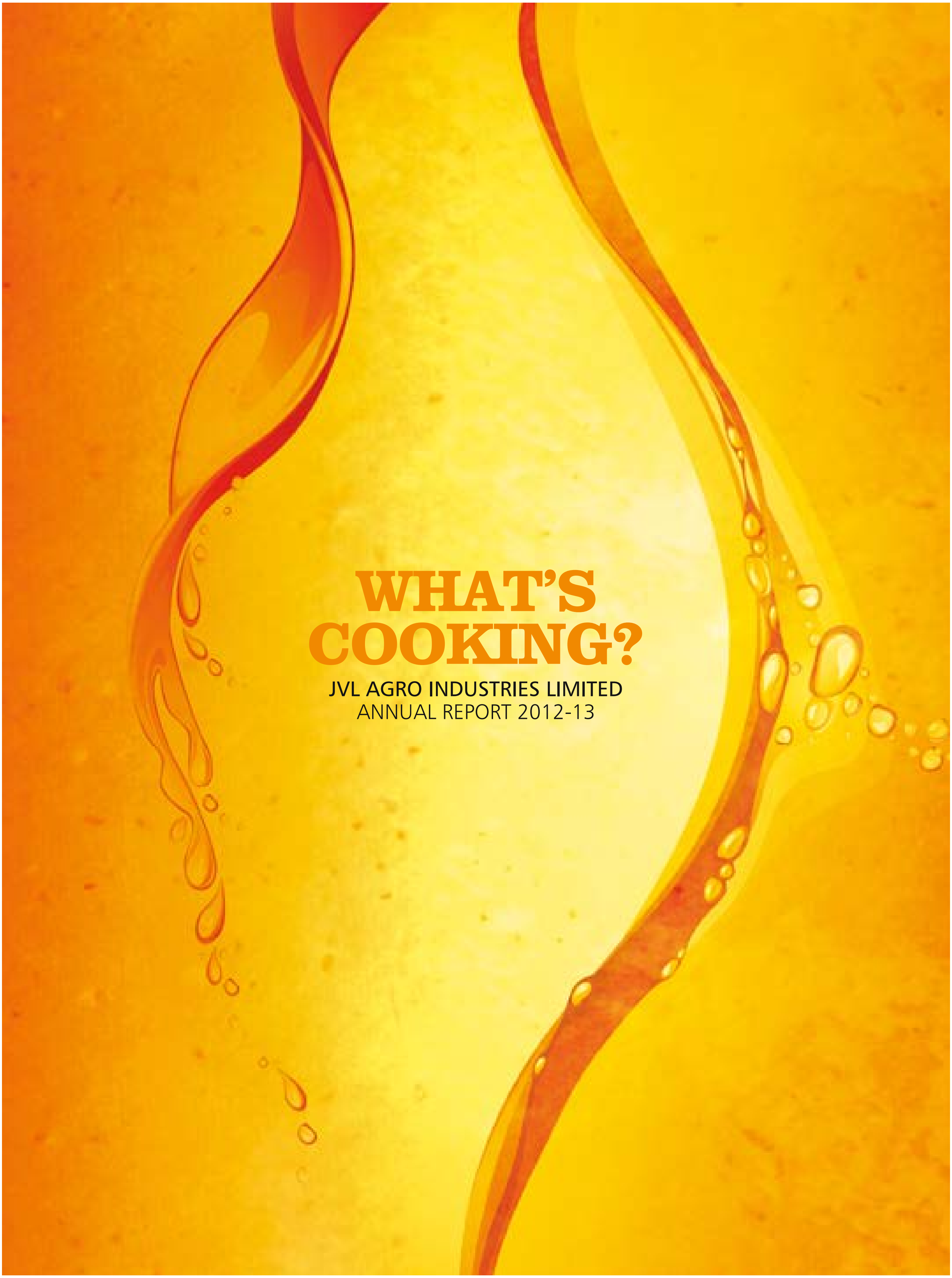


WHAT'S COOKING?

JVL AGRO INDUSTRIES LIMITED

ANNUAL REPORT 2012-13

Forward-looking statement

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

CONTENTS

There is a lot cooking at JVL Agro, one of India's fastest growing cooking media companies.

Profit growth. Capacity increase. Portfolio widening.

So you might have a fair reason to believe that the Company's performance in 2012-13 – 28.82% increase in revenues and 6% increase in profit after tax was, well, just one of so many things that happened at the Company during the year under review.

Vision

To delight the consumer through a complete vegetable oils solution through continuous research and development in healthier oil varieties, leading to a 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 a single region in India to a global manufacturing and marketing presence.

Legacy

The Company entered business as a small-scale manufacturer of hydrogenated vegetable oil (25 tonnes per day), promoted by Mr. D.N Jhunjhunwala in 1989.

JVL Agro has grown into the largest single-unit manufacturer of vanaspati in India today (700 TPD).The Company also possesses a cumulative vegetable oils capacity of 2500 TPD

The Company is managed by Chairman Mr. D.N. Jhunjhunwala, Mr. S.N. Jhunjhunwala (Managing Director), Mr Adarsh Jhunjhunwala (Wholetime Director) and executives

Location

The Company has four manufacturing locations spread across four states with offices in Alwar, Kolkata, Mumbai and Delhi. The Company is headquartered in Varanasi with a subsidiary in Singapore.

The Company's refined oil and vanaspati manufacturing units are located in Varanasi (Uttar Pradesh) and

Dehri-on-Sone (Bihar), mustard oil manufacturing unit in Alwar (Rajasthan) and Refinery in Haldia (West Bengal).

The Company's products are available across thousands of retail outlets in 18 Indian states and two Union Territories

Listing

The Company's shares are actively traded on the Bombay Stock Exchange

(BSE), the National Stock Exchange (NSE), the Delhi Stock Exchange (DSE) and the UP Stock Exchange (UPSE).

Multi-brand

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

- Vanaspati is marketed under the Jhoola brand
- RBD palmolien under Jhoola and Payal brands
- Refined soybean oil under Jhoola Health brand
- Mustard oil under Jhoola, Joohi and Shankar brands
- Blended oil under the Joohi Active brand
- Premium mustard and soyabean oil is marketed under the Royal brand

Awards and certifications

All the plants of the Company are certified with ISO 9001: 2008. The Company was also recognised as the 'Fastest growing vanaspati brand in 2006'; 'Emerging Company of the year 2007' by Globoil; the 'Globoil man of the year 2008' award went to Mr. S.N. Jhunjhunwala (Managing Director) while the Globoil India Legend 2011 award was bestowed upon Chairman Mr. D.N. Jhunjhunwala.

Portfolio

Starting as a single product manufacturing entity almost two decades ago, the Company is now a multi-product and multi-locational organisation:

Products	Product variants	Brand name	Manufacturing Locations	Revenue *	Capacity*
Vanaspati	Vanaspati ghee, bakery shorting	Jhoola	Naupur (Varanasi), Dehri (Bihar)	₹498.71 Crore	165000 TPD
Refined oil	Olein, soya, mustard	Jhoola, Payal	Naupur (Varanasi), Dehri (Bihar), Alwar (Rajasthan), Haldia (West Bengal)	₹1348.90 Crore	600000 TPD
Mustard oil	Kachchi ghani / pakki ghani	Jhoola, Shankar, JVL Royal	Alwar (Rajasthan)	₹280.43 Crore	120000 TPD

** As on 31 March, 2013*

Milestones

- **1990** — Commenced production with a 25-TPD capacity
- **1993** — Achieved 100-TPD production at Varanasi
- **1995** — Switched Vanaspati processing from chemical to modern mechanical technology
- **1999** — Installed a 60 TPD unit for refined oil at Jaunpur, introducing crude soybean and palmolein oil
- **2000** — Increased vanaspati production capacity to 200 TPD
- **2005** — Introduced a fractionation unit of 200 TPD capacity
- **2006** — Acquired Rajasthan-based mustard oil seed-crushing and refining plant
  - Invested in Adamjee Extraction, Sri Lanka, to import saturated fats under the Jhoola brand
  - Product sales in the states of UP, Bihar, Jharkhand, Madhya Pradesh, Uttaranchal and Chhattisgarh

Flash back, 2012-13

Absolutes

- 28.82% increase in revenue from ₹2978.82 Crore in 2011-12 to ₹3837.38 Crore ; a CAGR of 29% over the last five years
- 6% increase in post tax profit from ₹56.89 Crore in 2011-12 to ₹60.37 Crore; a CAGR of 23.61% over the last five years
- 389 basis points increase in the contribution of the refined oil business to total revenue from 31.26% in 2011-12 to 35.15%

Production

- Produced 95136.48 MT saturated fats (Vanaspati) against 94910.51 MT in 2011-12.

2007

- Emerged as the first UP Vanaspati manufacturer to commission a 3-MW power plant
- Formed a wholly-owned Singapore subsidiary under JVL Overseas Pte Ltd
- Introduced products in the Northeastern states

2008

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

2009

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

2010

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

2011

- Company became listed on the National Stock Exchange of India Ltd

2012

- Capacity increase in mustard seed crushing to 400 MTPD, solvent extraction to 450 MTPD and storage capacity of mustard seed increased by 6400 MT at Alwar unit
- Commencement of production from the Company's biggest unit, at Haldia
- Introduction of refined oil in Eastern India

2013

- Achieved its topline target of ₹3500 Crore. Company set to establish rice mill and cement unit in Rohtas, Bihar

■ Refined oils production increased 66.53% from 154136 MT in 2011-12 to 256678.63 MT

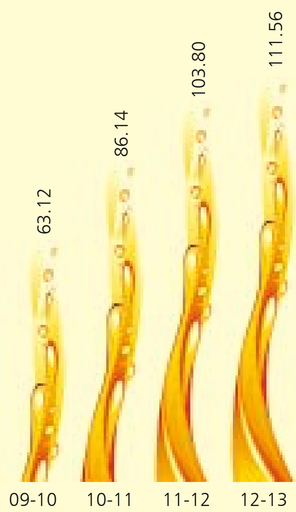
Realisations

■ Significant increase in average realisations per tonne on a y-o-y basis

Financial Highlights

Revenues
(₹ Crore)

EBIDTA
(₹ Crore)



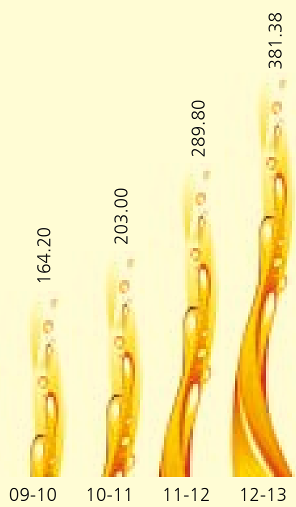
Profit after tax
(₹ Crore)

Cash profit
(₹ Crore)

Net worth
(₹ Crore)

Book value per
share (₹)

Gross block
(₹ Crore)



7.48%

Growth in EBIDTA

₹10.38 million in 2011-12 to
₹11.16 million in 2012-13

6%

Growth in profit after tax

₹6.04 million in 2011-12 to
₹5.69 million in 2012-13

What's cooking? Diverse segments, products and locations!

IN THE BUSINESS OF EDIBLE OILS MANUFACTURE, ORGANISATIONAL MATURITY IS DERIVED FROM A GROWING PRESENCE ACROSS SEGMENTS, PRODUCTS AND LOCATIONS.

At JVL Agro, we have matured our organisation through segment diversification, product growth and locational spread.

- We were a single location company until 2005; we are now spread across 4 locations in North and Eastern India, making it possible for us to service local markets better
- We were a vanaspati company until 2005; we now manufacture many edible oil varieties (soyabean, palm refined and mustard), making it possible for us to address 70% of India's consumption palate.
- We were only a vanaspati cum edible oils company; we have now extended to the manufacture of food products that will leverage dynamics of a fast growing Indian FMCG sector.

JVL Agro is laying the foundation of rapid revenue growth on the one hand and relative business de-risking on the other.

70%

Proportion of India's consumption palate addressed by the Company.

What's cooking? Capacity growth!

IN THE BUSINESS OF EDIBLE OILS MANUFACTURE, CAPACITY GROWTH IS THE TRIGGER THAT TRANSLATES INTO A NUMBER OF BUSINESS-STRENGTHENING REALITIES.

At JVL Agro, capacity growth has been largely responsible for the progressive transformation of our corporate visibility, profitability and respect.

We were a 2500 TPD edible oils company until 2012; we expect to be a 2900 TPD company in 2013-14.

This growth has translated into the following realities:

- The ability to leverage economies of scale, amortise a larger production across fixed costs and enhance competitiveness
- The ability to negotiate the purchase of a larger volume of raw materials more effectively
- The ability to manufacture a range of products in growing quantities and address the diverse needs of the marketplace
- The ability to have adequate capacity on hand to address demand growth and the ability to inspire confidence in the trade that the Company will always have adequate material to place on their shelves
- The ability to extend into product niches with the objective to create fresh demand as opposed to the conventional response of merely catering to it

At JVL Agro, we grew from one edible oil product to multi product in 6 years; correspondingly, we grew revenues from ₹1155.56 Crore in 2007-08 to ₹3837.38 Crore in 2012-13 and EBIDTA from ₹38.69 Crore in 2007-08 to ₹111.56 Crore in 2012-13.

JVL Agro is laying the foundation of sustainable and profitable growth.

₹ **3837.38 Crore**

Revenues in 2012-13

"The year 2012-13 was an inflection point in our maturity cycle which will translate into higher revenues and profits."

S. N. Jhunjhunwala analyses the Company's growth in 2012-13

Q: Were you happy with the performance of the Company during the financial year under review?

A: The answer is that I was a trifle disappointed. Even as we reported an attractive ₹858.56 Crore increment over 2011-12 revenues to achieve ₹3837.38 Crore of topline in 2012-13, the reality is that we fell around ₹250 Crore short of what we had budgeted, ascribed to a delay in the commissioning of our Haldia plant.

Q: What were some of the pluses to have transpired during the year under review?

A: One of the biggest things to have happened during the year under review was the transformation in our scale, which helped mature the Company. Consider this: until the start of 2011-12, we were a 1,400 TPD company with an annual revenue generation potential of ₹2900 Crore. The year 2012-13 proved to be a game-changer; the Company commissioned an aggregate 400 TPD across its other plants and added another 1,200 TPD at Haldia, transforming JVL Agro into a 2,500 TPD company. Within the next few months, we expect to commission another 400 TPD in Haldia, emerging as a 2,900 TPD company. It took us 23 years to get to a scale of 1,400 TPD and took us just seven months to add 80% to this capacity. This underscores the fact that a transformation of dramatic

proportions has happened at JVL Agro over the last couple of years and this should progressively get reflected in our financials.

Q: Is it just the scale that is the big development at JVL Agro?

A: The big thing to have transpired at JVL Agro is encapsulated in one word – 'maturity'. This maturity is not just visible via the Company's scale; it can be inferred from a number of things that have happened what we expect will translate into sustainable growth.

Take technology for instance. The kind of technology that the Company invested in the Haldia plant (sourced from Alfa Laval) is state-of-the-art, ensuring that our oil extraction and refining efficiencies are at their peak on the one hand and we are considerably lowering our energy consumption on the other.

Or take market coverage for that matter. The fact that we have a large plant in Haldia has made it possible for us to establish an indelible marketing footprint across a number of states namely – West Bengal, Chhattisgarh, Jharkhand and the North Eastern states, which we expect will fortify our pan-Indian presence.

Or how about the fact that we are finally operating via a port. Earlier, whatever raw material we imported would have to be brought into the country, refined and then marketed, which resulted in a doubling of transportation costs. During the course of the last financial year, the Company commenced operations from a port location – it's first – which will make it possible to increase imports, process products on-site and market directly to the consuming markets, thus strengthening logistical efficiency, resulting in attractive long-term savings and profitability.

So what we achieved during the financial year under review was not easily visible in the numbers; the resulting maturity will only progressively translate into our financials, competitive advantage and brand positioning.

Q: What can shareholders look forward to in 2013-14?

A: There are two things that will progressively emerge during the current financial year – one, an increase in our capacity utilisation and the full impact of a year's operations from the Haldia facility; two, the commissioning of an additional 400 TPD of soybean oil capacity during the second quarter of 2013-14.

Prima facie, this commissioning will provide the Company with an additional revenue kicker; from a more long-term perspective, the Company will leverage a stronger product portfolio – vanaspati, mustard oil, palm refined and soybean – accounting for 70% of the edible oils consumption basket in

We reported an attractive revenue of ₹858.56 Crore increment over 2011-12 revenues to achieve ₹3837.38 Crore of topline in 2012-13

India. This wider portfolio will translate into a stronger customer accretion and enhanced branding effectiveness, which will progressively translate into higher sales and lower selling cost, leading to higher profitability.

Q: You indicated the word ‘brand.’ Can you elaborate?

A: Even as recently as five years ago, we were largely a vanaspati company with a small but growing revenue component from edible oils. In those days, the principal edible oil brand that we possessed – Jhoola – largely addressed low-income consumers in Bihar and Uttar Pradesh. The commissioning of the Haldia facility has proved to be a game-changer for reasons extending beyond mere incremental capacity; the addition of mustard and soybean oils to our product mix will progressively evolve our revenue mix to the premium and value-added. During the financial year under review, we launched the Royal brand to carve out a distinctive image for these products and the result is that we now possess two brands addressing two distinctive and mutually exclusive income segments (premium to economy). For a Company that has been historically addressing only one kind of consumer, the recent development highlights our ability to broaden the product pyramid, address a larger demographic profile and create relevant branding initiatives that we expect will augment our revenues, realisations and margins.

Q: Shareholders want to know whether the Company’s maturity will also translate into a growing manufacturing footprint.

A: Until a few years ago, we derived significant part of our revenues from just two states – Uttar Pradesh and Bihar. I am pleased to state that we have progressively rationalised the proportion of these two states from our geographic mix even as our revenues have grown significantly since. The result is that we now derive our revenues from Central, Northern, Eastern and North-Western India. What I want to convey is that this extension is just the beginning of an initiative that extends our footprint through the length and breadth of the country a few years from now as we increasingly position ourselves as a multi-state, multi-brand, multi-location and multi-product player.

Q: What is the next big push at the Company?

A: For the first 16 years of our existence, we were principally a vanaspati player. Then in the following 6 years – our second phase, we delved into the edible oils segment. The time has come to evolve into the third phase of this development. Over the next few years, even as we continue to enhance our edible oils capacity, we intend to graduate into a foods company with an enhanced FMCG quotient. For starters, we began to market bakery products in 2012-13, addressing the needs of consumers in far-flung regions. During the current financial year, we expect to commission a 12 MTPH rice mill in Bihar with a healthy annual revenue potential, which will progressively increase the proportion of food revenues in our overall turnover. As a strategy, our objective will be to leverage our existing distribution network, so that our marketing costs are lower than the industry average and where we can add value to our existing brands to enhance sales effectiveness.

Q: What can shareholders expect from the Company in 2013-14?

