: OTHER EXPENSES (₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Consumption of Stores, Spares	1.21	1.29
Power & Fuel	40.67	57.31
Repairs & Maintenance	0.89	0.92
Legal Expenses	0.11	0.25
Travelling Expenses	2.03	2.34
Conveyance Expenses	0.42	0.48
Insurance	0.25	0.23
Rates & Taxes	0.94	0.84
Auditor Fees	0.07	0.07
Postage, Telegram & Telephone	0.74	0.76
Repairs to Others	0.29	0.25
Printing & Stationery	0.21	0.23
Miscellaneous Expenses	2.62	2.75

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 23: OTHER EXPENSES

(₹ In Crore)

Particulars	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Other Operating Expenses	2.71	2.16
Professional & Consultancy Charge	2.05	1.46
Brokerage & Commission (Net)	10.33	9.36
Advertisement & Publicity	0.10	0.28
Selling Expenses	2.00	2.29
Rent	3.92	3.75
Prior Period Expenditure	0.08	0.09
CSR Expenses	0.65	0.42
Total	72.29	87.53

Note 24: EXCEPTIONAL ITEM

(₹ In Crore)

Withdrawn from Capital Reserve	35.00	36.26
Provision For Bad & Doubtful Debts	(1.00)	(1.00)
Total	34.00	35.26

Note 25: EARNING PER SHARES

Net Profit attributable to equity shareholders (₹ In Crore)	32.39	48.98
Weightage Average in number of share used as denominators for calculating earning per share	167940000	167940000
Basic & Diluted Earning Per Shares (₹)	1.93	2.92
Face Value of Shares (₹)	1	1
Earning Per Share excluding exceptional item (₹)	(0.16)	0.82

Note 26: THE SUBSIDIARY COMPANY CONSIDERED IN CONSOLIDATED FINANCIAL STATEMENTS IS:

(₹ In Crore)

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

Note 27: FINANCIAL INFORMATION OF SUBSIDIARY COMPANY

Name of Subsidiary Company	JVL Oversease Pte Ltd.
Reporting Currency	US Dollor
Financial Year Ending	31.12.2016
Total Assets	12.75
Total Liabilities	12.75
Capital	2.05
Reserves	7.94
Turnover	381.88
Profit Before Tax	0.01
Provision for Tax	0.00
Profit After Tax	0.01
Proposed Dividend	-

Note 28: CAPITAL & OTHER COMMITMENTS

- Estimated amount of expenditure on capital account for next year is ₹15.10 Crores as per management's certificate.
- In the year 2012 JVL Oversease 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 Oversease 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 5.94 Crores)

Notes on Consolidated Financial Statements For the reporting period ended 31st March, 2017

Note 29: RELATED PARTY DISCLOSURE

(₹ In Crore)

Particulars	Nature of Transaction	Reporting Period ended on 31st March 2017	Reporting Period ended on 31st March 2016
Disclosure of transaction between Company and Related Parties			
i. Key Managerial personnel & their Relative			
D.N. Jhunjhunwala	Director Remuneration	0.21	0.21
	Rent	0.01	0.01
S. N. Jhunjhunwala	Director Remuneration	0.26	0.26
	Rent	0.02	0.02
Adarsh Jhunjhunwala	Director Remuneration	0.20	0.20
ii. Relative of Key Managerial Personnel			
Anju Jhunjhunwala	Director Remuneration	0.05	0.05
	Rent	0.05	0.05
Kishori Devi Jhunjhunwala	Salary	0.03	0.03
S. N. Jhunjhunwala HUF	Rent	0.03	0.03
Juhi Fathepuria	Salary	0.05	0.05
iii. Other Related Companies			
Jhunjhunwala Gases Pvt. Ltd.	Lease Rent	0.01	0.01
Jhunjhunwala Oils Mills Ltd.	Sales	1.98	1.29
	Purchase	-	0.29
Nilamber Trexim & Credit Pvt. Ltd.	Handling & Storage	0.18	0.18
	Sale	-	-
	Brokerage	-	-
iv. Other			
Jhunjhunwala Sewa Society	Bus Rent	0.01	0.01
	Advance	2.31	-