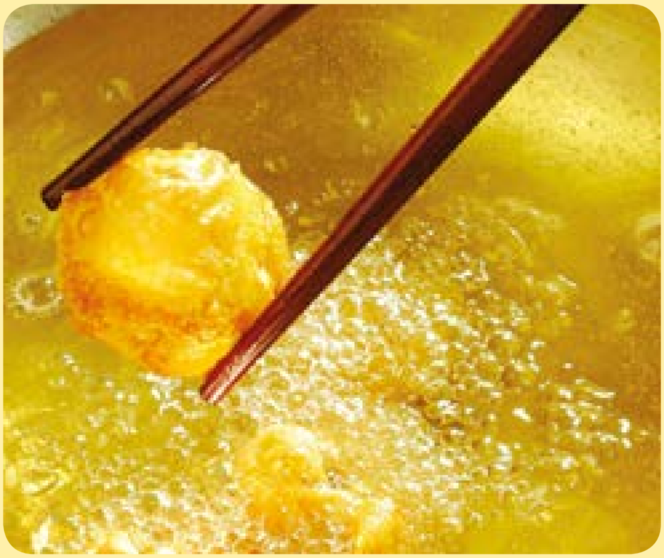
A: The year 2013-14 is expected to be positive for some valid reasons: the incremental capacities coming on stream will graduate us from 2,500 TPD to 2,900 TPD, the non-oil segment of the business will become increasingly evident and since we have already expended for all projects, shareholders will see the results of the business scale-up, a corresponding increase in profits and subsequent de-leveraging. To sustain the momentum, we expect to invest in an edible oil plant on the Western coast of the country for which we have already commenced scouting for a substantial land bank, providing us with revenue-cum-projects visibility for two years. The result is that in 2013-14, the Company expects to report ₹4,200 Crore in revenues followed by ₹5,000 Crore in the following year, which brings us within the $ 1 billion revenue range.

Q: The Company works with low margins. What are the various strategies to strengthen profitability?

A: In the business of edible oils, the operative word is ‘volume’. Once the business acquires a specific scale, margins tend to increase. This happens for some obvious reasons: at that level, raw material procurement becomes progressively efficient, the wide product spread leverages marketing and branding efficiencies and our IT backbone makes it possible to scale revenues without a corresponding increase in manning. We reinforced our margins focus in the last financial year through the commissioning of a raw materials procurement office in Indonesia. The result is that within six months of opening this office, we hauled in our first imported shipment operationalising our supply chain, demonstrating that it was cost-effective to source larger and cheaper.

I must also draw the attention of our shareholders to the fact that in the last few years, the delta between raw and refined oils has declined. If there is a reason why JVL has been relatively insulated from this impact is because of its prudent selection of Haldia as a manufacturing location, among the least affected of Indian ports from raw material volatility. As a result, we are confident that we have created the foundation of a growth-oriented risk-mitigated business model which will translate into enhanced shareholder value over the coming years.

In 2013-14, the Company expects to report ₹4,200 Crore in revenues followed by ₹5,000 Crore in the following year, which brings us within the $ 1 billion revenue range.



Business model review

BRAND

In the business of edible oil marketing, a trusted brand is a huge asset due to health implications. At JVL Agro, we positioned our brands around 'health', 'affordable' and 'choice' translating into an ability to provide safe products across diverse price points. Today the 'Jhoola' brand enjoys a leading market share in Bihar and Uttar Pradesh.

ECONOMIES

In the edible oil business marked by low-margins, sustainable competitiveness is derived from the ability to leverage economies of scale (procurement, manufacturing and marketing). At JVL, we invested in one of the largest edible oil capacities at a single port-based location in India (Haldia, 1200 TPD), lakhs of retail point distribution for pan-India availability and a capable procurement team for sourcing large volumes of diverse raw-materials. As a result, JVL's product basket addresses different tastes (soyabean, mustard, palm oil, vanaspati) and income classes (economy to premium).

HOLISTIC

In the edible oil business, growth is derived from the ability to increase channel throughput, widen product within the edible oils segment and extend the product mix to synergic products. This is what the Company has progressively done: expanded capacity from 1400 TPD in 2012 to 2500 TPD in 2012-13; widened its product basket from one product in 2005 to multi edible oil products; focused on vanaspati and edible oils enabling a presence in the foods segment (bakery products), evolving the Company into the fast-growing FMCG space.

LOGISTICAL ADVANTAGE

In the edible oil business, where raw materials are imported and end products dispersed across regions, superior logistics management provides the critical advantage. This is what the Company did: it transformed its conventional mechanism of import- inland transport-process-onward deliver to import process-onward deliver with the commissioning of its port-based Haldia facility. This saved transportation costs and shrunk the working capital cycle.

05

INTEGRATION

In the business of edible oil manufacturing, much of the profitability is influenced by raw material pricing, quality and availability. For long-term competitiveness, it is imperative to secure one's raw material sourcing. The Company took a decisive initiative by commissioning an office in Indonesia in 2012-13 to outsource raw material and seek plantation purchase opportunities. Besides, it strengthened its integration through the captive manufacture of packaging material and a 3 MW captive power plant at Varanasi.

06

PAN-INDIA

In the business of edible oil manufacturing, sustainable success is derived from the ability to cover as large a footprint as possible and leverage brand efficiency. The Company embarked on this strategy, growing from one manufacturing location in 2005 to four locations today, widening the Company's marketing footprint and servicing the country's population at large. The Company is seeking an edible oil manufacturing location on the western coast, which will widen the Company's footprint coverage significantly as one step towards becoming pan-Indian in character.

07

TECHNOLOGY

In the business of edible oil manufacturing, the efficiency with which raw oil is processed influences competitiveness and quality. The Company invested in cutting-edge technology (Alfa Laval) in its Haldia plant to maximise oil extraction and refining efficiencies on the one hand and report lower energy consumption on the other. The Company reinforced this technology discipline with ISO 9001-2008 certification translating into procedural consistency.

08

INVESTMENTS

In a business that is consistently growing in line with population and aspirations, the Company is required to invest in capacities, people and technologies even during weak economic cycles. For instance, the Company invested a healthy amount between 2008-09 and 2012-13, generally considered as one of the most challenging periods the world over in the last 80 years, accounting for significant percentage of its gross block as on 31 March 2013.

09

CLOSER TO CUSTOMERS

In the business of edible oil marketing, reach – wider and deeper – is critical. The larger the quantity the Company's products can be marketed closer to its manufacturing plants helps reduce transportation costs and also accelerates the Company's ability to respond to demand spikes and market opportunities. As of 31 March, 2008 the Company had only thousands of retail outlets across the cities where its products were marketed. Today, the Company's products occupy the maximum shelf space in Lakhs of retail outlets across. The result: It has the largest market share in Central India for its refined oil products, while it is aggressively pursuing to establish its presence in Eastern India and enter North-Eastern markets.

10

FINANCIAL DISCIPLINE

The business of edible oil manufacture requiring consistent investments in capacities, products and locations and success is derived from a robust Balance Sheet. The Company's gearing as on 31 March 2013 is one of the lowest in the industry.

Financial Review

Revenue

The Company's revenue increased by 28.82% from ₹2978.82 Crore in 2011-12 to ₹3837.38 Crore in 2012-13 on account of increased volumes and realisations.

Cost analysis

The total operating expenses (excluding depreciation and financial charges) increased by 29.39% over 2011-12; operating expenses as a percentage of total income also increased significantly.

Raw material consumption: Raw material consumption increased from ₹1652.84 Crore in 2011-12 to ₹2201.62 Crore in 2012-13. As a proportion of total income, it increased to 57.67% compared to 55.70% in the previous year. Besides, the inflationary environment consequent to the surge in oil prices resulted in an increase in key inputs; increased operations thereby contributing to increased raw material costs.

Manufacturing expenses: The Company's manufacturing components comprised the consumption of packing materials, power, fuel, chemicals and other production expenses.

Power and electricity: Power is an integral component of the manufacturing process. Power costs increased 10% from ₹45.47 Crore in 2011-12 to ₹50.33 Crore in 2012-13.

While the absolute cost increased, power and fuel costs as percentages of the total turnover declined from 1.53% to 1.32% in 2012-13 indicating an efficient utilisation of power indicated by the units of power consumed-2,91,72,000 units in 2012-13 against

2,60,85,000 units in 2011-12. The Company could rationalise power costs due to a number of initiatives taken during the year.

Employee costs: Employee cost increased from ₹6 Crore in 2011-12 to ₹7.34 Crore in 2012-13. What was heartening is the increased focus on employee skill development and welfare, resulting in higher returns from the JVL team – revenue and profit per employee increased significantly in 2012-13 over 2011-12.

Selling and distribution expenses: These increased from ₹8.10 Crore in 2011-12 to ₹8.27 Crore in 2012-13. Logistics costs increased due to an increase in diesel and petrol prices during the year, consequent to an increase in global crude prices.

Surplus management

The Company is at that stage in its history when every rupee invested in the business will yield far greater returns than any other investment opportunity. As a result, the Company re-invested surpluses into its business with the objective of repaying debt and strengthening its gross block. In view of this, the Company maintained a strict control on its asset-liability position at all times through a study of the periodic cash flow statement.

Sources of funds

Capital employed: The capital employed in the business increased from ₹526.64 Crore as on March 31, 2012 to ₹648.48 Crore as on March 31, 2013 to fund growing capacities.

Equity: The Company's share capital comprised 16,79,40,000 equity shares of face value of ₹1/- each. Equity share capital grew from ₹14,04,40,000 as on 31st March 2012 to ₹16,79,40,000 as on 31st March 2013 due to the conversion of 2,75,00,000 preferential warrants of ₹19/- each into 2,75,00,000 equity shares of ₹1/- each at a premium of ₹18/- each.

Reserves and surplus: Reserves and surplus increased by 37% from ₹285.71 Crore as on March 31, 2012 to ₹392.23 Crore as on March 31,2013. The reason for this increase was due to the increase in the security premium and the plough back of operational surplus earnings worth ₹106.52 Crore. The security premium account increased by 79% due to the premium received on the conversion of the warrants into equity shares – highlighting the strength of the corporate brand.

External funds and costs: The size and cost of debt makes the difference between a Company's success and failure. In the short-term it impacts the profitability, over the long-term it dictates the strength with which the Company is able to mobilise funds for its projects. The Company's reliance on external funds increased the debt portfolio grew from ₹175.89 Crore as on March 31, 2012 to ₹211.19 Crore as on March 31, 2013 – a growth of 20%. The loan fund was largely used to meet working capital requirement consequent to growth in business operations.

Long term borrowing: It comprised 47.56% of the borrowed debt, an increase by 23.77% during the year under review due to an increase in working capital requirements. An increased reliance on secured loans is expected to reduce the interest cost for the Company over the coming years.

Short term borrowing: It increased to ₹110.75 Crore as on March 31, 2013 from ₹94.74 Crore as on March 31, 2012.

Interest: Interest outflow increased from ₹21.63 Crore in 2011-12 to ₹24.13 Crore in 2012-13 on account of an increase in the debt portfolio. The interest cost increased by 11.56% over the previous year.

Fixed assets

The competitive edge of a company in terms of scalability and technological capability is reflected by its fixed assets. Over the years, the Company invested continuously to create a sizeable fixed assets base. In 2012-13, the Company had a net block of ₹327.30 Crore as on March 31, 2013. The contemporariness of the fixed assets can be judged by a simple statistic – accumulated depreciation as a percentage of gross block stood at only 14%.

Depreciation: The provision for depreciation plays a critical role in the profitability of a manufacturing company. A large gross block leads to a sizeable depreciation, an adequate buffer in an aggressively growing business and a sizeable tax shield.

Depreciation increased from ₹9.64 Crore in 2011-12 to ₹10.21 Crore in 2012-13. The Company followed the straight-line method of depreciation, a consistent treatment for the last number of years.

Investments

The Company's investment portfolio comprised mutual funds and equity investments only. It stood at ₹5.61 Crore as on March 31, 2013.

Working capital

Working capital is essential to fund day-to-day operations of a growing business. Working capital constituted 50% of the total capital employed. The Company's working capital was used to purchase raw material, manage overheads and provide credit.

Inventory: Inventory increased from ₹440.67 Crore as on March 31, 2012 to ₹453.21 Crore as on March 31, 2013. Of the inventory as on March 31, 2013 for raw material inventory, the Company followed an efficient inventory management system supported by IT systems.

What makes us competitive across regions, products and market cycles

KNOWLEDGE

The Company possesses a successful industry experience for more than two decades, translating into a longstanding experience of technologies, vendors, distributors, capital providers and market cycles.

HOLISTIC

The JVL product portfolio (vegetable oil and vanaspati) addresses the cooking media preference of 70% of India.

LOW COST

The Company's scale (largest Indian manufacturer of saturated fats and one of the largest port-based edible oil refining capacity) has helped reduce production costs and strengthen competitiveness.

Debtors: Growth in volumes resulted in an increase in debtors – by 1.22% over the previous year.

Cash and bank: The cash and bank balance comprised primarily of fixed deposits with banks (secure and liquid funds) as margin money for availing fund and fee-based working capital limits with banks.

Loans and advances: Loans and advances constituted 11.49% of the total current assets, increasing from ₹109.08 Crore as on March 31, 2012 to ₹121.73 Crore as on March 31, 2013. This comprised advances and prepaid expenses.

Creditors: Increased business volumes strengthened the Company's negotiation capabilities. The Company selectively maintained a prudent mix of cash and credit purchase to improve working capital efficiency.

Taxation

The provision for current tax declined from ₹13.56 Crore in 2011-12 to ₹10.91 Crore in 2012-13.

DIVERSE

The Company provides products across range of packaging sizes - from 200ml to 5 kg to 15 kg- that enhances affordability.

BRAND RECALL

The Jhoola brand is synonymous with hygiene, health and quality, enjoying a strong brand recall across 18 states, 2 union territories. The brand is the largest selling in the states of Uttar Pradesh and Bihar.

LOCATIONAL ADVANTAGE

The Company enjoys an ease-of-access to its raw material bank through the Haldia port. Additionally, the pipeline located at the Haldia unit linking directly to its factory JVL Oil Refinery ensures savings and no wastage.

CAPTIVE POWER

The Company's investment in 3 MW of power plant at its Varanasi unit ensures 100% of its energy requirement resulting in reduced energy costs

Management Discussion and analysis

Global overview

Global gross domestic product (GDP) grew 3.2% in 2012 against 3.9% in 2011, affected by turbulence in what was always expected to be a slow and bumpy recovery. The key impediments were prolonged eurozone turmoil, instability in the US economy, disruption of global oil supplies and slow investments in emerging markets. Economic conditions improved in the third quarter of 2012, primarily due to acceleration in emerging market economies and in the US *(Source: IMF).* On the brighter side of things, global growth is projected to increase during 2013 as factors decelerating global commerce are expected to decline. However, this upturn is projected to be more deliberate and time-consuming. Overall it can be said that the global economy could grow at 3.5% in 2013 *(Source: IMF).*

Indian economy

India's economic growth decelerated for the second year in succession, declining from 6.2% in 2011-12 to 5% in 2012-13, the slowest growth in a decade. In turn, the subdued performance of the services sector was largely due to a slowdown in the global economy. India's industrial output declined, led mainly by a sharp contraction in the manufacturing, mining and capital goods sectors (proxies for investment activity). The issues constraining industrial production growth were low investment on account of high interest rates, depreciating rupee, inflation and policy slowdown. CRISIL estimates that the Indian economy could grow 6.7% in 2013-14 due to a consumption revival catalysed by an acceleration in the agricultural sector (predicated on a normal monsoon), lower interest rates and higher governmental spending.

Indian edible oil industry

India is one of the largest global producers of oilseeds . The major cultivated oilseeds comprise groundnut, mustard seed, sesame seed, safflower, linseed, niger seed, castor seed, soybean and sunflower. Coconut is the other important source of edible oil; soya, groundnut and mustard seed contribute a large percentage of the country's total oilseed production. India imports around 56% of total edible oil imports; as a result, edible oil prices generally exhibit a correlation with international prices *(Source: 2013 Outlook: Indian Agricultural Commodities-Edible Oil and Cotton, January 2013).*

India's edible vegetable oil production and consumption are expected to increase to 7.6 million tonnes and 18.6 million tonnes respectively, imports increasing to almost 11 million tonnes. The import forecast includes 8.4 million tonnes of palm oil, 1.3 million tonnes of soya oil, 1.2 million tonnes of sunflower oil and 10,000 tonnes of other edible oils. While India's per capita edible oil consumption is increasing (currently 14.1 kg for 2012-13), it still remains far below the world average per capita consumption of 21.6 kg. Strong market prices for oilseeds and yield improvements are likely to increase oilseed crush and increase enhance oil meal production to 17.8 million tonnes in 2013-14.

As domestic consumption is growing faster than domestic oilseed production, inventories held by private and government (cooperative) warehouses are gradually declining. From MY 2011-12, total oilseed inventory is expected to contract by more than 300,000 tonnes through MY 2013-14. *(Source: Global Agriculture Information Network Report)*

Production

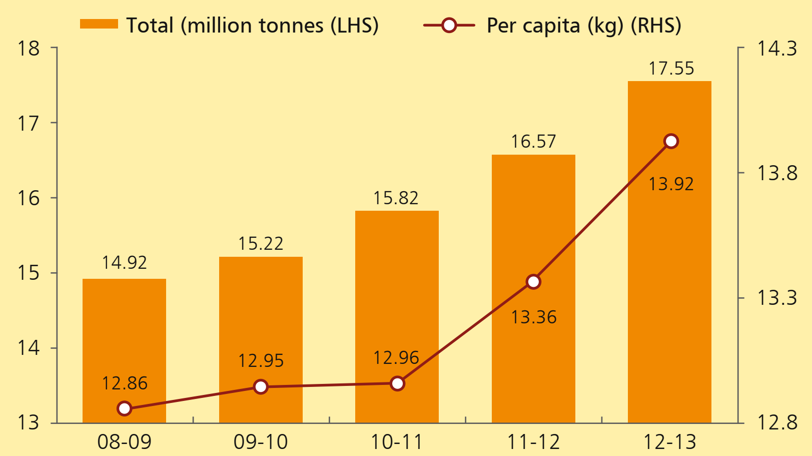
Favourable climatic conditions increased oil content in seeds from 38% in 2011-12 to 42%. Ministry estimates place India's edible oil production at 7.1 MT in 2013-14, a marginal rise of 6.8 MT over the previous year, which will increase overall oil availability from domestic sources to 8.20 MT. The GOI plans to launch a National Mission on Oil Seeds and Oil Palm under the 12th Five Year Plan. This effort will incorporate the existing integrated scheme for oilseeds, pulses, oil palm and maize, the central sector scheme on tree-borne oilseeds and Oil Palm Area Expansion. This programme is expected to bring 49,682 hectares (33,182 hectares from FY 2011-12 and an additional 16,500 hectares in FY 2012-13) under oil palm cultivation. Andhra Pradesh is leading the expansion, followed by Tamil Nadu, Karnataka, Odisha, Gujarat, Mizoram, Maharashtra and Chhattisgarh. India has also started the new Oil Year on 1 November 2012 with record opening stocks (port stocks plus internal pipeline) of 1.65 million tonnes *(Source: Global Agriculture Information Network Report; Business Standard May 2, 2013).*

Consumption

India's per capita consumption of cooking oil is set to increase by 4.19% in the current financial year.

India's price-sensitive consumers constitute around 40% of India's edible oil demand; this segment is set to consume 400,000 tonnes more

Edible oil consumption



Source: Godrej International

cooking oil this year, resulting in per capita demand rising from 13.36 kg to 13.92 kg. This, along with the continuous focus of the affluent class to concentrate more on outside foods, which is generally considered rich in oil, can potentially raise India's cooking oil consumption to 17.55 million tonnes (MT) this year, a rise of around 1 MT, or six per cent, from the previous year. *(Source: Business Standard May 2, 2013)*

Import

India addresses 50% of its domestic edible oil consumption through imports, mainly from Indonesia and Malaysia. India, the largest edible oil importer, imported a record quantity of edible oil in January 2013 since imports commenced in 1994. Import of refined oil (RBD Palmolein) between Nov.'12 to Jan.'13 was at 367,054 tonnes compared to 331,124 tonnes during the same period of last year. Hence, share of refined edible oil is 14%, while crude edible oil is 86%. The import of RBD Palmolein jumped to 153,060 tonnes in January 2013 compared to 76,159 tonnes in November 2012 and 137,475 tonnes in December 2012 *(Source: Economic Times, February 14, 2013).*

Palm oil: Palm oil, the most popular global vegetable oil, is used in a range of food (margarine and ice cream), non-food products (shampoos, soaps, and cosmetics), and bio-fuel production. The Indian consumption of vegetable oils is expected to grow in the medium term as rising incomes enhance the consumption of baked and fried foods. India is one of the most price-sensitive markets for vegetable oils, with a large number of consumers simply selecting the cheapest oil available. Palm oil's share of this growing market depends on its price discount over other vegetable oils, the main beneficiary of this growth, despite a preference among more affluent consumers for oils derived from seeds, such as sunflower seed oil. Palm oil consumption in India is expected to exceed 9m tonnes in 2013/14 and 2014/15.

Outlook

India is expected to emerge as a 20-million TPA vegetable oil economy in five years, with local production of 6 million tonnes and imports of 14 million tonnes. India's imports of edible oil in the current marketing year are likely to rise to 11 million tonnes compared to nearly 10 million tonnes a year ago *(Source: Reuters, March 25, 2013).*

India is expected to emerge as a 20-million TPA vegetable oil economy in five years, with a local production of 6 million tonnes and imports of 14 million tonnes.

Favourable climatic conditions, however, increased oil content in seed, which will increase overall oil availability from domestic sources from 8.15 mt in the previous year to 8.20 mt. India's per capita edible oil consumption is expected to rise this year in the wake of sustained economic growth. Also, price-sensitive consumers consumed a larger quantity, resulting in higher per capita consumption *(Source: The Business Standard, March 26, 2013).*

Growth drivers

Growing population: India's population is 1.27 billion, making it the second most populous country. A population increase indicates a corresponding increase in the demand for food and edible oil. It is estimated that India will need 800,000 incremental tonnes of edible oil annually to address the needs of a growing population. *(Source: Bloomberg news, April 2013).*

Rise in income: The per capita income at current prices during 2012-13 was estimated at ₹68,747 compared to ₹61,564 in 2011-12, a rise of 11.7%. A rise in income indicates improvement in living standards, another demand driver *(Source: The Business Standard, February 7, 2013).*

Consumption of fat is an essential nutritional need: Consuming fats is an essential nutritional need, most of which is met through visible fat sources - vegetable oil, ghee, butter, among others. The rise in consumption surpassed the country's nutritional needs by a wide margin. An average fat intake of 29 grams per person per day is enough to meet the nutritional requirements of Indians, which translates into an annual vegetable oil requirement of 10.585 kg per person. The per capita consumption has already reached 14.2 kg, which means the average consumption has risen to 38.9 gm, well beyond nutritional needs of visible fats and indicative of a robust national consumption trend *(Source: India Today, April 2, 2012).*

Increasing awareness: Demand for refined oils has increased rapidly in urban India. India's edible oil manufacturers are promoting fortified refined palmolein, safflower and rice bran oil as healthy cooking media, resulting in an expanding capacity *(Source: Global Agriculture Information Network Report, 2013).*

Increase in demand for non-home food: The growing trend towards eating out is strengthening the off-take of outside foods, generally rich in oil. This – and other factors – will strengthen India's consumption of cooking oil to 17.55 million tonnes (MT) in 2013-14 year, a rise of around 1 MT over the previous year *(Source: The Business Standard, March 26, 2013).*

Difference in consumer preferences: Coconut, peanut and sunflower oil are widely consumed in Southern India. Peanut and cottonseed oils are more prevalent in Gujarat and Maharashtra, rapeseed oil in North Eastern and North Western India, while soybean oil prevails in Central India, and rice bran oil in Eastern India *(Source: Global Agriculture Information Network Report, 2013).* The result is that there is a wide basket of edible preferences that have been in existence for decades (and perhaps centuries) and unlikely to change in a hurry.

Risk management

The dynamic and volatile environment that the Company operated in prompted it to comply with various risk mitigation measures, subjected to periodic change. over the years the Company adopted various risk mitigation approaches to minimise risks and maximise profits.

01

INDUSTRY RISK

A downturn in the country's consumption pattern of edible oil could adversely affect the business of the Company

Mitigation

India will be a 20-million-tonne vegetable oil economy in the coming 5 years, with local production of 6 million tonnes and imports of 14 million tonnes. Further, India's per capita consumption of cooking oil is set to increase 4.19% in the current financial year. India's overall consumption of cooking oil is set to rise to 17.55 million tonnes (mt) in the coming year, a rise of around 1 mt, or six per cent, from the overall usage of the previous year.

02

RAW MATERIAL RISK

Inadequate supply of raw material and supply disruption could affect the bottomline of the Company

Mitigation

The Company has already took a step forward by acquiring land in Indonesia for palm oil production. In upcoming years, the Company will start production and will ensure consistent supply of raw materials. In addition, it has also signed an agreement in Ethiopia with allocation of 12,500 acres of land (with a provision to acquire 62,000 acres land). Currently, the Company is the largest importer in the country of palm oil and soybean oil from credible suppliers in Malaysia, Indonesia, Argentina and Brazil. This allows the Company to avail material at competitive prices and regular supply.

03

QUALITY RISK

JVL's brand can be impacted by inconsistent quality leading to lower profitability

Mitigation

The Company has established protocols for standardising all its raw material imports. All its four manufacturing locations are certified with ISO assuring the end user quality hallmark. Besides JVL's R&D team work constantly towards delivering innovative and effective products and work towards improving existing formulations.

04

BRAND RISK

The Company's flagship brand 'Jhoola' could be affected by growing competition

Mitigation

JVL enjoys a strong central India recall along with strengthening pan-india recall. It is among the few in the country to have a portfolio of products that addresses the very day needs of consumers. Apart from investing heavily in brands and advertising, JVL kept to its promise of a world-class quality product. Repeated advertising, newer commercials and innovative packaging entrenched its brands in the consumer mindset.

05

CONSUMER RISK

One of the key success factors for the Company is to have its product at right place at the right time to ensure sustained market share

Mitigation

The Company's products are distributed through over 32 strong field force and more than thousands distributors. This at the very outset ensured the products reached at the right time and right place. The Company also added new dealers in the current fiscal strengthening its presence in new states in the country. The Company has further plans to set up plants in the states of Andhra Pradesh, Maharashtra and Gujarat.

06

CURRENCY RISK

Any weakening of the Indian rupee vis-à-vis the US dollar might affect Company's profitability

Mitigation

The Company perfectly hedges its positions through forward / options contracts, protecting itself from weaker rupee.

07

PRODUCT PORTFOLIO RISK

The inability to expand product portfolio could lead to stagnation

Mitigation

The Company is today a 4 product company from being a single product 25 years ago. Its diversified range includes Vanaspati oil, refined oil (palm oil and soybean oil) and mustard oil. It has also added blended oil (a combination of essential oil) to its product basket.

Corporate Information

Chairman
Mr. D. N. Jhunjhunwala

Managing Director
Mr. S. N. Jhunjhunwala

Wholetime Director
Mr. Adarsh Jhunjhunwala

Directors
Mr. Harsh Agarwal
Dr. S. K. Dixit
Mr. Mahesh Kedia
Mr. Kanhaiya Lal Goenka

Company Secretary
Mr. Rohit Kumar Jaiswal

Audit Committee
Mr. D. N. Jhunjhunwala
Dr. S. K. Dixit
Mr. Mahesh Kedia

Statutory Auditors
M/s. Singh Dikshit & Co.
Chartered Accountants
Hathua Market, Chetganj, Varanasi

Bankers
Bank of Baroda
Punjab National Bank
Standard Chartered Bank
State Bank of India
State Bank of Bikaner and Jaipur
State Bank of Hyderabad
State Bank of Patiala
State Bank of Travancore
Vijaya Bank

Registrar and Share Transfer Agent
M/s. MCS Limited
Sri Venktesh Bhavan
F-65, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi 110020

Registered Office
Jhunjhunwala Bhawan
Nati Imli, Varanasi-221001

Works

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

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

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

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

Directors' Profile

Mr. D. N. Jhunjhunwala

- Date of birth: February 02, 1936
- Date of appointment: November 17, 1989
- Expertise in functional areas: Industrialist
- Mr. D. N. Jhunjhunwala is the Chairman of the Company. He is a graduate in Industrial Chemistry. He has 53 years of experience in various facets of management, out of which 31 years were dedicated in various oil industries
- Mr. D. N. Jhunjhunwala promoted Jhunjhunwala Vanaspati Limited in 1989 and he was President of Solvent Extractors Association, member of U.P. Oil Millers Association, member of Vegetable Oil Refiners Association of India and he is also involved with various philanthropic activities. He has written many books on social and religious topics.
- Qualification: B. Sc. (Industrial Chemistry)

Mr. S. N. Jhunjhunwala

- Date of birth: April 24, 1957
- Date of appointment: November 17, 1989
- Expertise in functional areas: Industrialist
- Mr. S. N. Jhunjhunwala is the Managing Director and is a Commerce graduate. He has 31 years of experience in solvent extraction, oil refining and Vanaspati manufacturing units.
- Qualification: B.Com

Mr. Adarsh Jhunjhunwala

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

Mr. Harsh Agrawal

- Date of birth: March 26, 1987
- Date of appointment: September 30, 2011
- Expertise in functional areas: Engineering
- Sri Harsh Agrawal is a Director and having deep insight into Electronic and telecommunication and practical experience in the field
- Qualification: Engineering graduate

Dr. S. K. Dikshit

- Date of birth: July 01, 1946
- Date of appointment: July 10, 2001
- Mr. S. K. Dikshit is a Director of the Company. He is a Doctor.
- He has expertise in herbal products and medical science.

Mr. Mahesh Kedia

- Date of birth: June 13, 1963
- Date of appointment: December 29, 2003
- Expertise in functional areas: Commerce and Financial Accounting
- Shri Mahesh Kedia is a Director, Chartered Accountant and a Science graduate.
- Qualification: B. Sc (Statistics), C.A

Mr. Kanhaiya Lal Goenka

- Date of birth: March 03, 1979
- Date of appointment: February 27, 2007
- Expertise in functional areas: Experience in solvent extraction, oil refining and vanaspati manufacturing units.
- Qualification: B.Com

Director's Report

Dear members...

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended on March 31, 2013.

(₹ in Crores)

Financial Performance	Year Ended March 31, 2013	Previous Year March 31, 2012
Sales and other Income	3817.34	2967.47
Profit before depreciation	87.43	82.17
Depreciation	10.21	9.64
Profit after depreciation	77.22	72.53
Provision for taxation	10.91	13.56
Add: MAT Credit	0.00	0.27
Profit after tax	66.31	59.24
Less:		
Previous year's Income / Expenses	-	-
Profit after previous year's adjustment	66.31	59.24
Add: Credit Balance		
Profit brought forward from previous year	171.96	137.38
Add:		
Transfer from Investment Allowance Reserve		-
	238.27	**196.62**
Provision for Dividend	2.88	2.57
Provision for Dividend Tax	0.47	0.42
Transfer to General Reserve	5.00	5.00
Deferred Tax	5.94	2.35
Income Tax for earlier years	0.00	0.00
Transfer to Capital Reserve	22.57	14.32
Credit Balance carried over to Balance Sheet	201.41	171.96
	238.27	**196.62**

Appropriations

Dividend

Your Directors are pleased to recommend a dividend of 20 % (previous year dividend 20%), subject to the approval of the shareholders at the Annual General Meeting, for fully paid-up equity shares of ₹1.00 each, amounting to ₹2.88 Crore (previous year dividend ₹2.57 Crore). The tax on distributed profits payable on this dividend is ₹0.47 Crore (previous year ₹0.42 Crore) making the aggregate distribution to ₹3.35 Crore (previous year ₹2.99 Crore).The proposed dividend will be tax-free in the hands of the shareholders.

Transfer to Reserves

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

Performance in the year 2012-13

In the financial year 2012-13, the Company performed unexpectedly. The Company crossed its top line target of ₹3500.00 Crore. The total revenue of the financial year 2012-13 is ₹3837.38 Crore which was ₹2978.82 Crore in the financial year 2011-12. There is a growth of 28.82%. The revenue of all the four quarters of 2012-13 surpassed the corresponding period of the last financial year 2011-12. As far as the half-yearly trend is concerned, the turnover of the Company for the first half year period ended as on September 30, 2012 is ₹2019.33 Crore which was ₹1301.86 Crore in the same period in financial year 2011-12. We can clearly see that the Company performed tremendously in the financial year 2012-13. Profit after tax has also gone up from ₹56.89 Crore in 2011-12 to ₹60.37 Crore in the year 2012-13. EBIDTA for the year 2011-12 was ₹103.80 Crore and increased to ₹111.56 Crore in year 2012-13 i.e. by 7.48 %. Further the Cash profit also increased from ₹66.53 Crore in the year 2011-12 to ₹70.58 Crore in the year 2012-13.

Current Performance

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

Annual General Meeting

The Annual General Meeting of the Company will be held on 30th September, 2013 at 3.00 P.M. at 'Hotel Radisson, The Mall, Cantonment, Varanasi (U.P) to transact the businesses as specified in the Notice of the meeting.

Expansion Plans

The Company has commissioned its 1,200 MT Haldia unit. This project is contributing and strengthening the position of the Company in the national edible oil sector and enhance the presence of the Company in the Northern, Eastern, North eastern and Central region markets of India. This is the biggest and technologically most advanced project of the Company. The Company already has an existing network of sales and distribution in Eastern and North-eastern market and will be able to leverage that in selling the output of the Haldia unit under its brand.

The Company is also adding a capacity of 400 MTPD of soya oil processing at Haldia and this should complete the product offering of the Company by offering soya, mustard, palm and Vanaspati which are the four most widely consumed oil in India accounting for at least 75 % of the Indian edible oil consumption.

The capacity of mustard seed crushing increased from 200 MTPD to 400 MTPD. This will also reduce our dependence on others for the feed for solvent extraction plant. The capacity of our solvent extraction plant increased from 250 MTPD to 450 MTPD. The above capacity expansion will reduce cost of production and will help the Company in being more competitive. The expanded production will also help the Company in catering to the large geography. The storage capacity of seed increased by 6400 MT by installing new silos. This increase in capacity will reduce the storage / handling / wastage expenditure of the Company, otherwise incurred on storing seed outside the factory in private warehouse.

The Company has also devised a mechanism to procure the seeds directly from the farmers instead of the intermediaries to reduce its cost of purchase and to be more secure for the raw material availability as its requirement has doubled.

There is huge opportunity in the Western market of country and for taking the advantage of this opportunity company is looking for land in the Western coast for setting up a refinery. Further, most of the Western Indian states are near the port, this is an advantage because setting up of an unit at the port will reduce the logistics cost of the Company, and this will make us more competitive in the market. Our Haldia unit is a strong example of it.

For better and cheap procurement of raw material the Company is planning to set up a supply chain network in Indonesia and for this purpose a step down subsidiary of the Company is incorporated in Indonesia. The Company is pleased to announce that its subsidiary has been able to source 7500 MT of raw material for it at cheaper price and going forward this availability should expand. Further the Company has also signed an agreement to acquire 12500 acres land in Ethiopia (with the option to acquire 62,000 acres) for the agro-related activities and this will diversify the business.

The Company has acquired 500 acres of land in Bihar to commission an agro-based complex, as part of its plan to enter into other commodities in which the Company can leverage its existing sales and distribution network. In line with above the plan, the Company has started work on setting up a 12 MTPH rice mill on this land. Rice as a commodity can be sold through the existing sales and distribution network of the Company in Central India.

Hence, the Company will leverage its existing network to market rice. It will be sold under the brands of the Company. The first face of this project is expected to start before the end of this financial year. The Company has also started the cultivation of high quality paddy in this area to come up with the best quality of rice for sale.

The Company has completed the technological up-gradation of its plant in Uttar Pradesh with the help of Alfa Laval (India) and this up-gradation should help the Company in cost reduction / production increase from this financial year.

The Company has surpassed its target of ₹3500.00 Crore topline comfortably in the last financial. In the current year the Company is expected to reach a topline of ₹4200.00 Crore. The Company is working towards becoming a billion dollar topline company in the next two year.

Secretarial Audit

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

Human Resources

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

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

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

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

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

Capital and Borrowings

During the year, there was a change in the equity share capital of the Company due to conversion of 27,50,000 warrants, having face value of ₹10/- each into 2,75,00,000 equity shares of ₹1/- each. Earlier, the paid up capital of the Company was ₹14,04,40,000 divided into 14,04,40,000 equity shares of ₹1 each/-. After the conversion of warrants into equity the paid up share capital of the Company has increased to ₹16,79,40,000 divided into 16,79,40,000 equity shares of ₹1/- each.

During the year 2012-13, the Company availed credit facilities from Bank of Baroda and Punjab National Bank for its Varanasi and Alwar (Rajasthan) unit, under the consortium arrangement. The Company also availed credit facilities from consortium led by State Bank of India for the units in Bihar. The total outstanding long-term loans from banks/financial institution/ others as on March 31, 2013 are ₹127.94 Crore (previous year ₹96.05 Crore). The gross fixed assets increased by ₹91.58 Crore representing capital expenditure on setting up new projects (Dehri-On-Sone, Bihar and at Haldia, West Bengal), expansion of existing manufacturing facility, research and development facility, other maintenance capital expenditure and for technological upgradation. The Company had cash and cash equivalents aggregating to ₹323.73 Crore as on March 31, 2013, as against ₹334.57 Crore as on March 31, 2012. The Company has sufficient financial flexibility, in terms of available cash and cash equivalents and committed facilities from banks/ financial institution to finance the future growth plans and capitalise on emerging opportunities.

Cash Flow Statement

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

Statutory Auditors

The Company received the letter from M/s Singh Dikshit & Company, Chartered Accountants, Varanasi, U.P. to the effect that there reappointment as the Company's Statutory Auditors for the financial year 2013-14, if made, would be within the prescribed limits of Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the Companies Act, 1956.

Auditors Reports

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

A. The Company has a large network of suppliers dealing with raw material, packing materials, among others, catering to the Company and buyers of its finished products. Hence it is not possible to get confirmation from each and every party therefore the Auditors has qualified the same.

B. The Company has not made provision for diminution in the value of long-term investments and it is of the opinion that the fall in the value of such investments is not of permanent nature.

C. The salary and wages include payment of remuneration of ₹19.00 lacs to Mr. D.N. Jhunjhunwala, Chairman, ₹24.00 lacs to Mr. S. N. Jhunjhunwala, Managing Director and ₹18.00 lacs to Mr. Adarsh Jhunjhunwala, Wholetime Director of the Company.

D. Advances given to Mr. D. N. Jhunjhunwala and Mr. S. N. Jhunjhunwala are pertaining to the Company.

E. Other observations made in the Auditors' Report are self-explanatory therefore do not call for further comments under Section 217 of the Companies Act, 1956.

F. The contingent liability mentioned in Note No. 19 are payable only on the basis of legal pronouncement made by the different authorities previously.

G. The Company maintained cost records under Section 209(1)(d) of the Companies Act, 1956.

Particulars of the Employees

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

Audit Committee

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

Directors Responsibility Statement

The Board of Directors of the Company confirms:

A. That in preparation of the annual accounts, the applicable accounting standards has been followed and there has been no material departure.

B. That the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the Company as on March 31, 2013 and profit of the Company for the year ended on that date.