Note 30: INVESTMENTS

(₹ In Crore)

Particulars	Face Value	Reporting period ended on 31st March 2017		Reporting Period ended on 31st March 2016	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
A. Quoted					
Investment in Equity		384148	6.09	1112210.00	6.62
Total			6.09		6.62
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			6.09		6.62
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			2.26		7.25

For and on behalf of Board of Directors

As per our report of even date
For **SPARSH & COMPANY**
Chartered Accountants
FRN - 013070C

Rahul Kumar Singh
[Partner]
M.No. 405120

Place: Varanasi
Date: 28/08/2017

S.N. Jhunjhunwala
Managing Director

Adarsh Jhunjhunwala
Whole-time Director

Consolidated Cash Flow Statement for the year ended 31st March 2017

(₹ In Crore)

	31.03.2017	31.03.2016
A Cash Flow from operating activities:		
Net Profit before tax extraordinary items	36.51	58.66
Adjustment for:		
Depreciation	17.95	17.90
Interest Paid	48.44	40.76
Interest Received	(1.40)	(1.00)
Interest Received From IT Refund	(0.17)	(1.40)
Dividend Received	-	(0.04)
Profit/(Loss) on Sale of Investment	(0.27)	(0.38)
Provision For Doubtful Debts	1.00	1.00
Other Income	(4.97)	(0.06)
Operational Profit before working capital changes	97.09	112.35
Trade & Other Receivable	(10.97)	(95.39)
Inventories	10.72	(412.27)
Trade Payables	(142.93)	277.11
Surplus(deficit foreign currency transaction on consolidated subsidiary)	1.20	(1.57)
Net cash from operating Activities	(44.89)	(119.77)
Interest paid	(48.44)	(40.76)
Direct Taxes Paid	(0.53)	(4.51)
Cash Flow before Extra ordinary Items.	(93.86)	(165.04)
Extra Ordinary Items Deferred Tax	(3.58)	(5.17)
Subsidy received during the year	(35.00)	(36.26)
Provision For Doubtful Debts	(1.00)	(1.00)
Net Cash Flow from Operating Activities.	(133.44)	(207.47)
B Cash Flow from investing activities:		
Purchase of Fixed Assets (Including CWIP & Capital Advance)	(14.27)	(21.95)
Sale Of Fixed Assets	-	-
Other Income	4.97	3.15
Profit/(Loss) on Sale of Investment	0.27	0.38
Purchase of Investments.	-	-
Sale of Investments	0.53	1.21
Interest Received	1.40	1.00
Interest Received From IT Refund	0.17	1.40
Dividend Received	-	0.04
Subsidy received during the year	35.00	36.26
Net Cash Flow from Investing Activities	28.07	21.49

Consolidated Cash Flow Statement for the year ended 31st March 2017

(₹ In Crore)

	31.03.2017	31.03.2016
C Cash Flow From Financing Activities:		
Long Term Borrowing	0.00	0.00
Repayment of Long Term Borrowings	(8.76)	(35.26)
Proceeds from Short Term Borrowings	147.27	36.69
Dividend Paid including Dividend Tax	-	(2.02)
Net cash flow from Financing Activities	138.51	(0.59)
Net Increase (Decrease) in cash & Cash Equivalent	33.14	(186.57)
Cash & Cash Equivalents Opening	227.65	414.22
Cash & Cash Equivalents Closing	260.79	227.65

For and on behalf of Board of Directors

As per our report of even date
For **SPARSH & COMPANY**
Chartered Accountants
FRN - 013070C