C. That the proper and sufficient care has been taken for the maintenance of adequate accounting records and are in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and others.

D. That the assumption of going concern is followed.

Directors' Re-Appointment

a) Mr. Harsh Agarwal, Director of the Company, retires by rotation and being eligible offers himself for reappointment, in view of valuable contribution made by Mr. Harsh Agarwal to the Company, the Board of Directors recommend to the shareholders to reappoint Mr. Harsh Agarwal as a Director of the Company, he is an engineering graduate and deep insight in the field of Electronics and telecommunication.

b) Mr. Mahesh Kedia, Director of the Company retire by rotation and being eligible to offers himself for reappointment, in view of valuable contribution made by Mr. Mahesh Kedia to the Company, the Board of Directors recommend to the shareholders to reappoint Mr. Mahesh Kedia as a Director of the Company. He is a Chartered Accountant and has an expertise in commerce and financial accounting.

c) The re-appointment of Mr. S.N. Jhunjhunwala as Managing Director and Mr. Adarsh Jhunjhunwala as Whole Time Director and Mr. D.N Jhunjhunwala as Executive Chairman is proposed to be made with effect from 1st October, 2013 and necessary resolution in this regard are contained in the notice of ensuing Annual General meeting.

Listing of Shares

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

Corporate Governance

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

Management discussion and analysis

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

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings

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

Corporate Social Responsibility

Education

Operates two schools for educating the impoverished and social upliftment in and around its area of operations – first, Prahlad Rai Jhunjhunwala Saraswati Shishu Mandir with 400 students close to the Varanasi unit

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

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

Health

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

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

Environmental

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

The Company has undertaken a plantation drive on the occasion of Independence Day and planted 2000 trees close to all its units in India. The Company is also adopting parks in Varanasi for its maintenance as its contribution to the society for greener tomorrow.

Spiritual and Religious

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

Others

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

Appreciation and acknowledgments

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

For and on behalf of the Board

Sd/-

Place: Varanasi
D. N. Jhunjhunwala

Dated: 26.08.2013
Chairman

"Annexure 1"

Annexure to Director's Report

Particulars as required U/S 217 (1) (e) of the Companies Act, 1956 for the year ended March 31, 2013

(₹ in Crores)

Financial Performance	Year Ended March 31, 2013	Previous Year March 31, 2012
(A) Power & Fuel Consumption		
(1) Electricity		
(a) Purchased		
Unit (000)	17255	15786
Total Amount (₹ Crore)	10.41	8.87
Rate/Unit (₹)	6.03	5.62
(b) Own Generation		
(i) Through Diesel Generators		
Unit (000)	1960	777
Total Amount (₹ Crores)	2.55	0.97
Rate/Unit (₹)	13.01	12.54
(ii) Through Turbine		
Unit (000)	9957	9522
Total Amount (₹ Crores)	2.08	2.02
Rate/Unit (₹)	2.09	2.12
(2) Coal/Husk		
Quantity (M.T.)	100943	90512
Total Coal/Husk (₹ Crores)	34.46	32.89
Average Rate (₹)	3413.81	3634.66
(3) Furnace Oil	-	-
(4) Other/Internal Generation	-	-
(B) Consumption per MT of Vanaspati production		
Electricity	62.16	75.88
Furnace Oil	-	-
Coal (Kgs.) /Husk (Kgs.)	215	344.98
(C) Technology Absorption		
Adaptation & Innovation	-	-
(D) Foreign Exchange Earning and Outgo	(₹ in Crores)	(₹ in Crores)
Total Foreign Exchange earned	32.35	2.59
Total Foreign Exchange Used	-	-

Corporate Governance Report

1) Company's Philosophy on Code of Corporate Governance

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

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

2) Board of Directors

According to the Clause 49 of the Listing Agreement, if the Chairman is Executive, at least half of the Board should consist of Independent Directors. The Board consists of Executive Chairman and Six other Directors i.e. total Seven Directors. Four Directors are non-executive as well as Independent constituting more than 50% of total Board of Directors.

Hence, the composition of the Board complies with the requirements of Clause 49 I (A) of the Listing Agreement for Non-Executive/Independent 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. They look after the areas of responsibilities independently. JVL's management team endeavors to adhere to the directors of the Board.

3) Composition of Board of Directors and Particulars Thereof

Name of the Directors	Category of directorship**	Board meetings attended	Attendance At the last AGM	No. of Board Committees membership held	No. of other directorship held
Mr. D. N. Jhunjhunwala	EC/PD/ED/NID	15	Yes	2	2
Mr. S. N. Jhunjhunwala	MD/PD/ED/NID	15	Yes	1	2
Mr. Adarsh Jhunjhunwala	WTD/PD/ED/NID	15	Yes	0	4
Mr. Harsh Agarwal	NED/ID	6	No	0	0
Dr. S. K. Dikshit	NED/ID	10	Yes	3	0
Mr. Mahesh Kedia	NED/ID	8	No	3	1
Mr. Kanhaiya Lal Goenka	NED/ID	8	Yes	3	0

Notes:

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

3. 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 is a Director.

Mr. Harsh Agarwal and Mr. Mr. Mahesh Kedia are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, have offered themselves for reappointment. Relevant details pertaining to them are provided in the notice of the Annual General Meeting.

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

4) 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.

Number of Board meetings held and their dates

Fifteen Board meetings were held during the period from April 01, 2012 to March 31, 2013 on the following dates:

April 10 2012, April 25 2012, May 15 2012, June 15 2012, June 28 2012, August 08 2012, September 03 2012, October 25 2012, November 12 2012, December 21 2012, January 04 2013, February 12 2013, February 15 2013, March 14 2013 and March 25, 2013.

Information placed before the Board

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

Board procedures

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

5) Board Committees

In terms of Clause 49 of the listing agreement, the board has constituted four Committees i.e. Audit Committee, Shareholders/ Investors Grievance Committee, Remuneration Committee and Warrant Allotment Committee.

A) Audit Committee

In compliance with Clause 49 of the Listing Agreement and as per the requirement of Section 292A of The Companies Act, 1956, an Audit Committee has been constituted. The Audit Committee consists of three directors.

(i) Composition and attendance in committee meeting during the year.

Name of committee Members	Position	Meetings held	Meetings Attended
Mr. S.K. Dikshit	Chairman (NED/ID)	4	4
Mr. D.N. Jhunjhunwala	Member (EC/PD/ED/NID)	4	4
Mr. Mahesh Kedia	Member (NED/ID)	4	4

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

(ii) Terms of Reference

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

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

The broad terms of reference of the Committee are to review and recommend the financial statements and to review the adequacy of internal control systems and internal audit function. The role and terms of reference of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement with the stock exchanges, other terms as may be referred by the Board of Directors and inter-alia includes the following:

- Review of the Company's financial reporting process and its financial statements is correct, sufficient and credible.
- Review of accounting and financial policies and practices.
- Review of internal control system.
- Compliance with stock exchange.
- Recommend to the Board, the appointment, reappointment and if required the replacement or removal of the statutory auditor and the fixation of the audit fees.

The Committee met four times during the year. The dates of the audit committee meetings are 30.04.2012, 30.07.2012, 30.10.2012, 30.01.2013.

B) Remuneration Committee

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

Remuneration Committee comprises three Non-Executive Independent Directors as follows:

Name of committee Members	Position	Meetings held	Meetings Attended
Dr. S.K. Dikshit	Chairman (NED/ID)	1	1
Mr. Mahesh Kedia	Member (NED/ID)	1	1
Mr. Kanhaiya Lal Goenka	Member (NED/ID)	1	1

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

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

The Committee met only once during the year. The date of meeting is 1.09.2012.

There was a discussion on the issue.

Remuneration paid to Non-Executive Directors

No remuneration is paid to Non-Executive Directors.

C) Shareholders'/ Investors' Grievance Committee

In compliance with the Clause 49 of the Listing Agreement, the shareholders/Investors Grievance Committee has been constituted by the board for a speedy disposal of grievances complaints relating to the shareholders and investors.

Composition of Committee

Name of committee Members	Category	Meetings held	Meetings Attended
Dr. S.K. Dikshit	Chairman (NED/ID)	4	4
Mr. Mahesh Kedia	Member (NED/ID)	4	4
Mr. Kanhaiya Lal Goenka	Member (NED/ID)	4	4
Mr. Rohit Kumar Jaiswal	Company Secretary (Secretary)	4	4

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

The Committee met four times during the year. The dates on which meetings held are 25.04.2012, 23.07.2012, 26.10.2012 and 23.01.2013.

Compliance officer

The Board has designated Mr. S. N. Jhunjhunwala, Managing Director as Compliance Officer and Mr. Rohit Kumar Jaiswal, Company Secretary as Co-Compliance Officer. Mr. Rohit Kumar Jaiswal, Company Secretary, provide secretarial support to the Committee. During the year, the Company received 8 complaints from the shareholders and the same were attended within a reasonable period of time.

D) Warrant Allotment Committee

Warrant Allotment Committee has been constituted to execute all the work related to allotment of warrants. The Committee consists of Directors viz. Mr. D. N. Jhunjhunwala, Mr. S. N. Jhunjhunwala and Mr. Kanhaiya Lal Goenka.

There was no meeting during the year. The composition of the Committee during the year 2012-13 as well as particulars of attendance, category and status is given below:

Name of committee Members	Position	Meetings held	Meetings Attended
Mr. D.N. Jhunjhunwala	Executive Chairman(EC/PD/ED/NID)	0	0
Mr. S.N. Jhunjhunwala	Member (MD/PD/ED/NID/NED)	0	0
Mr. Kanhaiya Lal Goenka	Member (NED/ID)	0	0

6) General body meeting:

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

Year	Location	Date	Day	Time
2009-10	Hotel Ramada Plaza JHV, The Mall, Cantonment, Varanasi	September 30, 2010	Thursday	3.00 p.m.
2010-11	Hotel Ramada Plaza JHV, The Mall, Cantonment, Varanasi	September 30, 2011	Friday	3.00 p.m.
2011-12	Hotel Radisson, The Mall, Cantonment, Varanasi	September 29, 2012	Saturday	4.00 p.m.

Details of special resolution passed in the previous three annual general meeting:

Annual General Meeting	No. of Resolution
2011-2012	Yes
2010-2011	No
2009-2010	Yes

7) Disclosures

a) The transactions with the related parties i.e. Promoters, Directors or their management or relatives are not contradictory with the Company's interest as one disclosed in the note 43 forming part of the accounts. Adequate care was taken to ensure that the potential conflict of interest did not harm the interest of the Company at large. All related party transactions are negotiated at arm's length basis and are only intended to further the interest of the Company.

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

c) **Whistleblower policy**

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

d) The Company has complied with all mandatory requirement laid down by the Clause 49.

e) The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non- compliance, if any.

f) **Declarations by the CEO under Clause 49 IV (F) (II) of the Listing Agreement**
The Company's senior management has confirmed to the Board of Directors that they do not have any personal interest related to its material, financial and commercial transactions that may have a potential conflict with the interests of the Company at large.

g) **Declarations by the CEO**
Mr. D. N. Jhunjhunwala, Chairman of the Company has furnished the requisite certificate regarding the Code of Conduct, which is attached with the report.

8) Means of communication

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

9) General shareholder information

a) **24th Annual General Meeting:**

Date, day & time	:	September 30th 2013, Monday, at 3.00 p.m.
Venue	:	At Hotel Radisson, the Mall, Cantonment, Varanasi (U.P.)

b) **Tentative Financial Calender for the year 2013-14**

Financial Year	:	April 01, 2013 to March 31, 2014
Annual General Meeting	:	September 30, 2014 (Approx)
Results for quarter ending June 30, 2013	:	Second week of August, 2013.
Results for quarter ending Sept.30, 2013	:	First week of November, 2013.
Results for quarter ending Dec 31, 2013	:	First week of February, 2014.
Results for quarter ending Mar 31, 2014	:	Last week of May, 2014.

c) **Book closure date**	:	September 24th, 2013 to September 30th, 2013 (Both days inclusive)
d) **Dividend payment date**	:	Within thirty days from the date of dividend declaration.
e) **Listing of Equity Share**	:	National Stock Exchange of India Ltd., Mumbai The Bombay Stock Exchange, Mumbai, Delhi Stock Exchange Limited, New Delhi The U.P. Stock Exchange Association Ltd., Kanpur

The Company has paid the annual listing fees for the year 2013-14 to above stock exchanges.

f) (i) Stock code: Scrip Code No.	:	The Bombay Stock Exchange	: 519248
		National Stock Exchange of India	: -
Trading symbol		The Bombay Stock Exchange	: JVLAGRO
		National Stock Exchange of India	: JVLAGRO
(ii) Demat ISIN Nos. in NSDL and CDSL for equity shares			: INE430G01026

g) **Stock Market Price Data** (In ₹)

Month	The Bombay Stock Exchange (BSE)	
	Month's High Price	Month's Low Price
April, 2012	18.40	15.25
May, 2012	16.30	13.45
June, 2012	15.25	14.20
July, 2012	14.15	18.80
August, 2012	15.90	13.00
September, 2012	14.85	12.60
October, 2012	17.40	14.12
November, 2012	17.50	14.85
December, 2012	18.40	15.05
January, 2013	16.75	13.85
February, 2013	14.65	12.25
March, 2013	12.89	9.60

There was no trading at the U.P. Stock Exchange Association Ltd., Kanpur and at Delhi Stock Exchange Limited, New Delhi, during the year 2012-13.

h) **Distribution of shareholding as on March 31, 2013**

No. of Shares held	No of Shareholders	% of shareholders	No of Shares	% of Shareholding
Up to 500	3611	47.23	834166	0.50
501 to 1000	1642	21.48	1515274	0.90
1001 to 2000	904	11.82	1564275	0.93
2001 to 3000	364	4.76	985434	0.59
3001 to 4000	167	2.18	619861	0.37
4001 to 5000	248	3.24	1217552	0.72
5001 to 10000	331	4.33	2620603	1.56
10001 to 50000	273	3.57	5609129	3.34
50001 to 100000	41	0.54	2735588	1.63
Above 100000	64	0.85	150238118	89.46
	7645	100.00	167940000	100.00

i) **Registrar and Transfer Agents** (Share transfer and communication regarding share certificates, and change of address, etc.) : MCS Limited
Mr. Venkatesh Bhavan,
F-65, Ist Floor, Okhla Indl. Area,
Phase 1, New Delhi 110 020

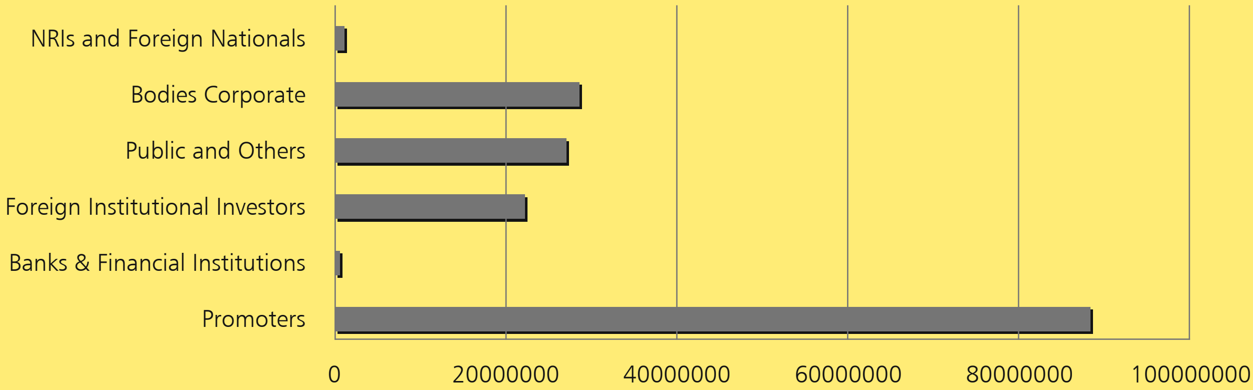
Contact No : 011-41406149 (Extn. 51&52)

E-mail Id : admin@mcsdel.com, mcscomplaintsdel@mcsdel.com

j) **Share transfer system**

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

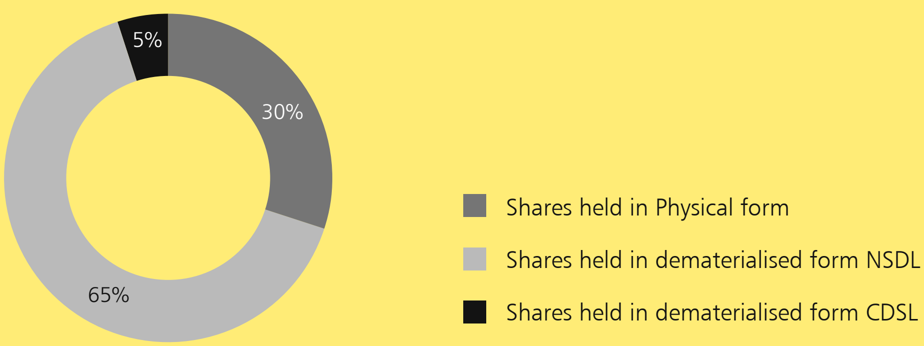
k) **Shareholding pattern as on March 31, 2013**



	Promoters	Banks & Financial Institutions	Foreign Institutional Investors	Public & Others	Bodies Corporate	NRIs and Foreign Nationals
% of total shares	52.73%	0.05%	13.40%	16.25%	17.07%	0.50%
No. of shares	88551387	79000	22504680	27300666	28669965	834302

l) **Dematerialisation of shares and liquidity:**

The equity share of the Company is traded compulsorily in the dematerialised segment of all the stock exchanges. The Company has arrangements with both National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to establish electronic connectivity of our shares for scrip less trading and liquidity of shares. As on March 31, 2013, form of shares is as follows:



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

m) Plant locations:

(A) Vill. Naupur, P.O. Thanagaddihe, Kerakat, Dist. Jaunpur (U.P.)

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

(C) JVL Oils & Foods (a unit of JVL Agro Industries Ltd.)
Pahleja, Dehri On Sone, Bihar

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

n) (i) Investor correspondence:

For transfer/dematerialisation of shares and any other query related to the Company shares.	i)	For shares held in physical form: MCS Limited F-65, 1ST Floor, Okhla Indl. Area, Phase 1, New Delhi 110 020 Ph. No. - 011-41406149 (Extn. 51&52) E-mail: -admin@mcsdel.com
	ii)	For shares held in demat form: To the depository participants.
(ii) Any query on Annual Report		Secretarial Department Mr. Rohit Kumar Jaiswal Jhunjhunwala Bhawan, Nati Imli, Varanasi-221001 Ph. No.-0542-2595930/2595931/2595932 E-mail Id- rohitjaiswal@jvlagro.com

The above report was adopted by Board of Directors at their meeting held on 26th August, 2013.

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

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the stock exchanges, I hereby confirm that, all the Directors and the senior management personnel of the Company have affirmed compliance to the Code of Conduct, as applicable to them for the financial year ended March 31, 2013.

For **JVL Agro Industries Limited**

Sd/-

Place: Varanasi
Date: 26.08.2013

D. N. Jhunjhunwala
Chairman

Auditors Certificate on Compliance with the Conditions of Corporate Governance under Clause 49 of the Listing Agreement(s)

To
The Members of
JVL Agro Industries Limited

1. We have reviewed the implementation of Corporate Governance by JVL Agro Industries Ltd during the year ended 31st March, 2013, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

2. The compliance of conditions on Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

4. We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

5. On the basis of our review and according to the information and explanations provided to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchanges have been complied with in all material respect by the Company.