Rahul Kumar Singh
[Partner]
M.No. 405120

S.N. Jhunjhunwala
Managing Director

Adarsh Jhunjhunwala
Whole-time Director

Place: Varanasi
Date: 28/08/2017



JVL Agro Industries Limited

Registered Office

Jhunjhunwala Bhawan, Nati Imli
Varanasi 221001 (U.P.), India

P: +91-542-2595930/31/32

F: +91-542-2595941

E: info@jvlagro.com

W: www.jvlagro.com

CIN: L15140UP1989PLC011396



JVL AGRO INDUSTRIES LIMITED

Regd. Off: Jhunjunwala Bhawan, Nati Imli, Varanasi-221001 (U.P.)

Tele: +91-542-2595930-32; Fax: +91-542-2595941

E-mail: kartikagrawal@jvlagro.com ; website: www.jvlagro.com

(CIN L15140UP1989PLC011396)

Notice to the Members

Notice is hereby given that 28th Annual General Meeting (AGM) of the members of JVL Agro Industries Limited (herein after referred to as the "Company") will be held on Friday, 29th September, 2017 at 3.00 P.M. at Hotel Gateway (Taj), Gulab Bagh, Nadesar Palace Compound, Varanasi, Uttar Pradesh-221002 to transact the following businesses.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2017 and Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To re-appoint Mrs. Anju Jhunjunwala, Director (DIN 00189221) who retire by rotation and being eligible offers herself for re-appointment.
3. To re-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 of Section 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 Sparsh & Co, Chartered Accountants, the retiring auditor of the company who have furnished the eligibility certificate under section 141 of the Companies Act, 2013 be and are hereby re-appointed as Statutory Auditor of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of 33rd 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:

4. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2018 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 Gwalior 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, 2018, be paid the remuneration of ₹60,000/- plus out of pocket expenses incurred for travelling, lodging and other expenses in connection with conducting the cost audit as recommended by the audit committee be and is hereby ratified and confirmed."

5. To reclassify the existing Authorized Share Capital of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 of Companies Act, 2013 (hereinafter referred as the "Companies Act") read with Companies (Share Capital and Debentures) Rules, 2014 and other applicable provisions, if any and the provisions of the Memorandum of Association and Articles of Association of the Company, out of the existing unissued Authorized Share Capital of ₹13,46,60,000 (Rupees Thirteen Crores Forty Six Lacs Sixty Thousand Sixty Thousand) comprising of 13,46,60,000 (Thirteen Crores Forty Six Lacs Sixty Thousand) Equity Shares of ₹ 1/- (Rupees One only) each, ₹12,50,00,000 (Rupees Twelve Crore Fifty Lacs) comprising of 12,50,00,000 (Twelve Crore Fifty Lacs) Equity Shares of ₹1/- (Rupees One Only) be and is hereby re-classified by cancelling 12,50,00,000 (Twelve Crore Fifty Lacs) Equity Shares of ₹1/- (Rupees One only) each and concurrently creating 1,25,00,000

(One Crore Twenty Five Lacs) 7% Unlisted Redeemable Non-Convertible Non Cumulative Non Participating Preference Shares of ₹10/- (Rupees Ten only) each and accordingly, the consent of the members be and is hereby accorded for re-classification of Authorised Share Capital of the Company to ₹17,76,00,000 (Rupees Seventeen Crores Seventy Six Lacs) comprising of 17,76,00,000 (Seventeen Crores Seventy Six Lacs) Equity Shares of ₹1/- (Rupees One only) each ("Equity Shares") and 1,25,00,000 (One Crore Twenty Five Lacs) 7% Unlisted Redeemable Non-Convertible Non Cumulative Non Participating Preference Shares of ₹10/- (Rupees Ten only) each ("Preference Shares")."