FOR **SINGH DIKSHIT & CO.**

CHARTERED FACCOUNTANTS
FRN: 007555C

RANJISH VISHWAKARMA
PARTNER
M. No. :404363

Place: Varanasi
Date: 30.05.2013

Independent Auditor's Report

To
The Members of
JVL Agro Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of JVL Agro Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year that ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and

c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:
   a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
   c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
   e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
   f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note No. 38 regarding different parties balances taken in accounts and read together with other notes, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

FOR **SINGH DIKSHIT & CO.**
CHARTERED FACCOUNTANTS
FRN: 007555C

RANJISH VISHWAKARMA
PARTNER
M. No. :404363

Place: Varanasi
Date: 30.05.2013

The Annexure referred to in paragraph 1 of Our Report of even date to the members of JVL Agro Industries Limited on the accounts of the Company for the year ended 31st March, 2013.

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

1. The Company has not yet maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us the assets have been physically verified by the management during the year and according to the management no discrepancy was found during such verification. Fixed Assets Register is under preparation. Addition during the year has been taken as certified by the management. Based on the information and explanation given to us and on the basis of audit procedure performed by us, substantial part of fixed assets have not been disposed off during the year.

2. (a) The inventories have been physically verified during the year by the management, the frequency of verification is reasonable. As informed and explained by the management, during the year the Company has found excess inventory of ₹7.38 Crore than recorded in stock register.

   (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   (c) On the basis of our examination of the records of inventory, we are of opinion that the Company is generally maintaining proper records of its inventories. The discrepancies noticed between physical stock and the books records were not material.

3. (a) The Company has neither taken nor given any loan from/to parties listed under section 301 of the Companies Act, 1956.

   (b) There is dues to wholly owned subsidiary of the Company without any stipulation. Due at the year end is ₹1.93 Crore. In previous year company had given loan and balance at previous year end was ₹5.59 Crore.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, we have not observed major weaknesses in the internal controls.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

   b) In our opinion and according to information & explanations given to us, transaction were made in pursuance of contract or arrangement entered into the register maintained under section 301 and exceeding the value of five lacs in respect of each party during the year, which as per management are at the prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public during the year.

7. In our opinion the Company has an internal audit system commensurate with its size and the nature of its business.

8. (a) According to the records of the Company and information and explanation given to us, the Company is regular in depositing with appropriate authorities undisputed amount payable in respect of Provident Fund, Investor and Protection Fund, E.S.I., Income Tax, Trade Tax, Custom Duty, Excise Duty, Cess and any other statutory dues as applicable.

   (b) According to the information and explanation given to us, there are no dues of Trade tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute except as mentioned under Note No. 19.

9. In our opinion the Company has made and maintained cost records under section 209 (1)(d) of the Companies Act,1956. We have not however made detailed examination of the records with a view of determining whether these are accurate or complete.

10. The Company has no accumulated losses at the end of the year. The Company has not incurred cash losses during the five year as well as in immediately preceding financial year.

11. Based on our audit procedure and according to the information and explanations given to us, we are of opinion that the Company has not defaulted in repayment of dues to the financial institution and Banks.

12. In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

13. Based on our examination of the record and information and explanation given to us, proper record have been maintained for dealing in Shares & Other Securities and timely entries have been made in those records. We also report that the Company has held the Shares & Securities in its own name.

14. Based on documents and records produced to us and information and explanation given, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

15. According to information and explanation given to us, the Company has given guarantee for the loan taken by others (Agriculturist) from banks, the term and conditions were are stated to be not prima facie prejudicial to the interest of the Company.

16. The term loans have been utilised for the purpose for which they were taken.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds raised on short-term basis have not been used for long-term investment.

18. The Company has made allotment of 2,75,00,000 Equity Shares out of which 40,00,000 shares were allotted to parties and companies covered under section 301 of the Companies Act, 1956 pursuant to conversion of Preferential warrant into equity shares, which are not prejudicial to the interest of the Company. Please refer Note No. 5.

19. According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures during the year.

20. According to the information and explanation given to us, there is no public issue by the Company during the year.

21. Based upon the audit procedure performed and the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

RANJISH VISHWAKARMA
PARTNER
M. No. :404363

Place: Varanasi
Date: 30.05.2013

Balance Sheet As at 31st March, 2013

(In Crore)

	Note No	As at 31st March, 2013	As at 31st March, 2012
I EQUITY AND LIABILITIES			
Shareholders' Fund			
(a) Share Capital	3	16.79	14.04
(b) Reserves & Surplus	4	392.23	285.71
(c) Money received against Preferential Warrants	5	-	25.31
Non-Current Liabilities			
(a) Long-Term Borrowings	6	100.44	81.15
(b) Deferred Tax Liabilities		28.27	22.33
(c) Other Long Term Liabilities	7	2.26	1.56
Current Liabilities			
(a) Short-Term Borrowings	8	110.75	94.74
(b) Trade Payables	9	729.10	777.35
(c) Other Current Liabilities	10	49.13	41.22
(d) Short-Term Provisions	11	3.36	3.00
TOTAL		**1,432.33**	**1,346.41**
II ASSETS			
Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		308.81	151.68
(ii) Capital Work-in-Progress		18.49	94.25
(b) Non-Current Investments	13	5.61	10.95
(c) Long-Term Loans & Advances	14	39.89	46.29
Current Assets			
(a) Inventories	15	453.21	440.67
(b) Trade Receivables	16	160.86	158.92
(c) Cash & Bank Balances	17	323.73	334.57
(d) Short-Term Loans & Advances	18	121.73	109.08
TOTAL		**1,432.33**	**1,346.41**
Summary of Significant Accounting Policies	2		
Contingent Liability & other commitments	19		

The accompaying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 30.05.2013

Rohit Jaiswal
Company Secretary

Statement of Profit and Loss For the year ended 31st March, 2013

(In Crore)

	Note No	As at 31st March, 2013	As at 31st March, 2012
INCOME			
I. Income From Operations	20	3,811.08	2,958.23
II. Other Income	21	6.26	9.24
Total Revenue (I+II)		**3,817.34**	**2,967.47**
EXPENSES			
Cost of Materials Consumed	22	2,201.62	1,652.84
Purchases of Goods Traded	23	1,414.61	1,216.18
Changes in Inventories	24	40.40	(50.83)
Employee Benefits Expense	25	7.34	6.00
Finance Costs	26	24.13	21.63
Depreciation Expense	12	10.21	9.64
Other Expenses	27	68.11	60.07
Total Expenses		**3,766.42**	**2,915.53**
Profit Before Exceptional Items & Tax		**50.92**	**51.94**
Exceptional items	28	26.30	20.59
Profit Before Tax		**77.22**	**72.53**
Tax Expense			
(1) Current tax		(10.91)	(13.56)
(2) MAT Credit		-	0.27
(3) Provision for Tax for Earlier year Written off/provided for		-	-
(4) Deferred Tax		(5.94)	(2.35)
Profit for the Period		**60.37**	**56.89**
Earnings per Equity Share:			
(1) Basic		4.19	4.43
(2) Diluted		4.19	4.43
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 30.05.2013

Rohit Jaiswal
Company Secretary

Notes to the Financial Statements For the reporting period ended 31st March, 2013

Note 1 COMPANY INFORMATION

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

Note 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis for preparation of accounts:-

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between acquisition of assets for processing and their realisation 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 recognised 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 recognised 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. During the year Haldia unit has started commercial production, all the administrative expenditure including finance charges up to the date of commercial production have been capitalised.

2.5 Depreciation:-

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

2.6 Intangible Assets:-

The Company does not have any intangible assets.

2.7 Investments:-

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

2.8 Inventories:-

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

Notes to the Financial Statements For the reporting period ended 31st March, 2013

Note 2 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

2.9 Current and Deferred Tax Liability:-

Deferred tax is recognised 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 recognise to the statement of profit & loss or is adjusted to the cost of fixed assets.

2.11 Segment Reporting:-

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

2.12 Earning Per Shares:-

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

2.13 Government Grants:-

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

2.14 Impairment of Fixed Assets:-

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised 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 capitalised 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 recognised 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 recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised 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 recognised 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 recognised but are disclosed in the notes.

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 3 SHARE CAPITAL		
A. Authorised Capital:		
20,00,00,000 (20,00,00,000) Equity Shares of ₹1/- each	20.00	20.00
5,000 , 10% (5,000) Cumulative Red. Pref. Shares of ₹100/- each	0.05	0.05
2,50,000,(2,50,000)Cumulative Red. Pref. Shares of ₹100/- each	2.50	2.50
	22.55	**22.55**
B. Issued, subscribed & fully paid up capital :		
16,79,40,000(14,04,40,000)Equity Shares of ₹1/- each (₹1/- each)	16.79	14.04
Total	**16.79**	**14.04**
C. Reconciliation of number of shares		
Equity Shares :		
Balance as at beginning of the year 14,04,40,000 Equity Shares	140440000	128440000
Add: 2,75,00,000 Preferencial Warrant converted into equity shares of ₹1/- each at premium of ₹18/- each .	27500000	12000000
Less: Shares bought back during the year	0	0
Balance as at end of the year	**167940000**	**140440000**

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% (12.04%)	16912900	16912900
b.	Jhunjhunwala Oil Mills Ltd.	04.42% (05.28%)	-	7419000
c.	Jhunjhunwala Gases Pvt. Ltd.	09.57% (11.45%)	16075000	16075000
d.	Lotus Global Investments Ltd.	04.95% (05.92%)	-	8307795
e.	Aryan Multibusiness Pvt. Ltd.	07.15% (08.54%)	12000000	12000000
f.	Paharia Markets & Investment Pvt. Ltd.	07.15% (00.00%)	12000000	-

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 4 RESERVE & SURPLUS		
A. General Reserve :		
Balance as at the beginning of the year	22.16	17.16
Add: Addition during the year	5.00	5.00
Balance as at the end of the year	**27.16**	**22.16**
B. Capital Reserve :		
Balance at the beginning of the year	29.04	14.72
Add: Capital Subsidy	22.80	21.59
Less: Withdrawn to Statement of Profit & Loss (Please refer Note No. 28)	(22.80)	(21.59)
Add: Transferred from surplus in Statement of Profit & Loss	22.57	14.32
	51.61	**29.04**
C. Securities Premium Account :		
Balance as at the beginning of the year	62.55	40.95
Add: Addition during the year	49.50	21.60
(27500000 Preferential Warrant converted into equity shares of ₹1/- each at premium of ₹18/- each)		
Balance as at the end of the year	**112.05**	**62.55**
D. Surplus in Statement of Profit & Loss		
Balance as at the beginning of the year	171.96	137.38
Add: Profit for the year	60.37	56.89
Less: Appropriations		
Transferred to General Reserve	(5.00)	(5.00)
Transferred to Capital Reserve	(22.57)	(14.32)
Proposed Dividend on Equity Shares	(2.88)	(2.57)
[per shares ₹0.20 (₹0.20)]		
Dividend Distribution Tax	(0.47)	(0.42)
Balance as at the end of the year	**201.41**	**171.96**
Total (A+B+C+D)	**392.23**	**285.71**

Note 5 PREFERENTIAL WARRANT		
Money Received against Preferential Warrant		
39,50,000 Preferential Warrant (39,50,000) of ₹190/- each (Each warrant is convertible into 10 equity shares of ₹1/-each at a premium of ₹18/- each. During the year, the Company has converted 27,50,000 nos.(12,00,000) nos. of warrants into 2,75,00,000 (1,20,00,000) equity shares of ₹1/- each at the premium of ₹18/- each. Out of total allotment made upto the year end, 2,80,00,000 shares has been allotted to promoter group.)	0.00	25.31
Total	**0.00**	**25.31**

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 6 LONG-TERM BORROWINGS		
A. Secured Term Loans from banks		
a. Bank of Baroda	2.49	8.45
b. Punjab National Bank	0.69	3.51
(For Naupur & Alwar Unit - First pari passu charge on the entire assets by way of mortgage / joint deed of hypothecation / interse agreement & personal guarantee by two directors, their relative and a group company. Also secured by mortgage of joint property of one director.)		
Schedule of Repayment :-		
For Bank of Baroda		
for 1st A/c remaining 1 installment of ₹0.75 Crore each & 1 Installment of ₹0.54 Crore having maturity in F.Y. 2013-14		
for 2nd A/c remaining 4 installment of ₹0.19 Crore each & 1 Installment of ₹0.05 Crore having maturity in F.Y. 2014-15		
for 3rd A/c remaining 1 installment of ₹0.28 Crore each & 1 Installment of ₹0.11 Crore having maturity in F.Y. 2013-14		
For Punjab National Bank		
for 1st A/c remaining 1 installment of ₹0.54 Crore, each having maturity in F.Y. 2013-14		
for 2nd A/c remaining 1 installment of ₹0.16 Crore, each having maturity in F.Y. 2014-15)		
c. State Bank of India	11.56	12.83
d. State Bank of Bikaner & Jaipur	6.38	8.24
e. State Bank of Hyderabad	3.56	4.44
f. State Bank of Travancore	5.70	7.70
(Equitable mortgage of land and 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 lender of the project and collaterally secured by second charge on current assets of company's unit at chakia, Dehri, Bihar on pari passu basis with personal guarantee of two directors)		
Schedule of Repayment :-		
For State Bank of India		
Remaining 13 installment of ₹0.78 Crore, each and 1 installment of ₹0.22 Crore having maturity F.Y. 2016-17		
For State Bank of Bikaner & Jaipur remaining 13 installment of ₹0.46 Crore each & 1 installment of ₹0.40 Crore having maturity in F.Y. 2016-17		
For State Bank of Hyderabad 11 installment of ₹0.29 Crore, each & 3 installment of ₹0.12 Crore, having maturity in F. Y. 2015-16		
For State Bank of Travancore remaining 11 installment of ₹0.50 Crore, each & 1 installment of ₹0.20 Crore having maturity in F.Y. 2015-16		
g. Standard Chartered Bank	97.56	50.88
(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 17 quarterly installment of USD 1.058 Mio each.		
Total	**127.94**	**96.05**
Less: Current Maturity of Long Term Borrowings	27.50	14.90
Balance of Above	**100.44**	**81.15**

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 7 OTHER LONG TERM LIABILITIES		
Security Deposits	2.26	1.56
Total	**2.26**	**1.56**

Note 8 SHORT TERM BORROWINGS		
Secured Loans :		
A. Cash Credit Limit From Banks		
a. Bank of Baroda	52.23	17.00
b. Punjab National Bank	51.28	16.00
(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.)		
c. State Bank of India	0.00	7.72
d. State Bank of Bikaner & Jaipur	0.00	1.92
e. State Bank of Travancore	0.57	1.00
(Hypothecation of entire current assets of unit at Chakia, Dehri, Bihar on pari-passu basis with other working capital bankers and personal guarantee of two directors and collaterally secured by second charge on equitable mortgage of the land and factory at Chakia,Dehri,Bihar on pari passu basis with other terms lenders and hypothecation charge on other fixed assets including plant & machinery at Chakia, Dehri, Bihar on pari passu basis with other term lenders.)		
f. Allahabad Bank	0.05	0.00
(For Haldia Unit - secured by first hypothecation charge on entire current assets including stock, trade receivables and movable current assets. Secured by second charge on the fixed assets and personal guarantee by two directors.)		
B. IDBI Bank Ltd.	0.00	25.00
(Secured by personal guarantee of one director)		
C. Loan Against Fixed Deposits Receipt From Bank	6.62	11.45
(Secured by pledge of Fixed Deposits Receipts)		
Unsecured Loans		
From Banks		
HDFC Bank Ltd.	0.00	14.65
Total	**110.75**	**94.74**

Note 9 TRADE PAYABLES		
(i) Total Outstanding dues of Micro, Small & Medium Enterprises	1.02	1.20
(Due for purchases)		
(ii) Total outstanding dues of creditors other than above		
Sundry Creditors	728.08	776.15
(For Goods, Expenses & Other Finance)		
Total	**729.10**	**777.35**

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 10 OTHER CURRENT LIABILITIES		
Advance from Customers	18.65	21.04
TDS Payable	0.80	0.86
Dividend Payable	0.25	0.22
Interest Accrued but not Due	0.00	4.20
Other Liabilities	1.93	0.00
Term Loan Installment Repayable	27.50	14.90
Total	**49.13**	**41.22**
Note 11 SHORT-TERM PROVISIONS		
Provision For Wealth Tax	0.01	0.01
Provision For Dividend	2.88	2.57
Dividend Distribution Tax	0.47	0.42
Total	**3.36**	**3.00**

Note 12 TANGIBLE FIXED ASSETS (In Crore)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening as on 1.4.2012	Addition	Sale/ Transfer	Closing as on 31.3.2013	Upto 31.3.2012	For the Year	Sale/ Adjustment	Total Upto 31.3.2013	As on 31.3.2013	As on 31.3.2012
Land (Free Hold)	2.28	-	-	2.28	-	-	-	-	2.28	2.28
Land (Lease Hold)	3.26	4.63	-	7.89	-	-	-	-	7.89	3.26
Buildings	21.52	24.26	-	45.78	2.96	0.77	-	3.73	42.05	18.56
Plant & Machinery	149.99	136.45	-	286.44	35.71	8.25	-	43.96	242.48	114.28
Office Equipments	1.45	0.65	-	2.10	0.42	0.17	-	0.59	1.51	1.03
Furniture & Fittings	0.23	0.77	-	1.00	0.09	0.02	-	0.11	0.89	0.14
Vehicles	2.02	0.58	-	2.60	0.85	0.22	-	1.07	1.53	1.17
Turbine (Co Generation System along with Pressure Boiler)	14.80	-	-	14.80	3.84	0.78	-	4.62	10.18	10.96
Total of Tangible Assets	**195.55**	**167.34**	**-**	**362.89**	**43.87**	**10.21**	**-**	**54.08**	**308.81**	**151.68**
Previous Year	**192.61**	**2.94**	**-**	**195.55**	**34.23**	**9.64**	**-**	**43.87**	**151.68**	**-**
Capital Work In Progress :										
- Naupur , Alwar & Pahleza Unit	11.98	1.73	11.98	1.73	-	-	-	-	1.73	11.98
- Alwar Oil Mills	3.15	1.07	-	4.22	-	-	-	-	4.22	3.15
- Haldia Project	79.12	12.54	79.12	12.54	-	-	-	-	12.54	79.12
Total of Capital Work in Progress	**94.25**	**15.34**	**91.10**	**18.49**	**-**	**-**	**-**	**-**	**18.49**	**94.25**
Previous Year	**10.39**	**83.86**		**94.25**					**94.25**	**-**
Total of Fixed Assets	**289.80**	**182.68**	**91.10**	**381.38**	**43.87**	**10.21**	**-**	**54.08**	**327.30**	**245.93**
Previous Year	**203.00**	**86.80**	**-**	**289.80**	**34.23**	**9.64**	**-**	**43.87**	**245.93**	**-**