"RESOLVED FURTHER THAT pursuant to Section 13, 61 and 64 and all other applicable provisions, if any, of the Companies Act, 2013, the existing clause V of the Memorandum of Association of the Company be and is hereby substituted with the following new Clause V as under:

"V. The Authorised Share Capital of the Company is ₹30,26,00,000/- (Rupees Thirty Crores Twenty Six Lacs only) divided into 17,76,00,000 (Seventeen Crores Seventy Six Lacs) Equity Shares of ₹1/- (Rupees One only) each ("Equity Shares") and 1,25,00,000 (One Crore Twenty Five Lacs) 7% Unlisted Redeemable Non-Convertible Non Cumulative Non Participating Preference Shares of ₹10/- (Rupees Ten only) each ("Preference Shares")."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors/Committee(s) of the Board be and are hereby authorized severally to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient and to sign, execute and submit all the requisite documents with the appropriate authority including filing of requisite documents with the Registrar of Companies."

"RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

6. To Issue 7% Unlisted Redeemable Non-Convertible Non Cumulative Non Participating Preference Shares of face value of ₹10/- (Rupees Ten only) each and in this regard to consider and, if thought fit, to pass, with or without modification(s), following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42, 55, 62 and other applicable provisions, if any, of the Companies

Act read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 9 of the Companies (Share Capital and Debentures) Rules, and other relevant rules made there-under (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), enabling provisions of Memorandum of Association and Articles of Association of the Company, provisions of the Uniform Listing Agreement entered into by the Company with the stock exchange(s) where the shares of the Company are listed ("Stock Exchange(s)"), and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India ("SEBI"), Foreign Exchange Management Act, 1999 and rules and regulations framed thereunder (including any statutory amendment(s), modification(s) and or re-enactment(s) thereof, for the time being in force) and subject to the approvals, consents, permissions and/ or sanctions, as may be required from the Government of India, the Reserve Bank of India, SEBI, Stock Exchange(s) and any other relevant statutory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed by the board of directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot, on preferential basis, for consideration of up to ₹25,00,00,000/- (Rupees Twenty Five Crore Only) 7% Unlisted Redeemable Non-Convertible Non Cumulative Non Participating Preference Shares ("RPS") of face value of ₹10/- (Rupees Ten only) each fully paid-up for cash at an issue price of ₹20/- (Rupees Twenty only) on a preferential basis and on such other terms and conditions as may be approved by the Board."

"RESOLVED FURTHER THAT such RPS shall be redeemable at such price and not later than the expiry of such period as may be decided by the Board or Committee thereof provided such period shall not exceed 20 years from the date of issue of the aforesaid RPS and entitle the holder for dividend at the rate to be decided by the Board or Committee thereof, subject to the provisions of the Companies Act and on such other terms and conditions as may be decided by the Board of Directors of the Company or a Committee thereof."

"RESOLVED FURTHER THAT the RPS proposed to be so allotted

shall have priority in all respects including payment of dividend or repayment of capital with the existing fully paid up Equity Shares of face value of ₹1/- (Rupees One only) each of the Company, subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution and for the purpose of issue and allotment of the RPS, the Board of Directors/Committee(s) of the Board be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, desirable or expedient including filing of requisite documents with the Registrar of Companies, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the said RPS, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders."

"**RESOLVED FURTHER THAT** all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

7. To consider, discuss and approve the issuance of non-convertible debentures, in one or more series/tranches of amounting upto ₹50.00 Crores pursuant to Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and allotment of securities) rules 2014

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provision of Sections 42 and 71 of the Companies Act, 2013 and Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s), amendment(s) or re-enactment thereof for the time being in force) and in accordance with the relevant provisions of the Memorandum and Articles of Association of the Company, the consent of the members

of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute), to issue/offer/invite for subscription of secured/unsecured, rated/unrated, listed/unlisted non-convertible debentures ("Debentures") by way of private placement, in one or more tranches, from time to time, to any category of investors eligible to invest in the Debentures, aggregating upto ₹50.00/- crore (Rupees Fifty Crores only) on such terms and conditions and at such times whether at par/premium/discount, as may be decided by the Board and/or Committees to such person or persons including one or more company(ies), body Corporate(s), statutory corporation(s), commercial Bank(s), Lending Agency(ies), Financial Institution(s), insurance company(ies), mutual fund(s) and individual(s), as the case may be or such other person/persons as the Board may decide so for a period of one year from the date of approval of the shareholders, within the overall borrowing limits of the Company, as approved by the members of the Company from time to time.