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Face Value	Reporting Period ended on 31st March, 2013		Reporting Period ended on 31st March, 2012	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
Note 13 NON-CURRENT INVESTMENTS					
A. Unquoted					
Investment in Equity					
i. Trade Investments					
Other					
Jhunjhunwala Oil Mills Ltd	10	100000.00	0.10	100000.00	0.10
Hari Fertilisers Ltd	10	57000.00	0.57	57000.00	0.57
Bay Star Concrete Pvt. Limited	100	30360.00	0.38	30360.00	0.38
Adamjee Extraction Pvt. Ltd, Sri Lanka	10	2231439.00	1.00	2231439.00	1.00
Sealac Agro Ventures Limited	10	250000.00	0.25	250000.00	0.25
Investments in Subsidiary					
JVL Overseas Pte Ltd, Singapore	1	500000.00	2.05	500000.00	2.05
ii. Non Trade Investments					
Other					
Anurodh Infrastructure Pvt. Limited	500	9000.00	0.45	9000.00	0.45
B. Quoted					
i. Non Trade Investments					
Investment in Equity					
Other					
Ranbaxy Laboratories Ltd	5	100.00	0.01	100.00	0.01
Indo Rama Synthetics (India) Ltd *	10	500.00	0.01	500.00	0.01
Tata Tele Services **	10	1000.00	0.00	1000.00	0.00
Bank of Baroda	10	409.00	0.01	409.00	0.01
Dhunseri Petrochem & Tea Ltd.	10	0.00	0.00	261000.00	2.50
BGR Energy Systems Ltd	10	550.00	0.02	2550.00	0.08
Reliance Power Ltd	10	4614.00	0.07	4614.00	0.07
IDBI Bank Ltd	10	0.00	0.00	2000.00	0.02
IFCI Ltd	10	0.00	0.00	68000.00	0.29
Tata Power	10	0.00	0.00	8000.00	0.23
Tata Steel Ltd	10	0.00	0.00	20000.00	0.91
Uco Bank	10	0.00	0.00	40000.00	0.27
Reliance Power Ltd ***	10	55.00	0.00	0.00	0.00
Jindal Steel Limited	10	0.00	0.00	500.00	0.03
Unisys Software & Holding Industries Ltd.	10	0.00	0.00	108000.00	0.35
Bata India Limited	10	0.00	0.00	1500.00	0.11
Dena Bank	10	0.00	0.00	5000.00	0.04
Hero Moto Corp	10	0.00	0.00	125.00	0.02
JSW Steel Limited	10	0.00	0.00	2000.00	0.15
JUBL Foods	10	0.00	0.00	250.00	0.03

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Face Value	Reporting Period ended on 31st March, 2013		Reporting Period ended on 31st March, 2012	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
Note 13 NON-CURRENT INVESTMENTS *(contd.)*					
PFC	10	0.00	0.00	1000.00	0.02
State Bank of India	10	0.00	0.00	500.00	0.11
Syndicate Bank	10	0.00	0.00	10000.00	0.09
Union Bank	10	0.00	0.00	1000.00	0.02
India Bull Securities	500	119100.00	0.25	119100.00	0.25
Investment in Mutual Fund :					
PNB Mutual Fund	10	15197.57	0.02	15197.57	0.02
HDFC AMC PMS - Real Estate Portfolio			0.27		0.36
Baroda Pioneer Short Term Fund	10	102033.98	0.10	102033.98	0.10
Baroda Pioneer Liquid Fund	100	0.00	0.00	0.00	0.00
SBI Magnum Income Fund FR Saving Plus Plan	10	0.00	0.00	0.00	0.00
Unicon KBC Equity Fund	10	50000.00	0.05	50000.00	0.05
Total			**5.61**		**10.95**
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			0.81		6.15
b Aggregate Amount of un - Quoted Investment			4.80		4.80
c Aggregate Provision for Diminution in Value of Investment			0.00		0.00
d Aggregate Market Value of Quoted Investments			0.17		9.66

*Indo Rama Synthetics (India) Ltd ₹46047.00 (₹46047.00)

**Tata Tele Services ₹34300.00 (₹34300.00)

*** Reliance power Ltd. ₹4852.40 (0.00)

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 14 LONG-TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Capital Advances	23.82	34.18
Loans	0.38	6.34
Advance Income Tax & TDS (Net of Provision)	13.86	4.35
Security Deposits	1.82	1.41
Excise Deposits	0.01	0.01
Total	**39.89**	**46.29**

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 15 INVENTORIES (Refer to Note No. 32 & 33)		
(As Taken, Valued & Certified by the Management)		
Raw Materials (Including in Transit)	337.42	288.75
Finished Products	64.10	39.92
Trading Goods	0.48	83.36
Stock in Process	31.01	12.71
Packing Material, Stores & Chemicals	20.20	15.93
Total	**453.21**	**440.67**

Note 16 TRADE RECEIVABLES		
A. Above Six Months (from the due dates)		
Un - Secured Considered Good	15.85	17.99
Considered Doubtful	3.11	3.11
Less: Provision for Doubtful Debts	(1.00)	(1.00)
Total	**17.96**	**20.10**
B. Others		
Un - Secured Considered good	142.90	138.82
Considered Doubtful	0.00	0.00
Less: Provision for Doubtful Debts	0.00	0.00
Total	**142.90**	**138.82**
Total (A+B)	**160.86**	**158.92**

Note 17 CASH AND BANK BALANCES		
i. Cash & Cash Equivalent		
Cash In Hand	0.22	0.41
Balance with Scheduled Bank		
- In Current Accounts	58.25	80.47
Total	**58.47**	**80.88**
ii. Other Bank Balances		
With Scheduled Banks:		
- In Fixed Deposit Accounts	162.51	152.37
- In Dividend Account	0.25	0.22
- Margin Money Account	102.50	101.10
Total	**265.26**	**253.69**
Total (i+ii) (Please refer to Note No-41)	**323.73**	**334.57**

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 18 SHORT-TERM LOANS & ADVANCES		
a. Unsecured, Considered Good		
Advances	104.34	108.50
Prepaid Expenses	0.67	0.58
b. Investments (Please refer to Note no. 42)	16.72	0.00
Total	**121.73**	**109.08**

Note 19 CONTINGENT LIABILITY & OTHER COMMITMENTS		
Claim against the Company not acknowledged as debts		
Trade Tax Liability under appeal before H'ble High Court, Allahabad	0.36	0.36
Excise Demand under appeal at different stage at H'ble High Court, Allahabad	0.00	0.03
Entry Tax demand under appeal before H'ble Supreme Court for different years for which	0.64	0.64
Bank Guarantee given by the Company		
Excise Duty on Fatty Acid not paid for different years under appeal at Appelate Tribunal, Custom, Excise & Service Tax, New Delhi.	8.42	1.24

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 20 REVENUE FROM OPERATIONS		
Sale of Products (Refer to Note No. 31)	3811.08	2958.23
Total	**3811.08**	**2958.23**

Note 21 OTHER INCOME		
Interest Received (Net)	3.88	3.27
Interest on Income Tax Refund	0.00	0.03
Dividend Received on Shares & Mutual Funds	0.13	0.18
Profit/Loss on Sale of Investment	2.07	5.76
Other Income	0.18	0.00
Total	**6.26**	**9.24**

Note 22 COST OF MATERIAL CONSUMED		
Raw Material Consumed	2074.96	1558.14
Chemical Consumed	3.46	3.00
Packing Material Consumed	123.20	91.70
	2201.62	**1652.84**
(Cost of Raw Material Consumed includes direct expenses)		

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 23 PURCHASES OF GOODS TRADED		
Imported Oils	1408.56	1215.09
Others	6.05	1.09
Total	**1414.61**	**1216.18**

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 24 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND GOODS TRADED		
Closing Stock		
Stock in Process	31.01	12.71
Finished Products	64.10	39.92
Goods Traded	0.48	83.36
	95.59	**135.99**
Less: Opening Stock		
Stock in Process	12.71	17.24
Finished Products	39.92	67.45
Goods Traded	83.36	0.47
	135.99	**85.16**
	40.40	**(50.83)**

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 25 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, etc.	6.59	5.44
Contribution to Provident Fund	0.43	0.36
Employee Welfare Expenses	0.32	0.20
Total	**7.34**	**6.00**

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 26 FINANCE COSTS		
(a) Interest to Bank	13.78	14.52
(b) Interest to Other	0.38	0.17
(c) Bank Charges	9.93	6.93
(d) Lease Rent	0.04	0.01
Total	**24.13**	**21.63**

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 27 OTHER EXPENSES		
Consumption of Stores, Spares	1.70	0.78
Power & Fuel	50.33	45.47
Repairs & Maintenance	0.61	0.55
Legal Expenses	0.07	0.05
Travelling Expenses	1.47	1.08
Conveyance Expenses	0.53	0.41
Insurance	0.38	0.51
Rates & Taxes	0.58	0.15
Auditor Fees	0.07	0.07
Postage,Telegram & Telephone	0.57	0.52
Repairs to Others	0.14	0.12
Printing & Stationery	0.24	0.24
Miscellaneous Expenses	1.82	1.27
Professional & Consultancy Charge	1.31	0.58
Brokerage & Commission (Net)	6.37	6.60
Advertisement & Publicity	0.33	0.31
Selling Expenses	0.64	0.65
Rent	0.93	0.54
Prior Period Expenditure	0.02	0.17
Total	**68.11**	**60.07**
Other Expenses Includes :-		
Internal Audit Fee, Cost Audit Fee & Expenses on auditors	0.20	0.14
Auditor Fee Includes :-		
Statutory Audit Fee & Tax Audit Fee	0.07	0.07

Note 28 EXCEPTIONAL ITEM		
Withdrawn from Capital Reserve	22.80	21.59
Provision For Doubtful Debts	(1.00)	(1.00)
Realisation of Investment	4.50	-
Total	**26.30**	**20.59**

Note 29 PROPOSED DIVIDEND		
The Divided proposed for the year on equity shares of ₹1/- each		
Amount of Dividend	2.88	2.57
Dividend per Equity Shares (In paise)	0.20	0.20

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 30 EARNING PER SHARES		
Net Profit atributable to equity shareholders	60.37	56.89
Weightage Average Number of share used as denominators for calculating earning per share	144056438	128472877
Basic & Diluted Earning Per Shares	4.19	4.43
Face Value of Shares	1	1

Note 31 SALES (MANUFACTURING)		
Vanaspati	498.71	538.87
Refine Oil	1348.90	924.85
Mustard Oil	280.43	265.09
DOC	118.38	33.39
Others	60.90	49.42
Sales (Trading)		
Edible Oil	1487.50	1144.00
Others	16.26	2.61
Total	**3811.08**	**2958.23**

Note 32 CLOSING FINISHED GOODS INVENTORY		
Vanaspati	10.03	8.11
Refine Oil	44.35	14.27
Mustard Oil	8.41	15.74
DOC	0.63	1.28
Others	0.68	0.52
Total	**64.10**	**39.92**

Note 33 CLOSING STOCK OF GOODS TRADED		
Imported Oil	0.11	82.75
Others	0.37	0.61
Total	**0.48**	**83.36**

	Year ended 31st March, 2013		Year ended 31st March, 2012	
	%	(In Crore)	%	(In Crore)
Note 34 VALUE OF IMPORTED AND INDIGENOUS MATERIAL CONSUMED				
Raw Material - Oils				
Imported	73.78	1516.57	77.10	1189.07
Indigenous	26.22	539.07	22.90	353.27
Total		**2055.64**		**1542.34**
Add: Other Expenses		19.32		15.80
Total		**2074.96**		**1558.14**

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 35		
A) CIF Value of Import During the Year		
Imported Oils	3466.80	2553.72
B) Export Of Goods On FOB Basis	32.35	2.59

Note 36 EXPENDITURE IN FOREIGN CURRENCY		
For Travelling	0.07	0.09

Note 37 LIABILITY OF GRATUITY

The liability of gratuity of employees is provided by taking LIC's group gratuity insurance scheme. For the year, premium on gratuity is yet to be paid. As per management there is no further liability of gratuity as on 31st March '2013.

Note 38 TRADE RECEIVABLE, TRADE PAYABLE AND LOANS & ADVANCES

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

Note 39 PREVIOUS YEAR FIGURE

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

Note 40 CAPITAL & OTHER COMMITMENTS

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

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 41 FIXED DEPOSIT PLEDGE WITH BANK		
FDR's In Banks	1951.83	1824.59
Less:- 100% Margin deposited In Banks for availing extended credit from suppliers.	1686.82	1571.12
Total	**265.01**	**253.47**

(In Crore)

	Face Value	Reporting Period ended on 31st March, 2013		Reporting Period ended on 31st March, 2012	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
Note 42 INVESTMENTS					
A. Quoted					
Investment in Equity					
Dhanseri Investments Ltd.	10	162500.00	0.95	0.00	0.00
Housing Development Infrastructure Ltd.	10	30000.00	0.25	0.00	0.00
Pipavav Defence and Offsore Eng. Ltd.	10	377000.00	3.11	0.00	0.00
Himalaya Granites Ltd.	10	51592.00	0.16	0.00	0.00
Elder Healthcare Ltd.	10	4667.00	0.04	0.00	0.00
Ultramarine Pigments Ltd.	2	100000.00	0.60	0.00	0.00
India Glycols Ltd.	10	29493.00	0.39	0.00	0.00
Elder Pharmaceuticals Ltd.	10	191414.00	6.88	0.00	0.00
Hindustan Oil Exploration Co. Ltd.	10	20000.00	0.23	0.00	0.00
Hindustan Construction Co. Ltd.	1	100000.00	0.19	0.00	0.00
Nelcast Ltd.	2	44500.00	0.08	0.00	0.00
Gyan Trade Ltd.	10	159146.00	3.84	0.00	0.00
Total			**16.72**		**0.00**
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			16.72		0.00
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			14.58		0.00

Notes to the Financial Statements For the reporting period ended 31st March, 2013

(In Crore)

	Nature of Transaction	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 43 RELATED PARTY DISCLOSURE			
Disclosure of transaction between Company and Related Parties			
i. Key Managerial personnel & their Relative			
D.N. Jhunjhunwala	Director Remuneration	0.19	0.16
	Rent	0.01	0.01
S. N. Jhunjhunwala	Director Remuneration	0.24	0.18
Adarsh Jhunjhunwala	Director Remuneration	0.18	0.15
ii. Relative of Key Managerial Personnel			
Anju Jhunjhunwala	Rent	0.03	0.03
Kishori Devi Jhunjhunwala	Salary	0.03	0.03
S. N. Jhunjhunwala HUF	Rent	0.03	0.03
iii. Other Related Companies			
Jhunjhunwala Gases Pvt. Ltd.	Lease Rent	0.01	0.01
	Raw & Packing Material Purchase	0.00	1.87
	Sales	9.65	0.00
Jhunjhunwala Oils Mills Ltd.	Raw Material Purchase	0.23	1.34
	Sales	0.00	3.77
Nilamber Trexim & Credit Pvt. Ltd.	Handling & Storage	0.18	0.18
	Sale	53.32	0.00
iv. Other			
Jhunjhunwala Sewa Society	Bus Rent	0.01	0.01
v. Subsidiary Company			
JVL Oversease Pte Ltd.	Loans Taken	1.93	0.00
	Loan Given	0.00	5.96

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 30.05.2013

Rohit Jaiswal
Company Secretary

Cash Flow Statement For the year ended 31st March, 2013

(In Crore)

		As at 31st March, 2013	As at 31st March, 2012
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit before Tax & extraordinary items	77.22	72.53
	Adjustments for:		
	Depreciation	10.21	9.64
	Interest Paid	14.16	14.69
	Interest Received	(3.88)	(3.27)
	Interest Received from IT Refund	-	(0.03)
	Dividend Received	(0.13)	(0.18)
	Profit/(Loss) on Sale of Investment	(2.07)	(5.76)
	Provision For Doubtful Debts	1.00	1.00
	Other Income	(4.68)	-
	Operational Profit before working capital changes	**91.83**	**88.62**
	Trade & other Receivable	(1.83)	(79.09)
	Inventories	(12.54)	(129.08)
	Trade Payables	(33.34)	184.15
	Net cash from operating Activities	44.12	64.60
	Interest paid	(14.16)	(14.69)
	Direct Taxes Paid	(10.91)	(13.29)
	Cash Flow before Extra ordinary Items.	19.05	36.62
	Extra Ordinary Items Deferred Tax	(5.94)	(2.35)
	Subsidy received during the year	(22.80)	(21.59)
	Provision For Doubtful Debts	(1.00)	(1.00)
	Net Cash Flow from Operating Activities.	**(10.69)**	**11.67**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of Fixed Assets (Including CWIP)	(81.22)	(120.98)
	Other Income	4.68	-
	Profit/(Loss) on Sale of Investment	2.07	5.76
	Purchase of Investments.	(16.97)	(2.79)
	Sale of Investments	5.59	11.56
	Interest Received	3.88	3.27
	Interest Received from IT Refund	-	(0.03)
	Dividend Received	0.13	0.18
	Subsidy received during the year	22.80	21.59
	Net Cash Flow from Investing Activities	**(59.04)**	**(81.38)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from issues Preference Warrant / Conversion into Equity Shares	26.94	29.11
	Proceeds from Long Term Borrowings	19.29	45.31
	Proceeds from Short Term Borrowings	16.01	0.07
	Dividend Paid including Dividend Tax	(3.35)	(2.99)
	Net cash flow from Financing Activities	**58.89**	**71.50**
	Net Increase(Decrease) in cash & Cash Equivalent	**(10.84)**	**1.80**
	Cash & Cash Equivalents Opening	**334.57**	**332.77**
	Cash & Cash Equivalents Closing	**323.73**	**334.57**

As per our report of even date attached

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 30.05.2013

Rohit Jaiswal
Company Secretary

Independent Auditor's Report

To
The Board of Directors of
JVL Agro Industries Limited

We have audited the accompanying consolidated financial statements of JVL Agro Industries Limited ("the Company"), and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

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

a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) in the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date; and

c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

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

RANJISH VISHWAKARMA
PARTNER
M. No. :404363

Place: Varanasi
Date: 08.07.2013

Significant Accounting Policies on Consolidated Financial Statements

For the reporting period ended 31st March, 2013

Note 1 Principles of consolidation

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

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

The subsidiary is foreign subsidiary, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve. The average rate of one US $ for the year is taken ₹54.36 (47.86) and closing rate of one US $ is taken ₹54.28 (50.87) 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.

Note 2 Other significant accounting policies

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

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Place: Varanasi
Date: 08.07.2013

For and on behalf of Board of Directors

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Rohit Jaiswal
Company Secretary

Consolidated Balance Sheet As at 31st March, 2013

(In Crore)

		Note No	As at 31st March, 2013	As at 31st March, 2012
I	**EQUITY AND LIABILITIES**			
	Shareholders' Fund			
	(a) Share Capital	1	16.79	14.04
	(b) Reserves & Surplus	2	396.49	289.07
	(c) Money received against Preferential Warrants	3	-	25.31
	Non-Current Liabilities			
	(a) Long-Term Borrowings	4	100.44	81.15
	(b) Deferred Tax Liabilities		28.27	22.33
	(c) Other Long Term Liabilities	5	2.26	1.56
	Current Liabilities			
	(a) Short-Term Borrowings	6	110.75	94.74
	(b) Trade Payables	7	729.10	777.35
	(c) Other Current Liabilities	8	47.25	41.27
	(d) Short-Term Provisions	9	3.36	3.00
	TOTAL		**1,434.71**	**1,349.82**
II	**ASSETS**			
	Non-Current Assets			
	(a) Fixed Assets	10		
	(i) Tangible Assets		308.81	151.68
	(ii) Capital Work-in-Progress		18.49	94.25
	(b) Non-Current Investments	11	3.56	8.90
	(c) Long-Term Loans & Advances	12	40.02	40.20
	Current Assets			
	(a) Inventories	13	453.21	440.67
	(b) Trade Receivables	14	164.65	169.89
	(c) Cash & Bank Balances	15	324.21	335.15
	(d) Short-Term Loans & Advances	16	121.76	109.08
	TOTAL		**1,434.71**	**1,349.82**
Contingent Liability & other commitments		19		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 08.07.2013

Rohit Jaiswal
Company Secretary

Consolidated Statement of Profit and Loss For the year ended 31st March, 2013

(In Crore)

	Note No	As at 31st March, 2013	As at 31st March, 2012
INCOME			
I. Income From Operations	18	4,397.98	3,325.96
II. Other Income		6.31	9.24
Total Revenue (I+II)		**4,404.29**	**3,335.20**
EXPENSES			
Cost of Materials Consumed	19	2,201.62	1,652.84
Purchases of Goods Traded	20	1,999.27	1,581.98
Changes in Inventories	21	40.40	(50.83)
Employee Benefits Expense	22	7.34	6.00
Finance Costs	23	24.13	21.63
Depreciation Expense	10	10.21	9.64
Other Expenses	24	69.05	60.79
Total Expenses		**4,352.02**	**3,282.05**
Profit Before Exceptional Items & Tax		**52.27**	**53.15**
Exceptional items	25	26.30	20.59
Profit Before Tax		**78.57**	**73.74**
Tax Expense			
(1) Current tax		(11.02)	(13.67)
(2) MAT Credit		-	0.27
(3) Provision for Tax for Earlier year Written off/provided for		-	0.01
(4) Deferred Tax		(5.94)	(2.35)
Profit for the Period		**61.61**	**58.00**
Earnings per Equity Share:			
(1) Basic		4.28	4.51
(2) Diluted		4.28	4.51

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 08.07.2013

Rohit Jaiswal
Company Secretary

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 1 SHARE CAPITAL		
A. Authorised Capital:		
20,00,00,000 (20,00,00,000) Equity Shares of ₹1/- each	20.00	20.00
5,000, 10% (5,000) Cumulative Red. Pref. Shares of ₹100/- each	0.05	0.05
2,50,000, (2,50,000) Cumulative Red. Pref. Shares of ₹100/- each	2.50	2.50
	22.55	**22.55**
B. Issued, subscribed & fully paid up capital :		
16,79,40,000 (14,04,40,000) Equity Shares of ₹1/- each (₹1/- each)	16.79	14.04
Total	**16.79**	**14.04**
C. Reconciliation of number of shares		
Equity Shares :		
Balance as at beginning of the year 14,04,40,000 Equity Shares	140440000	128440000
Add: 2,75,00,000 Preferential Warrant converted into equity shares of ₹1/- each at premium of ₹18/- each.	27500000	12000000
Less: Shares bought back during the year	0	0
Balance as at end of the year	**167940000**	**140440000**

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% (12.04%)	16912900	16912900
b.	Jhunjhunwala Oil Mills Ltd.	04.42% (05.28%)	-	7419000
c.	Jhunjhunwala Gases Pvt. Ltd.	09.57% (11.45%)	16075000	16075000
d.	Lotus Global Investments Ltd.	04.95% (05.92%)	-	8360000
e.	Aryan Multibusiness Pvt. Ltd.	07.15% (08.54%)	12000000	12000000
f.	Paharia Markets & Investment Pvt. Ltd.	07.15% (00.00%)	12000000	-

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 2 RESERVE & SURPLUS		
A. General Reserve :		
Balance as at the beginning of the year	22.16	17.16
Add: Addition during the year	5.00	5.00
Balance as at the end of the year	**27.16**	**22.16**
B. Capital Reserve :		
Balance at the beginning of the year	29.04	14.72
Add: Capital Subsidy	22.80	21.59
Less: Withdrawn to Statement of Profit & Loss (Please refer Note No. 28)	(22.80)	(21.59)
Add: Transferred from surplus in Statement of Profit & Loss	22.57	14.32
	51.61	**29.04**
C. Securities Premium Account :		
Balance as at the beginning of the year	62.55	40.95
Add: Addition during the year	49.50	21.60
(27500000 Preferential Warrant converted into equity shares of ₹1/- each at premium of ₹18/- each)		
Balance as at the end of the year	**112.05**	**62.55**
D. Foreign Currency Translation Reserve	**0.48**	**0.82**
E. Surplus in Statement of Profit & Loss		
Balance as at the beginning of the year	174.50	138.81
Add: Profit for the year	61.61	58.00
Less: Appropriations		
Transferred to General Reserve	(5.00)	(5.00)
Transferred to Capital Reserve	(22.57)	(14.32)
Proposed Dividend on Equity Shares	(2.88)	(2.57)
[per shares ₹0.20 (₹0.20)]		
Dividend Distribution Tax	(0.47)	(0.42)
Balance as at the end of the year	**205.19**	**174.50**
Total (A+B+C+D)	**396.49**	**289.07**

Note 3 PREFERENTIAL WARRANT		
Money Received against Preferential Warrant		
39,50,000 Preferential Warrant (39,50,000) of ₹190/- each (Each warrant is convertible into 10 equity shares of ₹1/-each at a premium of ₹18/- each. During the year, the Company has converted 27,50,000 nos.(12,00,000) nos. of warrants into 2,75,00,000 (1,20,00,000) equity shares of ₹1/- each at the premium of ₹18/- each. Out of total allotment made upto the year end, 2,80,00,000 shares has been allotted to promoter group.)	0.00	25.31
Total	**0.00**	**25.31**

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 4 LONG-TERM BORROWINGS		
Secured Term Loans from banks	**127.94**	**96.05**
Less: Current Maturity of Long Term Borrowings	27.50	14.90
Balance of Above	**100.44**	**81.15**

Note 5 OTHER LONG TERM LIABILITIES		
Security Deposits	2.26	1.56
Total	**2.26**	**1.56**

Note 6 SHORT TERM BORROWINGS		
Secured Loans :		
A. Cash Credit Limit From Banks	**104.13**	**43.64**
B. IDBI Bank Ltd.	0.00	25.00
C. Loan Against Fixed Deposits Receipt From Bank	6.62	11.45
Unsecured Loans		
From Banks	0.00	14.65
Total	**110.75**	**94.74**

Note 7 TRADE PAYABLES		
(i) Total Outstanding dues of Micro, Small & Medium Enterprises	1.02	1.20
(Due for purchases)		
(ii) Total outstanding dues of creditors other than above		
Sundry Creditors	728.08	776.15
(For Goods, Expenses & Other Finance)		
Total	**729.10**	**777.35**

Note 8 OTHER CURRENT LIABILITIES		
Advance from Customers	18.65	21.04
TDS Payable	0.80	0.86
Dividend Payable	0.25	0.22
Other Current Liabilities	27.55	19.15
Total	**47.25**	**41.27**

Note 9 SHORT-TERM PROVISIONS		
Provision For Wealth Tax	0.01	0.01
Provision For Dividend	2.88	2.57
Dividend Distribution Tax	0.47	0.42
Total	**3.36**	**3.00**

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

Note 10 TANGIBLE FIXED ASSETS

(In Crore)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	Opening as on 1.4.2012	Addition	Sale/ Transfer	Closing as on 31.3.2013	Upto 31.3.2012	For the Year	Sale/ Adjustment	Total Upto 31.3.2013	As on 31.3.2013	As on 31.3.2012
Land (Free Hold)	2.28	-	-	2.28	-	-	-	-	2.28	2.28
Land (Lease Hold)	3.26	4.63	-	7.89	-	-	-	-	7.89	3.25
Buildings	21.52	24.26	-	45.78	2.96	0.77	-	3.73	42.05	18.57
Plant & Machinery	149.99	136.45	-	286.44	35.71	8.25	-	43.96	242.48	114.28
Office Equipments	1.45	0.65	-	2.10	0.42	0.17	-	0.59	1.51	1.03
Furniture & Fittings	0.23	0.77	-	1.00	0.09	0.02	-	0.11	0.89	0.14
Vehicles	2.02	0.58	-	2.60	0.85	0.22	-	1.07	1.53	1.17
Turbine (Co Generation System along with Pressure Boiler)	14.80	-	-	14.80	3.84	0.78	-	4.62	10.18	10.96
Total of Tangible Assets	**195.55**	**167.34**	**-**	**362.89**	**43.87**	**10.21**	**-**	**54.08**	**308.81**	**151.68**
Previous Year	**192.61**	**2.94**	**-**	**195.55**	**34.23**	**9.64**	**-**	**43.87**	**151.68**	**-**
Capital Work In Progress :										
- Naupur, Alwar & Pahleza Unit	11.98	1.73	11.98	1.73	-	-	-	-	1.73	11.98
- Alwar Oil Mills	3.15	1.07	-	4.22	-	-	-	-	4.22	3.15
- Haldia Project	79.12	12.54	79.12	12.54	-	-	-	-	12.54	79.12
Total of Capital Work in Progress	**94.25**	**15.34**	**91.10**	**18.49**	**-**	**-**	**-**	**-**	**18.49**	**94.25**
Previous Year	**10.39**	**83.86**		**94.25**					**94.25**	**-**
Total of Fixed Assets	**289.80**	**182.68**	**91.10**	**381.38**	**43.87**	**10.21**	**-**	**54.08**	**327.30**	**245.93**
Previous Year	**203.00**	**86.80**	**-**	**289.80**	**34.23**	**9.64**	**-**	**43.87**	**245.93**	**-**

(In Crore)

	Reporting Period ended on 31st March, 2013		Reporting Period ended on 31st March, 2012	
	No. of Shares/Units	Amount	No. of Shares/Units	Amount
Note 11 NON-CURRENT INVESTMENTS				
A. Unquoted				
Investment in Equity				
i. Trade Investments				
Other	2668799.00	2.30	2668799.00	2.30
ii. Non Trade Investments				
Other	9000.00	0.45	9000.00	0.45
B. Quoted				
i. Non Trade Investments				
Investment in Equity	126328.00	0.37	657148.00	5.62
Investment in Mutual Fund :	167231.55	0.44	617231.55	0.53
Unicon KBC Equity Fund				
Total		**3.56**		**8.90**
Disclosure as per Revised Schedule VI				
a Aggregate Amount of Quoted Investments		**0.81**		**6.15**
b Aggregate Amount of un - Quoted Investment		**4.80**		**2.75**
c Aggregate Provision for Diminution in Value of Investment		**0.00**		**0.00**
d Aggregate Market Value of Quoted Investments		**0.17**		**9.66**

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 12 LONG-TERM LOANS & ADVANCES		
Unsecured, Considered Good		
Capital Advances	24.06	34.18
Loans	0.38	0.38
Advance Income Tax & TDS (Net of Provision)	13.75	4.22
Security Deposits	1.83	1.42
Total	**40.02**	**40.20**

Note 13 INVENTORIES		
(As Taken, Valued & Certified by the Management)		
Raw Materials (Including in Transit)	337.42	288.75
Finished Products	64.10	39.92
Trading Goods	0.48	83.36
Stock in Process	31.01	12.71
Packing Material, Stores & Chemicals	20.20	15.93
Total	**453.21**	**440.67**

Note 14 TRADE RECEIVABLES		
A. Above Six Months (from the due dates)		
Un - Secured Considered Good	15.85	17.99
Considered Doubtful	3.11	3.11
Less: Provision for Doubtful Debts	(1.00)	(1.00)
Total	**17.96**	**20.10**
B. Others		
Un - Secured Considered good	146.69	149.79
Considered Doubtful	0.00	0.00
Less: Provision for Doubtful Debts	0.00	0.00
Total	**146.69**	**149.79**
Total (A+B)	**164.65**	**169.89**

Note 15 CASH AND BANK BALANCES		
i. Cash & Cash Equivalent		
Cash In Hand	0.23	0.44
Balance with Scheduled Bank		
- In Current Accounts	58.72	81.02
Total	**58.95**	**81.46**
ii. Other Bank Balances		
With Scheduled Banks:		
- In Fixed Deposit Accounts	162.51	152.37
- In Dividend Account	0.25	0.22
- Margin Money Account	102.50	101.10
Total	**265.26**	**253.69**
Total (i+ii) (Please refer to Note No-41)	**324.21**	**335.15**

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	As at 31st March, 2013	As at 31st March, 2012
Note 16 SHORT-TERM LOANS & ADVANCES		
a. Unsecured, Considered Good		
Advances	104.37	108.50
Prepaid Expenses	0.67	0.58
b. Investments (Please refer to Note no. 31)	16.72	0.00
Total	**121.76**	**109.08**

Note 17 CONTINGENT LIABILITY & OTHER COMMITMENTS		
Claim against the Company not acknowledged as debts :		
Trade Tax Liability under appeal before H'ble High Court, Allahabad	0.36	0.36
Excise Demand at different stage at H'ble High Court, Allahabad	0.00	0.03
Entry Tax demand under appeal before H'ble Supreme Court for different years for which Bank Guarantee given by the Company	0.64	0.64
Excise Duty on Fatty Acid not paid for different years under appeal at Appelate Tribunal, Custom, Excise & Service Tax, New Delhi.	8.42	1.24

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 18 REVENUE FROM OPERATIONS		
Sale of Products	4397.98	3325.96
Total	**4397.98**	**3325.96**

Note 19 COST OF MATERIAL CONSUMED		
Raw Material Consumed	2074.96	1558.14
Chemical Consumed	3.46	3.00
Packing Material Consumed	123.20	91.70
Total	**2201.62**	**1652.84**

(Cost of Raw Material Consumed includes direct expenses)

Note 20 PURCHASES OF GOODS TRADED		
Imported Oils	1993.22	1580.89
Others	6.05	1.09
Total	**1999.27**	**1581.98**

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 21 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND GOODS TRADED		
Closing Stock		
Stock in Process	31.01	12.71
Finished Products	64.10	39.92
Goods Traded	0.48	83.36
Total (A)	**95.59**	**135.99**
Less: Opening Stock		
Stock in Process	12.71	17.24
Finished Products	39.92	67.45
Goods Traded	83.36	0.47
Total (B)	**135.99**	**85.16**
Total (B-A)	**40.40**	**(50.83)**

Note 22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus, etc.	6.59	5.44
Contribution to Provident Fund	0.43	0.36
Employee Welfare Expenses	0.32	0.20
Total	**7.34**	**6.00**

Note 23 FINANCE COSTS		
(a) Interest to Bank	13.78	14.52
(b) Interest to Other	0.38	0.17
(c) Bank Charges	9.93	6.93
(d) Lease Rent	0.04	0.01
Total	**24.13**	**21.63**

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Note 24 OTHER EXPENSES		
Consumption of Stores, Spares	1.70	0.78
Power & Fuel	50.33	45.47
Repairs & Maintenance	0.61	0.55
Legal Expenses	0.07	0.05
Travelling Expenses	1.47	1.08
Conveyance Expenses	0.53	0.41
Insurance	0.38	0.51
Rates & Taxes	0.58	0.15
Auditor Fees	0.07	0.07
Postage,Telegram & Telephone	0.57	0.52
Repairs to Others	0.14	0.12
Printing & Stationery	0.24	0.24
Miscellaneous Expenses	1.82	1.27
Other Operating Expenses	0.94	0.72
Professional & Consultancy Charge	1.31	0.58
Brokerage & Commission (Net)	6.37	6.60
Advertisement & Publicity	0.33	0.31
Selling Expenses	0.64	0.65
Rent	0.93	0.54
Prior Period Expenditure	0.02	0.17
Total	**69.05**	**60.79**
Note 25 EXCEPTIONAL ITEM		
Withdrawn from Capital Reserve	22.80	21.59
Provision For Doubtful Debts	(1.00)	(1.00)
Realisation of Investment	4.50	-
Total	**26.30**	**20.59**
Note 26 EARNING PER SHARES		
Net Profit atributable to equity shareholders	61.61	58.00
Weightage Average Number of share used as denominators for calculating earning per share	144056438	128472877
Basic & Diluted Earning Per Shares	4.28	4.51
Face Value of Shares	1	1

(In Crore)

Name of Subsidiary	Country of Incorporation	Extent of Holding
Note 27 THE SUBSIDIARY COMPANY CONSIDERED IN CONSOLIDATED FINANCIAL STATEMENTS IS:-		
1. JVL Oversease Pte Ltd.	Singapore	100%

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(Amounts are in INR crore)

Name of Subsidiary Company	JVL Oversease Pte Ltd.
Note 28 Financial Information of Subsidiary Company	
Reporting Currency	US Dollar
Financial Year Ending	31.12.2012
Total Assets	6.47
Total Liabilities	6.47
Capital	2.05
Reserves	3.78
Turnover	586.95
Profit Before Tax	1.35
Provision for Tax	0.11
Profit After Tax	1.24
Proposed Dividend	-

Note 29 CAPITAL & OTHER COMMITMENTS

1. Estimated amount of expenditure on capital account for next year is ₹15 Crores as per management's certificate.
2. The Company has informed that acquisition of 500 Acre of land in Bihar through court order have been made as a part of its plan to enter in to other commodity in which company can venture out & leverage its existing sales and distribution network. This will further strengthen the position of the Company in the market.
3. During the year JVL Oversease Pte. Ltd. has incorporated a subsidiary having name 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 3.22 Crores).