"**RESOLVED FURTHER THAT** in connection with the above, the Board be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolutions and for matters connected therewith or incidental thereto."

"**RESOLVED FURTHER THAT**, any Director of the Company or the Company Secretary of the Company be and are hereby severally authorized to issue a Certified Copy of the Resolution."

By Order of the Board
For **JVL Agro Industries Limited**

Sd/-
Date: 02.09.2017
Place: Varanasi

Sd/-
Kartik Agrawal
(Company Secretary)

NOTE(S):

1. A statement as required under Section 102 of the Companies Act, 2013 in respect of the business specified above is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (HEREIN AFTER REFERRED AS "THE MEETING" OR "AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THAT PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, TO BE VALID AND EFFECTIVE, SHOULD BE LODGED WITH THE CORPORATION AT ITS REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY- EIGHT HOURS BEFORE THE COMMENCEMENT OF THE AGM.
3. Members / Proxies should bring their copies of Attendance Slips duly filled in, for attending the meeting. Corporate Members are requested to send in advance, duly certified copy of the Board Resolution/ Power of Attorney authorizing their representative to attend the AGM.
4. A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on Poll.
5. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
6. Only registered members of the Company holding shares as on the Cut-off date decided for the purpose, being September 22, 2017, or any proxy appointed by such registered member may cast their vote electronically and may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
7. All documents referred to in accompanying Notice and Statement pursuant to Section 102 of the Companies Act 2013 shall be open for inspection at the registered office of the Company during the office hours on all working days between 10:00 A.M. to 05:00 P.M. upto the date of conclusion of AGM.
8. Member entitled to vote at a meeting of the company, or on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.
9. In terms of section 101 of the Companies Act 2013, read together with the rules made thereunder, the Company forwarded soft

copies of the notice of AGM to all those members who have registered their e-mail ids with their respective DPs or with the Share Transfer Agent of the Company. The Notice of the AGM is also available on the website www.jvlagroindustries.yolasite.com. All the members are requested to ensure to keep their e-mail addresses updated with the Depository Participants or by writing to the Company at kartikagrawal@jvlagro.com quoting their folio number(s) or their DP/ CLIENT IDs.

10. Members holding shares in physical form are requested to promptly notify any changes with respect to their bank account, nomination, power of attorney, change of address, e-mail address, change in name etc. to the company. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participant(s) (DP).
11. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set in this Notice are being conducted through e- voting, the said resolutions will not be decided on show of hands at the AGM.
12. Members may please note that no gifts/gift coupons shall be distributed at the venue of the General Meeting.
13. Voting Rights: Shareholders holding Equity Shares shall have one vote per share as shown against their holding and shareholders.
14. Members having queries relating to the this annual report are requested to send their question at least 7 days before the date scheduled for annual general meeting.
15. VOTING THROUGH ELECTRONIC MEANS

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL).

The E-voting Event Number and period of E-voting are set out below:

EVSN (ELECTRONIC VOTING SEQUENCE NUMBER)	COMMENCEMENT OF E-VOTING	END OF E-VOTING
170829027	Monday, 25th September, 2017 at 9:00 a.m.	Thursday, 28th September, 2017 at 5:00 p.m.

Note: Please read the instructions printed below before exercising your vote. The instructions for members for voting electronically are as under:

Process and Manner for members opting for e-voting is as under:-

The instructions for shareholders voting electronically through CDSL are as under:

- I. The voting period begins on Monday, 25th September, 2017 at 9:00 a.m. and ends on Thursday, 28th September, 2017 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. The shareholders should log on to the e-voting website www.evotingindia.com.
- III. Click on Shareholders.
- 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 Image Verification as displayed and Click on Login.
- VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:
- VIII. After entering these details appropriately, click on "SUBMIT" tab.
- IX. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- XI. Click on the EVSN for the relevant Company name viz. JVL Agro Industries Limited on which you choose to vote.
- XII. 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.
- XIII. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- XIV. 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.
- XV. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- XVII. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVIII. Note for Non-Individual Shareholders & Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- XIX. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

- A. Mr. Adesh Tandon, Practising Company Secretary, has been appointed as scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- B. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e- voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- C. The results declared along with the Scrutinizers report shall be placed on the website, www.jvlagro.com and on the website of CDSL within Forty Eight hours of the passing of the resolutions at the Annual General Meeting of the Company held on Friday, 29th September, 2017 and will be communicated to the designated stock exchanges where the shares of the company are listed.
- D. All the documents referred to in the accompanying notice and Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 will be available at the registered office of the Company during the business hours on all working days upto the date of declaration of results of Annual General Meeting.

By Order of the Board
For **JVL Agro Industries Limited**

Sd/-
Kartik Agrawal
(Company Secretary)

Date: 02.09.2017
Place: Varanasi

EXPLANATORY STATEMENT

UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

ITEM NO. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of Mr. Sudhir Saxena, Cost Accountant, of Gwalior as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2018 at a remuneration of ₹60,000/- plus out of pocket expenses incurred for travelling, 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.4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

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. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NO. 5 to 6

The authorised share capital of the Company, at present, is ₹30,26,00,000/- (Rupees Thirty Crores Twenty Six Lacs only) comprising of 30,26,00,000/- (Thirty Crores Twenty Six Lacs only) equity shares of face value of ₹1/- each.

The performance of the Company during last two financial years was not encouraging due to several reasons. One of such reasons is acute shortage of working capital, resulting in declined sales of the Company.

Accordingly, in order to augment the long-term funds through further issuance of 7% Redeemable Preference Shares of ₹10 (Rupees Ten only) each ("RPS") to increase the business operations of the Company and at the same time to strengthen capital structure of the Company, it is necessary to reclassify the existing Authorised Share Capital of the Company into Redeemable Preference Shares. It is, therefore, deemed appropriate to re-classify the Authorised Share Capital of the Company and for that purpose, the Memorandum of Association of the Company is proposed to be altered in the manner specified in resolution at item no. 5 of the accompanied notice.

The re-classification in the Authorised Share Capital will enable the Company to issue RPS on a preferential basis in terms of the recommendations of the Board placed at Item No. 6 before this meeting.

The Salient Features of the Proposed Preferential Issue of 7% of

Redeemable Preference Shares in terms of Rule 9 of the Companies (Share Capital and Debentures) Rules, 2014 are as under:

a. Size of the Issue:

It is proposed to issue upto 1,25,00,000 7% of Redeemable Preference Shares of face value of ₹10/- each at a issue price of ₹20/- per share constituting an issue size of upto ₹25.00 Crores.

b. Nature of Shares:

The proposed Shares are Unlisted, Redeemable, Non Cumulative, Non-Participating and Non-Convertible Preference Shares.

c. Object of the Proposed Preferential Issue of RPS:

The objective of the proposed preferential allotment of RPS is to augment the long-term funds to increase the business operations of the Company and at the same time to strengthen capital structure of the Company.

d. Manner of Issue of Shares:

The RPS are proposed to be issued on a preferential basis and in physical form in compliance with the applicable statutes.

e. Proposed Issue Price and the basis of arriving at such issue price:

The proposed issue price of RPS is ₹20/- each and the same has been computed on the basis of negotiations.

f. Terms of Issue including terms and rate of dividend on each share, etc:

The RPS would be issued as per the terms and conditions laid down by the Board of Directors in compliance with the applicable Statutes.

g. Terms of Redemption, including the tenure of redemption, redemption of shares at premium etc.:

The proposed RPS would be issued for a period not exceeding 20 years and would be redeemed in accordance with the terms as decided by the Board and/or its committee thereof and in compliance with the applicable provisions of Companies Act, 2013.

h. Manner and Modes of Redemption:

The Company will redeem such RPS in terms of the provisions laid down in Section 62 of the Companies Act, 2013.

The provisions of Companies Act, 2013 ("Companies Act") require the Company to seek an approval of its members for re-classification of Authorized Share Capital and consequent modification of the Capital Clause of Memorandum of Association. Accordingly, the Board of Directors recommends the resolutions as set out at item No. 5 for Amendment in Memorandum of Association for reclassification of shares and 6 for issuing the RPS as Special Resolutions.

None of the Directors, any other key managerial personnel of the Company and their relatives are in any way deemed to be concerned or interested in the said resolution, except to the extent of their shareholding in the Company, if any.

ITEM NO. 7

Further to the shareholder resolution passed on 22nd September 2014 under Section 180 (1)(c) of the Companies Act, 2013, wherein it was resolved that the Board of Directors of the Company is permitted to borrow an amount not exceeding Rs 3500.00 Crores (Rupees Thirty Five Hundred Crore only), Section 42 of the Companies Act 2013 read with the relevant rules thereunder requires every issuance of non-convertible debentures of the Company to be authorized by way of a special resolution.

It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with section 42 of the Companies Act, 2013, allows a company to pass a special resolution once in a year for all the offer or invitation for Non-Convertible Debentures/ Bonds to be made during the year through Private placement basis in one or more tranches.

Consent of the Members is therefore sought in connection with the aforesaid issue of Non-Convertible Debentures/ Bonds from time to time and they are requested to authorize the Board (including any committee of the Board) to issue Non-Convertible Debentures/ Bonds during the year on private placement basis upto ₹50.00/- crore (Rupees Fifty Crores only) as stipulated above, in one or more tranches. For every issue of non-convertible debentures proposed to be offered during this year, the pricing of the debentures (including premium if any) will be determined on the basis of the prevailing market consideration and as specifically approved by the Board at such time.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding (if any) in the Company. Board of Directors recommends the passing of the resolution as Special Resolution.



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: kartikagrawal@jvlagro.com ; website: www.jvlagro.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* No.....

Client ID * No.ofShares.....

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 28th Annual General Meeting of the company held on 29th September 2017 at 3.00 P.M at Hotel Gateway (Taj), Nadesar Palace Compound, Varanasi, Uttar Pradesh-221002 (India)

*Applicable for shareholders holding shares in electronic form

.....
Signature of shareholder/Proxy



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E-mail: kartikagrawal@jvlagro.com ; website: www.jvlagro.com

(CIN L15140UP1989PLC011396)

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) ofshares of the above named company, hereby appoint

1. Name :

Address :

E-mail Id :

Signature :, or failing him

2. Name :

Address :

E-mail Id :

Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual general Meeting of the company to be held on 29th September 2017 at 3.00 P.M at Hotel Gateway (Taj), Nadesar Palace Compound, Varanasi, Uttar Pradesh-221002 (India) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

2.....

3.....

Signed this..... day of.....20.....

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note:

1. 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.
2. A Proxy need not be a member of the Company.
3. A person can not act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 % of the share capital of the Company carrying voting rights. A member holding more than 10 % of the share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a "X" in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he wishes.
6. In the case of joint-holders, the signature of any one holder will be sufficient, but names of all the joint-holders should be stated.



JVL AGRO INDUSTRIES LIMITED

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E-mail: kartikagrawal@jvlagro.com ; website: www.jvlagro.com

(CIN L15140UP1989PLC011396)

POLLING PAPER

ASSENT / DISSENT FORM FOR VOTING ON AGM RESOLUTIONS

1. Name(s) & Registered Address :
of the sole / first named Member
2. Name(s) of the :
Joint-Holder(s), if any
3. i) Registered Folio No. :
ii) *DP ID No. & Client ID No.
[*Applicable to Members holding shares in dematerialized form]
4. Number of Share(s) held:
5. 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 28th Annual General Meeting dated September 29, 2017 by conveying my / our assent or dissent to the resolutions by placing tick (✓) mark in the appropriate box below:

Sl. 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, 2017 and Reports of Board of Directors and Auditors thereon.			
2.	Appointment of a director in place of Mrs. Anju Jhunjhunwala, who retires by rotation and being eligible, offers himself for re-appointment			
3.	Re-Appointment of M/s Sparsh & Co., Chartered Accountants, Varanasi as Statutory Auditors of the Company and to fix their remuneration.			
	Special Business			
4.	To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2018			
5.	To approve reclassification of existing unissued equity shares into preference shares			
6.	To approve issuance of 7% unlisted redeemable Preference Shares			
7.	To consider and approve issuance of non-convertible debentures			

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 28, 2017 (6.00 PM).
- (iii) Please read the instructions printed overleaf carefully before exercising your vote.



JVL AGRO INDUSTRIES LIMITED

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(CIN L15140UP1989PLC011396)

Dear Shareholder,

RE: Green Initiative in Corporate Governance: Go Paperless

The Ministry of Corporate Affairs ('Ministry') has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. In accordance with the recent circulars bearing no. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 issued by the Ministry, companies can now send various notices /documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report etc) to their shareholders through electronic mode, to the registered e-mail addresses of the shareholders.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow public at large to contribute towards a greener environment.

This is also a golden opportunity for every shareholder of JVL AGRO INDUSTRIES LIMITED (the Company) to contribute to the Corporate Social Responsibility initiative of the Company. Please note that the Company will send future communications including Annual Reports etc. in electronic mode to your e-mail ID.

We therefore invite you to contribute to the cause, by requesting you that:

1. If your shares are in electronic mode, kindly update your e-mail Id with your Depository Participant, and
2. If your shares are in physical mode, kindly register your e-mail-Id with our RTA MCS Share Transfer Agent Limited by sending a letter at following address:

MCS SHARE TRANSFER AGENT LIMITED

F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

OR

JVL AGRO INDUSTRIES LIMITED

Jhunjhunwala Bhawan, Nati Imli, Varanasi-221001, U.P.

Kindly note that if you still wish to get a hard copy/physical copy of all the communications, the Company undertakes to provide the same at no extra cost to you. In case you desire to receive the above mentioned documents in physical form, you are requested to send an e-mail to adminreply@mcsdel.com or send a letter at the above mentioned address.

The form for registering your e-mail Id is enclosed (Only for Physical shareholders).

Thanking You

For **JVL Agro Industries Limited**

Sd/-

(Kartik Agrawal)

Company Secretary

E-COMMUNICATION REGISTRATION FORM

(Unit: JVL AGRO INDUSTRIES LTD.)

To

.....
.....
.....
.....

Dear/Sir/Madam,

Re: Green Initiative in Corporate Governance

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No./DP ID & Client ID

Name of 1st Registered Holder

Name of Joint Holder(s)

Registered Address

Email ID

Date.....Signature of the first holder.....

Important Notes:

- 1) On registration, all the communications will be sent to the e-mail ID registered in the folio/DP ID & Client ID.
- 2) The form is also available on the website of the company www.jvlagro.com.
- 3) Shareholders are requested to keep company informed as as when there is any change in the e-mail address. Unless the e-mail ID given hereunder is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned e-mail. ID.
- 4) If shares held in electronic mode, kindly register your e-mail id with your DP and
- 5) You can also e-mail. us on kartikagrawal@jvlagro.com.