(In Crore)

	Nature of Transaction	Reporting Period ended on 31st March, 2013	Reporting Period ended on 31st March, 2012
Note 30 RELATED PARTY DISCLOSURE			
Disclosure of transaction between Company and Related Parties			
i. Key Managerial personnel & their Relative			
D.N. Jhunjhunwala	Director Remuneration	0.19	0.16
	Rent	0.01	0.01
S. N. Jhunjhunwala	Director Remuneration	0.24	0.18
Adarsh Jhunjhunwala	Director Remuneration	0.18	0.15
ii. Relative of Key Managerial Personnel			
Anju Jhunjhunwala	Rent	0.03	0.03
Kishori Devi Jhunjhunwala	Salary	0.03	0.03
S. N. Jhunjhunwala HUF	Rent	0.03	0.03

Notes on Consolidated Financial Statement For the reporting period ended 31st March, 2013

(In Crore)

	Nature of Transaction	Reporting Period ended on 31st March, 2013	Reporting Period ended on 31st March, 2012
Note 30 RELATED PARTY DISCLOSURE *(contd.)*			
iii. Other Related Companies			
Jhunjhunwala Gases Pvt. Ltd.	Lease Rent	0.01	0.01
	Raw & Packing Material Purchase	0.00	1.87
	Sales	9.65	0.00
Jhunjhunwala Oils Mills Ltd.	Raw Material Purchase	0.23	1.34
	Sales	0.00	3.77
Nilamber Trexim & Credit Pvt. Ltd.	Handling & Storage	0.18	0.18
	Sale	53.32	0.00
iv. Other			
Jhunjhunwala Sewa Society	Bus Rent	0.01	0.01
v. Subsidiary Company			
JVL Oversease Pte Ltd.	Loans Taken	1.93	0.00
	Loan Given	0.00	5.96

(In Crore)

	Face Value	Reporting Period ended on 31st March, 2013		Reporting Period ended on 31st March, 2012	
		No. of Shares/Units	Amount	No. of Shares/Units	Amount
Note 31 INVESTMENTS					
A. Quoted					
Investment in Equity					
Total		**1270312.00**	**16.72**	**0.00**	**0.00**
Disclosure as per Revised Schedule VI					
a Aggregate Amount of Quoted Investments			16.72		0.00
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			14.58		0.00

As per our report of even date

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 08.07.2013

Rohit Jaiswal
Company Secretary

Cash Flow Statement For the year ended 31st March, 2013

(In Crore)

		As at 31st March, 2013	As at 31st March, 2012
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax & extraordinary items	78.57	73.74
	Adjustments for:		
	Depreciation	10.21	9.64
	Interest Paid	14.16	14.69
	Interest Received	(3.88)	(3.27)
	Interest Received From IT Refund	–	(0.03)
	Dividend Received	(0.13)	(0.18)
	Profit/(Loss) on Sale of Investment	(2.07)	(5.76)
	Provision For Doubtful Debts	1.00	1.00
	Other Income	4.68	–
	Operational Profit before working capital changes	**102.54**	**89.83**
	Trade & other Receivable	(10.26)	(82.25)
	Inventories	(12.54)	(129.08)
	Trade Payables	(35.27)	184.18
	Surplus (Deficit)on foreign currency translation on consolidation of subsidiary	(0.34)	1.45
	Net cash from operating Activities	**44.13**	**64.13**
	Interest paid	(14.16)	(14.69)
	Direct Taxes Paid	(11.02)	(13.39)
	Cash Flow before Extra ordinary Items.	18.95	36.05
	Extra Ordinary Items Deferred Tax	(5.94)	(2.36)
	Subsidy received during the year	(22.80)	(21.59)
	Provision For Doubtful Debts	(1.00)	(1.00)
	Net Cash Flow from Operating Activities.	**(10.79)**	**11.10**
B.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets (Including CWIP & Capital Advance)	(81.22)	(120.97)
	Sale Of Fixed Assets	–	–
	Other Income	4.68	–
	Profit/(Loss) on Sale of Investment	2.07	5.76
	Purchase of Investments.	(16.97)	(2.79)
	Sale of Investments	5.59	11.56
	Interest Received	3.88	3.27
	Interest Received From IT Refund	–	0.03
	Dividend Received	0.13	0.18
	Subsidy received during the year	22.80	21.59
	Net Cash Flow from Investing Activities	**(59.04)**	**(81.37)**
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from issues Preference Warrant / Conversion into Equity Shares	26.94	29.11
	Proceeds from Long Term Borrowings	19.29	45.31
	Proceeds from Short Term Borrowings	16.01	0.07
	Dividend Paid including Dividend Tax	(3.35)	(2.99)
	Net cash flow from Financing Activities	**58.89**	**71.50**
	Net Increase in cash & Cash Equivalent	**(10.94)**	**1.23**
	Cash & Cash Equivalents Opening	**335.15**	**333.92**
	Cash & Cash Equivalents Closing	**324.21**	**335.15**

As per our report of even date attached

For and on behalf of Board of Directors

For **Singh Dikshit & Co**
Chartered Accountants
Firm Registration No. 007555C

Ranjish Vishwakarma
[Partner]
M.No. 404363

Adarsh Jhunjhunwala
Whole-time Director

S.N. Jhunjhunwala
Managing Director

Place: Varanasi
Date: 08.07.2013

Rohit Jaiswal
Company Secretary

Notes

Notes

partnership for progress

JVL Agro Industries Limited

Registered Office

Jhunjhunwala Bhawan, Nati Imli

Varanasi 221001 (U.P.), India

Phone: +91-542-2595930/31/32 • Fax: +91-542-2595941

Email : info@jvlagro.com

Website : www.jvlagro.com

JVL AGRO INDUSTRIES LIMITED
Regd Off: Jhunjhunwala Bhawan, Nati Imli
Varanasi (U.P)

Notice

Notice is hereby given that the 24th Annual General Meeting of the members of JVL Agro Industries Limited will be held on Monday, September 30th , 2013 at 3.00 P.M. at Hotel Radisson, The Mall, Cantonment, Varanasi – 221002, U.P, India to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2013 and Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To declare a Dividend on equity shares for the financial year ended on March 31, 2013.
3. To re-appoint Mr. Harsh Agarwal, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Mr. Mahesh Kedia, Director who retires by rotation and being eligible offers himself for re-appointment.
5. Resolved that M/s Singh Dikshit & Company, Chartered Accountant be and is hereby appointed as statutory Auditor of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the board of directors in consultation with audit committee, exclusive of travelling and other out of pocket expenses.

SPECIAL BUSINESS:

6. RE - APPOINTMENT OF SRI S. N. JHUNJHUNWALA AS MANAGING DIRECTOR OF THE COMPANY

   The tenure of Sri S. N. Jhunjhunwala, Managing Director of the Company is about to expire on 30.09.2013 and in view of the contribution made by Sri S. N. Jhunjhunwala in the progress of the Company the board of directors of the Company proposed that subject to the approval of the members in Annual General Meeting of the Company, Sri S. N. Jhunjhunwala, the existing Managing director of the Company, be re - appointed as Managing Director of the Company for a period of 5 Years from 1st October, 2013 to 30th September, 2018.

The text of resolution for appointment of Sri S.N. Jhunjhunwala as managing Director of the Company was placed before the board and the board approved the said resolution, which is noted hereunder, to be placed before the shareholder in the ensuing Annual General Meeting.

"RESOLVED THAT pursuant to recommendation of the Remuneration Committee and in accordance with the provisions of sections 269, 198, 309 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded to the re - appointment of Sri S. N. Jhunjhunwala as Managing Director of the Company, for a period of five years w.e.f. October 1, 2013, on a remuneration and on terms & conditions as set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the aggregate amount of remuneration payable to Sri S. N. Jhunjhunwala in a particular financial year will be subject to the overall ceiling laid down in Sections 198 and 309 read with Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT in case the Company has inadequate profit or loss, the remuneration would be restricted to maximum remuneration provided under Schedule XIII of the Companies Act, 1956."

The board passed the text of above resolution.

The above terms and conditions may be treated as abstract of terms and conditions within the meaning of Section 302 of The Companies Act, 1956.

None of the directors other than Sri D. N. Jhunjhunwala, Sri S. N. Jhunjhunwala & Sri Adarsh Jhunjhunwala were interested in the above resolution.

7. RE - APPOINTMENT OF SRI ADARSH JHUNJHUNWALA AS WHOLE-TIME DIRECTOR OF THE COMPANY

The tenure of Sri Adarsh Jhunjhunwala, Whole Time Director of the Company is about to expire on 30.09.2013 and in view of the contribution made by Sri Adarsh Jhunjhunwala in the progress of the Company the board of directors of the Company proposed that subject to the approval of the members in Annual General Meeting of the Company, Sri Adarsh Jhunjhunwala, the existing Whole Time director of the Company, be re - appointed as Whole Time director of the Company for a period of 5 Years from 1st October, 2013 to 30th September, 2018.

The text of resolution for appointment of Sri Adarsh Jhunjhunwala as Whole-time Director of the Company was placed before the board and the board approved the said resolution, which is noted hereunder, to be placed before the shareholder in the ensuing Annual General Meeting.

"RESOLVED THAT pursuant to recommendation of the Remuneration Committee and in accordance with the provisions of sections 269, 198, 309 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the Company be and is hereby accorded to the appointment of Sri Adarsh Jhunjhunwala as Whole-time Director of the Company, for a period of five years w.e.f. October 1, 2013, on a remuneration and on terms & conditions as set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the aggregate amount of remuneration payable to Sri Adarsh Jhunjhunwala in a particular financial year will be subject to the overall ceiling laid down in Sections 198 and 309 read with Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT in case the Company has inadequate profit or loss, the remuneration would be restricted to maximum remuneration provided under Schedule XIII of the Companies Act, 1956."

The board passed the text of above resolution.

The above terms and conditions may be treated as abstract of terms and conditions within the meaning of Section 302 of The Companies Act, 1956.

None of the directors other than Sri D. N. Jhunjhunwala, Sri S. N. Jhunjhunwala & Sri Adarsh Jhunjhunwala were interested in the above resolution.

8. RE - APPOINTMENT OF SRI D. N JHUNJHUNWALA AS AN EXECUTIVE CHAIRMAN OF THE COMPANY

The tenure of Sri D. N. Jhunjhunwala, Executive Chairman of the Company is about to expire on 30.09.2013 and in view of the contribution made by Sri D. N. Jhunjhunwala in the progress of the Company the board of directors of the Company proposed that subject to the approval of the members in Annual General Meeting of the Company, Sri D. N. Jhunjhunwala, the existing Executive Chairman of the Company, be re - appointed as Executive Chairman of the Company for a period of 5 Years from 1st October, 2013 to 30th September, 2018.

The text of resolution for appointment of Sri D.N. Jhunjhunwala as Executive Chairman of the Company was placed before the board and the board approved the said resolution, which is noted hereunder, to be placed before the shareholders in the ensuing Annual General Meeting.

"RESOLVED THAT pursuant to recommendation of the Remuneration Committee and in accordance with the provisions of sections 269, 198, 309 read with schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 approval of the Company be and is hereby accorded to the appointment of Sri D.N. Jhunjhunwala, as Chairman (Executive) of the Company, for a period of five years w.e.f. October 1, 2013, on a remuneration and on terms & conditions as set out in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT the aggregate amount of remuneration payable to Sri D.N. Jhunjhunwala in a particular financial year will be subject to the overall ceiling laid down in Sections 198 and 309 read with Schedule XIII of the Companies Act, 1956."

"RESOLVED FURTHER THAT in case the Company has inadequate profit or loss, the remuneration would be restricted to maximum remuneration provided under Schedule XIII of the Companies Act, 1956."

The board passed the text of above resolution.

The above terms and conditions may be treated as abstract of terms and conditions within the meaning of Section 302 of The Companies Act, 1956.

None of the directors other than Sri D. N. Jhunjhunwala, Sri S. N. Jhunjhunwala & Sri Adarsh Jhunjhunwala were interested in the above resolution.

By order of the Board of Directors

Sd/-

Place: Varanasi **Rohit Kumar Jaiswal**

Date: 26.08.2013 *Company Secretary*

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

2. The register of members and the share transfer books of the Company will remain closed from 24/09/2013 to 30/09/2013 (both days inclusive)

3. Additional information in terms of clause 49 of the listing agreement in respect of Directors being re-appointed is as under:

A) MR. Harsh Agarwal -.

- Date of birth: March 26, 1987
- Date of appointment: September 30, 2011
- Expertise in functional areas: Engineering
- Sri Harsh Agarwal is a Director and having deep insight into Electronic and telecommunication and practical experience in the field
- Qualification: Engineering graduate

B) Mr. Mahesh Kedia

- Date of birth: June 13, 1963
- Date of appointment: December 29, 2003
- Expertise in functional areas: Commerce and Financial Accounting
- Shri Mahesh Kedia is a Director, Chartered Accountant and a Science graduate.
- Qualification: B. Sc (Statistics), C.A

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6

The present tenure of Sri S. N. Jhunjhunwala as Managing Director of the Company would expire on 30th September, 2013.

Hence, in the view of distinguish contribution made by him in the progress of the Company the Board of Directors of the Company have considered to re-appoint Sri S. N. Jhunjhunwala as Managing Director of the Company for a period of five years from October 1, 2013 to September 30, 2018. The appointee has also consented to the above.

On the recommendation of the Remuneration Committee, the board of Directors of the Company at their meeting held on 26th August, 2013 have reappointed Sri S. N. Jhunjhunwala as Managing Director of the Company for a period of five Years from October 1, 2013 to September 30, 2018 (subject to approval of shareholders in Annual General Meeting).

The reappointment of Sri S. N. Jhunjhunwala as the Managing Director of the Company is subject to the following terms and conditions and remuneration as approved by Remuneration Committee:

1) Subject to the performance of the duties & obligations as that part of the Managing Director, the Company shall during his tenure, pay him by way of his remuneration for the services as follows: -

   A) Salary ₹2,20,000 per month only.

   B) Free medical hospital treatment for him and his entire family subject to direct payment of actual bills.

   C) Travelling expenses for Air-conditioned Railway tour or Air passage for a holiday anywhere in India, once a year for himself and his family.

   D) Reimbursement of club bills including membership subscription in respect of clubs.

   E) Personal accident and Health Insurance policy of an amount, the annual premium for which not to exceed to ₹30,000 P.A including family.

   F) Leave on full pay and allowance at the rate as allowable to other senior employees of the Company in term of companies leave rules not exceeding one month leave for every 11 month service.

   G) Free use of a motorcar operated & maintained by the Company with driver, the monetary value of which may be evaluated as per Income Tax Rules, in force for the time being.

   H) Free telephone and mobile facility at residence. Provision of car for use on companies business and telephone and mobile at residence will not be considered as perquisites.

   I) The total remuneration as mentioned in (A) to (H) above shall not exceed from the limits as applicable to the Company, under Schedule XIII of the Companies Act, 1956 from time to time.

   J) Contribution to Provident Fund, Super Annuation Fund, Annuity Fund to the extent either singly or put together are not taxable under Income Tax Act, 1961.

   K) Gratuity payable at the rate not exceeding half a month salary for each completed years of service.

   L) Encashment of leave at the end of his tenure."

   The approval of members is being sought for the reappointment of Managing Director and for the remuneration within the maximum limits prescribed under the Act.

   None of the Directors other than Sri D. N. Jhunjhunwala, Sri S. N. Jhunjhunwala, & Sri Adarsh Jhunjhunwala are interested in the resolution.

   The Board recommends the Ordinary Resolution for approval of members.

ITEM NO. 7

The present tenure of Sri Adarsh Jhunjhunwala as Whole Time Director of the Company would expire on 30th September, 2013.

Hence, in the view of distinguish contribution made by him in the progress of the Company the Board of Directors of the Company have considered to re-appoint Sri Adarsh Jhunjhunwala as Whole Time Director of the Company for a period of five years from October 1, 2013 to September 30, 2018. The appointee has also consented to the above.

On the recommendation of the Remuneration Committee, the Board of Directors of the Company at their meeting held on 26th August, 2013 have reappointed Sri Adarsh Jhunjhunwala as Whole-time Director of the Company for a period of five years from October 1, 2013 to September 30, 2018 (subject to approval of shareholders in Annual General Meeting).

The reappointment of Sri Adarsh Jhunjhunwala as a Whole-time Director of the Company is subject to the following terms and conditions and remuneration as approved by remuneration committee:

1) Subject to the performance of the duties and obligations as that part of the Whole-time Director, the Company shall during his tenure, pay him by way of his remuneration for the services as follows: -

   A) Salary ₹1,70,000 per month only.

   B) Free medical hospital treatment for him and his entire family subject to direct payment of actual bills.

   C) Travelling expenses for Air-conditioned Railway tour or Air passage for a holiday anywhere in India, once a year for himself and his family.

   D) Reimbursement of club bills including membership subscription in respect of clubs.

   E) Personal accident and Health Insurance policy of an amount, the annual premium for which not to exceed to ₹20,000.

   F) Leave on full pay and allowance at the rate as allowable to other senior employees of the Company in term of companies leave rules not exceeding one month leave for every 11 month service.

   G) Free use of a motorcar operated & maintained by the Company with driver, the monetary value of which may be evaluated as per Income Tax Rules, in force for the time being.

   H) Free telephone and mobile facility at residence. Provision of car for use on companies business and telephone and mobile at residence will not be considered as perquisites.

   I) The total remuneration as mentioned in (A) to (H) above shall not exceed from the limits as applicable to the Company, under Schedule XIII of the Companies Act, 1956, from time to time.

   J) Contribution to Provident Fund, Super Annuation Fund, Annuity Fund to the extent either singly or put together are not taxable under Income Tax Act, 1961.

   K) Gratuity payable at the rate not exceeding half a month salary for each completed years of service.

   L) Encashment of leave at the end of his tenure."

   The approval of members is being sought for the reappointment of Whole-time Director and for the remuneration within the maximum limits prescribed under the Act.

   None of the Directors other than Sri D. N. Jhunjhunwala, Sri S. N. Jhunjhunwala, & Sri Adarsh Jhunjhunwala are interested in the resolution.

   The Board recommends the Ordinary Resolution for approval of members.

ITEM NO.8

The present tenure of Sri D. N. Jhunjhunwala as Executive chairman of the Company would expire on 30th September, 2013.

Hence, in the view of distinguish contribution made by him in the progress of the Company the Board of Directors of the Company have considered to re-appoint Sri D. N. Jhunjhunwala as Executive Chairman of the Company for a period of five years from October 1, 2013 to September 30, 2018. The appointee has also consented to the above.

On the recommendation of the Remuneration Committee the board of Directors of the Company at their meeting held on 26th August, 2013 have reappointed Sri D. N. Jhunjhunwala as Executive Chairman of the Company for a period of five years from October 1, 2013 to September 30, 2018. (Subject to approval of shareholders in Annual General Meeting).

The reappointment of Sri D. N. Jhunjhunwala as Executive Chairman of the Company is subject to the following terms & conditions and remuneration as approved by remuneration committee:

1) Subject to the performance of the duties & obligations as that part of the Chairman (Executive), the Company shall during his tenure, pay him by way of his remuneration for the services as follows: -

   A) Salary ₹1,75,000 per month only.

   B) Free medical hospital treatment for him and his entire family subject to direct payment of actual bills.

   C) Travelling expenses for Air-conditioned Railway tour or Air passage for a holiday anywhere in India, once a year for himself and his family.

   D) Reimbursement of club bills including membership subscription in respect of clubs.

   E) Personal accident and Health Insurance policy of an amount, the annual premium for which not to exceed to ₹30,000 P.A including family.

   F) Leave on full pay and allowance at the rate as allowable to other senior employees of the Company in term of companies leave rules not exceeding one month leave for every 11 month service.

   G) Free use of a motorcar operated & maintained by the Company with driver, the monetary value of which may be evaluated as per Income Tax Rules, in force for the time being.

   H) Free telephone and mobile facility at residence. Provision of car for use on companies business and telephone and mobile at residence will not be considered as perquisites.

   I) The total remuneration as mentioned in (A) to (H) above shall not exceed from the limits as applicable to the Company, under Schedule XIII of the Companies Act, 1956, from time to time.

   J) Contribution to Provident Fund, Super Annuation Fund, Annuity Fund to the extent either singly or put together are not taxable under Income Tax Act, 1961.

   K) Gratuity payable at the rate not exceeding half a month salary for each completed years of service.

   L) Encashment of leave at the end of his tenure."

The approval of members is being sought for the appointment of Chairman (Executive) and for the remuneration within the maximum limits prescribed under the Act.

The Board recommends the Special Resolution for approval of members.

None of the Directors, except Mr. D. N. Jhunjhunwala, Mr. S. N. Jhunjhunwala, & Mr. Adarsh Jhunjhunwala is interested in the said resolution.

By order of the Board of Director

Registered Office:
Nati Imli, Varanasi

Sd/-
Rohit Kumar Jaiswal

Date: 26.08.2013
Company Secretary

JVL AGRO INDUSTRIES LIMITED

Regd Off: Jhunjhunwala Bhawan, Nati Imli, Varanasi (U.P)

Please complete the attendance Slip and hand it over at the entrance of the Meeting Hall. Please also bring your copy of the Annual Report.

ATTENDANCE SLIP

I hereby record my presence at the 24th Annual General Meeting of the Company held on September 30, 2013

Regd. Folio No.	No. of Shares
Name of the Share Holder (in Block Letters)	

Signature of the shareholders

Signature of Proxy

Date – September 30, 2013

Time – 3.00 P.M.

Venue – Hotel Radisson, The Mall, Cantonment, Varanasi – 221002, U.P, India

Regd. Folio No.	No. of Shares

I/We………………………………….............……………… of ……………………......……..........................……………… in the district of ………………………………...……… being a member(s) of JVL Agro Industries Ltd. hereby appoint ……………………………..........…..… of failing him……….....……………………………… ……...………………………..
.... of …………………........................………………………… or failing him ………………………………... of ……………………………...............................…………… as my/our proxy to vote for me/us and on my/our behalf at the 24th Annual General Meeting of the Company to be held on September 30, 2013 and at any adjournment thereof.

As Witness my/our hand this …………………...............… day of …………………… 2013.

Signed by the said ……………………………..

Affix
Revenue
Stamp

Note: The Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting.