partnership for progress

JVL AGRO INDUSTRIES LIMITED

Annual Report 2018-19

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written or oral, that we periodically make, contain forward-looking statements that set out anticipated results based on management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion relating to future performance of the Company.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

Corporate Information

Board of Directors (Suspended during CIRP*)

Chairman
Mr. D. N. Jhunjhunwala

Managing Director & CEO
Mr. S. N. Jhunjhunwala

Whole-time Director
Mr. Adarsh Jhunjhunwala

Non-Executive Independent Woman Director (Additional Director)
Mrs. Rajani Pandey (w.e.f. 28th June 2018)

Resolution Professional
Mr. Supriyo Kumar Chaudhuri
IP Registration No. IBBI/IPA-001/IP-P00644/201 7-18/11098
BDO Restructuring Advisory LLP
C/O BDO India LLP
Floor 4, Duckback House
41, Shakespeare Sarani, Kolkata - 700017

Chief Finance Officer
Mr. R. C. Garg

Company Secretary
Mr. Kartik Agrawal

Audit Committee
Mrs. Rajani Pandey

Statutory Auditors
M/s A K Agrawal & Co.

Secretarial Auditor
M/s. KPA & Co.

Cost Auditor
M/s. S Chhaparia & Associates

Bankers
Bank of Baroda
Punjab National Bank
State Bank of India
State Bank of Bikaner and Jaipur
State Bank of Hyderabad
State Bank of Travancore
Vijaya Bank
Corporation Bank
Indian Overseas Bank
Union Bank of India
Oriental Bank of Commerce
Allahabad Bank
Standard Chartered Bank

Registrar and Share Transfer Agent
M/s. MCS Share Transfer Agent Limited
Communication Office: F-65, 1st Floor, OKhla Industrial Area
Phase I, New Delhi 110020

Registered Office
Village Tilmapur, Ghazipur Road, Near Ashapur, Varanasi - 221007 (U.P)

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
v. JVL Rice Mill (A unit of JVL Agro Industries Limited)
Sasaram Akhorigola Road, Jorawarpur, District Rohtas, Bihar

*The Company is under Corporate Insolvency Resolution Process (CIRP) vide order dated 25th July, 2018 of Hon'ble National Company Law Tribunal, Allahabad Bench. Hence, the powers of Board of Directors stand suspended w.e.f. 25th July, 2018. Further the RP Team proposes no new appointment of Directors due to ongoing CIRP which tantamount to non-adherence to the Companies Act and SEBI Norms regarding maintenance of composition of the Board.

Directors' Profile

(Powers Suspended w.e.f. 25.07.2018 due to triggering of CIRP)

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 57+ years of experience in various facets of management, out of which 35 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 (disqualified w.e.f. November 1, 2017)

- 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 & Chief Executive Officer and is a Commerce graduate. He has 35+ 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).

Mrs. Rajani Pandey

- Date of birth: June 10, 1978
- Date of appointment: June 28, 2018
- Expertise in functional areas: Education and Social Works
- Mrs. Rajani Pandey has been appointed as the Non-Executive Independent Woman Director of the Company. She is a BA. graduate in English. She has around 10 years of experience in different educational and social work initiatives.
- She is also involved with various philanthropic activities.
- Qualification: B.A. (English)

Board's Report

Dear Members,

As informed to the members last year, the National Company Law Tribunal ("NCLT") Allahabad Bench, vide order dated 25th July, 2018 ("Insolvency Commencement Order") has initiated Corporate Insolvency Resolution Process ("CIRP") based on the petition filed by the Standard Chartered Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Subsequently, the Hon'ble Tribunal vide order dated 10th September, 2018, appointed Mr. Supriyo Kumar Chaudhuri (IP Registration No. IBBI/IPA-001/IP-P00644/2017-18/11098) as Resolution Professional (RP) to manage the affairs of the Company in accordance with the provisions of the Code.

The Committee of Creditors has not approved any Resolution Plans for the Company, hence, the Resolution Professional (RP) has filed an application for Liquidation under Section 33(1) of the Insolvency and Bankruptcy Code, 2016 on 29th July, 2019 before the Hon'ble National Company Law Tribunal, Allahabad Bench. The same is yet to be decided by the afore-mentioned Tribunal.

Presentation on Thirtieth Annual Report on the business and operations of your Company along with the summary of the Standalone and Consolidated Financial Statements for the year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

The summarized standalone and consolidated financial results of your Company are given in the table below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Sales including other Income	1,195.36	3,207.26	1,195.36	3,461.56
Profit/(Loss) before Depreciation (including exceptional item)	(473.58)	(305.28)	(473.61)	(318.01)
Depreciation	20.73	19.80	20.73	19.80
Profit/(Loss) after Depreciation	(494.31)	(325.08)	(494.34)	(337.81)
Provision for Taxation	-	-	-	-
Deferred Tax	427.15	(405.35)	427.15	(405.35)
Add: MAT Credit	-	-	-	-
Profit/(Loss) after Tax	(921.46)	80.27	(921.49)	67.54

The year under review has been quite challenging. During the period, based upon the Standalone Financial Statements, the Revenue of the Company stood at ₹ 1,187.56 crores, the Net Loss at ₹ 921.46 crores and the Reserve & Surplus position (Other Equity as per IND-AS) at ₹ (1,319.21) crores.

The Consolidated Revenue and the Reserve & Surplus position of the Company stood at ₹ 1,195.36 crores and ₹ (1,321.47) crores respectively.

STATE OF COMPANY'S AFFAIRS

The Company is presently undergoing CIRP and is being operated as a going concern under the control and supervision of Resolution Professional.

DIVIDEND

In view of the loss for the period and the undergoing CIRP, no dividend has been recommended for the financial year ended 31st March, 2019.

TRANSFER TO RESERVES

The Company has not transferred any amount to Capital Reserves for the financial year ended on 31st March, 2019.

SHARE CAPITAL

During the year under review, there has been no change in the capital structure of the Company.

DEPOSITS

The Company has not accepted any deposits from the public within the meaning of the provisions of Section 73 of the Companies Act, 2013 and rules made thereunder.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Ms. Rajani Pandey (DIN: 08156509) was appointed as an Independent Director of the Company w.e.f. 28th June, 2018, whose appointment had since been approved by the members at the Annual General Meeting for Financial Year 2017-18, held on 21st January 2020. Barring this, there has been no change in the composition of the Board of Directors or the Key Managerial Personnel during the period.

Mr. Adarsh Jhunjhunwala (DIN: 01602305), Director of the Company will be retiring by rotation at the ensuing Annual General Meeting.

As per Section 196 of the Companies Act, 2013, the tenure of Mr. Dina Nath Jhunjhunwala and Mr. Adarsh Jhunjhunwala, Whole-time Directors of the Company have expired w.e.f. 1st October, 2018. The Company had proposed to re-appoint them for a further period of five years but the existing directors have expressed their unwillingness to continue as Whole-time Directors.

Further, the tenure of Mr. S. N. Jhunjhunwala, Managing Director has also expired on the same date and he has been disqualified under Section 164(2) by the Ministry of Corporate Affairs.

At present, the power of the Board is suspended due to commencement of CIRP and also the management of the Company cannot be changed without the prior approval of the Committee of Creditors.

It may further be noted that, pursuant to the order passed by the Hon'ble NCLT for commencement of the CIRP and in line with the provisions of the Code, the powers of the Board of Directors stand suspended and is being exercised by the Resolution Professional.

FORMATION OF VARIOUS COMMITTEES

The composition of the Board Committees is not in accordance with the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {hereinafter referred as "SEBI (LODR) Regulations, 2015"}. However, the details of various committees constituted under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 are given in the Corporate Governance Report which forms part of this report.

Further, it may be noted that since the powers of the Board of Directors have been suspended pursuant to the order dated 25th July, 2018, issued by the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench, the powers of the various committees have also been suspended and hence no meetings have been conducted after commencement of CIRP.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has not received any declarations from Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In the past, prior to commencement of CIRP, the Independent Directors were provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices.

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Since the Company is under CIRP and the entire Board is suspended, no formal evaluation of the Board has taken place for the financial year 2018-19.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

As disclosed earlier year, the Hon'ble National Company Law Tribunal, Allahabad Bench, vide its order dated 25th July, 2018, has initiated Corporate Insolvency Resolution Process as per the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Supriyo Kumar Chaudhuri as Resolution Professional.

The Resolution Professional had filed an application before the Hon'ble Tribunal for liquidation of the Company.

MEETINGS OF THE BOARD

Before the commencement of CIRP, three meetings of the Board of Directors were held on 2nd April, 2018, 5th May, 2018 and 28th June, 2018.

The power of Board of Directors of the Company stood suspended but for updation of financial results, Resolution Professional held the meeting with Key Managerial Personnel during the period under the review.

EXTRACT OF ANNUAL RETURN OF THE COMPANY

As provided under Section 92(3) of the Companies Act, 2013, the extract of Annual Return is given as **Annexure-I** in the prescribed Form MGT-9, which forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the Related Party Transactions (RPT) that were entered into by the Company during the financial year under review were on an arm's length basis and in the ordinary course of business and hence disclosure in Form AOC-2 in terms of Section 134 read with Section 188 of the Companies Act, 2013 is not required and does not form part of this report. Further, no material significant related party transactions during the period under review were entered by the Company with Promoters, Directors or other designated person which may have a potential conflict with the interest of the Company at large. However, details of all related party transactions are given in notes to Accounts.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The particulars of loans, guarantees and investments are given in notes to Financial Statements.

AUDITORS & AUDITOR'S REPORT

Statutory Auditor

At the 29th Annual General Meeting (AGM) held on 21st January, 2020, the Company had appointed M/s. A. K. Agrawal & Co., Chartered Accountants, as Statutory Auditors of the Company for a period of five years till the conclusion of 34th AGM of the Company. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. However, the Companies Amendment Act, 2017 has come into force on 7th May, 2018 and the requirement of ratification of auditors in every AGM has been done away with. Hence, M/s. A. K. Agrawal & Co., Chartered Accountants, will hold office for 5 years and they would not be subject to ratification during their continuation in the office of the Auditors of the Company.

The Auditors have audited standalone and consolidated financial statements of the Company for the Financial Year ended 31st March, 2019 and no fraud has been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

The notes referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments. However, the Auditors have issued a qualified audit report in the respect of the Financial Statements for the year 2018-19 specifying certain matters relating to the period prior to commencement of Corporate Insolvency Resolution Process (CIRP) of the Company pursuant to the order passed by the Hon'ble NCLT, Allahabad Bench, dated 25th July, 2018 for which the erstwhile Directors are obligated to clarify and respond which have not been forthcoming.

The Pre CIRP matters commented upon by the Auditors be issuing a qualified audit report where beyond the control of the Resolution Professional (RP).

Internal Auditor

Based on the decision of Committee of Creditors (CoC) meeting dated 2nd May, 2019, the Company had not appointed any Internal Auditor as per Section 138 of the Companies Act, 2013 for the financial year 2018-19.

Cost Auditor

In terms of Section 148 of the Companies Act, 2013, the Company is required to maintain cost records and get audit of its cost records conducted by a Cost Accountant. The Company has appointed Mr. Sachin Chhaparia., Cost Accountant, as the Cost Auditor to conduct the cost audit for the Financial Year 2018-19 in place of earlier Cost Auditor, M/s. S. K. Saxena Verma & Co., as they are unwilling to give their report for financial year 2018-19.

Secretarial Auditor

The Resolution Professional in its meeting with Key Managerial Personnel had appointed M/s. KPA & Co., Practicing Company Secretaries Firm (represented by Mr. Koshal Agarwal, Practicing Company Secretary and Partner of the Firm), as the Secretarial Auditor of the Company for the financial year 2018-19. The report of the Secretarial Auditor in Form MR-3 is annexed to this Report as **Annexure-II**.

The Secretarial Audit Report is self-explanatory and therefore do not call for any further comments.

The Company has failed to comply with the provisions of applicable acts and laws due to non-cooperation of the Board and Company Secretary which in turn resulted in qualified Secretarial Audit Report.

DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATES

The particulars of subsidiary and associates are given in Form MGT-9 which forms part of this report. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements which forms part of this Annual Report. Further, a statement containing the salient features of the financial statement of the subsidiary are given in Form AOC-1 (**Annexure-III**) which forms part of this annual report. The financial statements of the associate companies are not available with the Company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiary, are available on the website of the Company i.e. www.jvlagro.com.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

RISK MANAGEMENT POLICY

Hedging, in finance, is a risk management strategy. It deals with reducing or eliminating the risk of uncertainty. The aim of this strategy is to restrict the losses that may arise due to unknown fluctuations in the investment prices and to lock the profits therein. It works on the principle of offsetting i.e. taking an opposite and equal position in two different markets. The company mitigates its risk through some extent through hedging.

MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached here as **Annexure-V** and forms a part of the Board's Report.

There are no employees who are in receipt of remuneration in excess of the limit specified under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the remuneration paid to executive directors is in violation of Section 197 read with Schedule V of the Companies Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism (Whistle Blower Policy). This policy is formulated to provide a secure environment and to encourage the individuals to report unethical, unlawful or improper practices, acts or activities that may be taking place in the Company and to prohibit senior managerial personnel from taking any adverse action against those individuals who report such practices in good faith.

CORPORATE GOVERNANCE

The Company has always taken adequate steps to adhere to all the stipulations laid down in SEBI (LODR) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report. Compliance Certificate from M/s. KPA & Co., Practicing Company Secretaries Firm confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 is included as a part of this report.

SYSTEM FOR PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

As required under Section 135 of Companies Act, 2013, the Company has constituted CSR Committee. However, it is not required to spend any amount as CSR activities as the Company is under loss.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company does not have adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and the auditors have reportable material weakness in their report which is self explanatory and does not require any further comments.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 and based on the reviews performed by the management, the confirmation is hereby given for the Company having:

a) followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation relating to material departures;

b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) prepared the annual accounts on a going concern basis;

e) not laid down internal financial controls to be followed by the Company and that such internal financial controls are inadequate and were not operating effectively; and

f) not devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were inadequate, not operating effectively and the same are not being strengthened on continuous basis from time to time.

INTEGRITY, EXPERTISE AND EXPERIENCE OF THE INDEPENDENT DIRECTORS

The Independent Directors of the Company are not available hence no opinion can be given on their integrity, expertise and experience.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis Report is presented in separate section forming part of the Annual Report.

MATERIAL CHANGES & COMMITMENTS

On 29th July, 2019, the Resolution Professional had applied to Hon'ble National Company Law Tribunal, Allahabad Bench for liquidation of Company since no Resolution Plan was approved by the Committee of Creditors.

OTHER DISCLOSURE REQUIREMENTS

- The disclosures and reporting with respect to issue of equity shares with differential rights as to dividend, voting or otherwise is not applicable as the Company has not issued any such shares during the reporting period.
- The disclosures and reporting on issue of shares (including sweat equity shares and issue of shares under Employees Stock Option Scheme) to employees of the Company under any scheme are not applicable as the Company has not issued any such shares during the reporting period.
- As far as possible, the Company has complied with the applicable provisions of Secretarial Standards SS-1 and SS-2.
- There is no change in the nature of the business of the Company.

ACKNOWLEDGMENT

The Board of Directors (suspended during CIRP) wish to express appreciation for the support and co-operation of the Committee of Creditors, various departments of Central and State Governments, Bankers, Financial Institutions, Suppliers, Employees and Associates.

For JVL Agro Industries Limited
(Company under Corporate Insolvency Resolution Process)

Date: 16th March, 2020
Place: Kolkata

Ramesh Chander Garg
(Chief Financial Officer)

"Annexure – I" to Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS

CIN	L15140UP1989PLC011396
Registration Date	17/11/1989
Name of the Company	JVL Agro Industries Limited
Category/Sub-Category of the Company	Listed Public Limited Company
Address of the Registered Office & Contact Details	Village Tilmapur, Ghazipur Road, Ashapur, Varanasi – 221007 (U.P.) India
Whether Listed Company	Yes on BSE Limited & National Stock Exchange of India Limited
Name, Address and Contact Details of Registrar & Transfer Agents (RTA), if any	MCS Share Transfer Agent Limited Sri Venktesh Bhavan F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/services	NIC Code of the product/service	% to Total Turnover of the Company
1	Manufacture and sale of vegetable oils and fats (other than hydrogenated)	1040	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding /Subsidiary/ Associate	% of Shares held	Applicable Section
1	JVL Overseas Pte. Ltd. No: 1 North Bridge Road, #18-07, High Street Centre, Singapore – 179094	200714169R	Subsidiary	99.99	2(87)
2.	JVL Mega Food Park Private Limited	U15400UP2014PTC064008	Associate	25%	2(6)
3.	Adamjee Extraction Private Limited	Sri Lanka	Associate	25%	2(6)

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

(i) Category-wise Share Holding

Statement Showing Shareholding Pattern

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)1	As a % of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
(A)	**Shareholding of Promoter and Promoter Group**							
1	**Indian**							
(a)	Individuals/ Hindu Undivided Family	8	26609637	26609637	15.84	15.84	20065430	75.41
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	4	58757388	58757388	34.99	34.99	16075000	27.36

"Annexure – I" to Board's Report (contd.)

Statement Showing Shareholding Pattern								
Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)1	As a % of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/ (IV)*100
(d)	Financial institutions/ Banks	-	-	-	-	-	-	-
(e)	Any Others (Specify)							
(e-i)	JVL Sewa Trust	1	7419000	7419000	4.42	4.42	-	-
	Sub Total(A)(1)	**13**	**92786025**	**92786025**	**55.25**	**55.25**	**36140430**	**38.95**
2	**Foreign**							
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
(e)	Any Others (Specify)	-	-	-	-	-	-	-
	Sub Total(A)(2)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**13**	**92786025**	**92786025**	**55.25**	**55.25**	**36140430**	**38.95**
(B)	**Public Shareholding**							
1	**Institutions**							
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	5	85233	6233	0.05	0.05	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	2	19790683	19790683	11.78	11.78	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-
	Bodies Corporate	4	22435318	22435318	13.36	13.36	-	-
	Sub-Total (B)(1)	**11**	**42311234**	**42311234**	**25.19**	**25.19**	**-**	**-**
2	**Non-Institutions**							
(a)	Bodies Corporate	223	2501531	2477531	1.49	1.49	-	-
(b)	Individuals							
i.	Individual shareholders holding nominal share capital up to ₹ 2 lakh	19958	27839841	26157721	16.58	16.58	-	-
ii.	Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	5	1557196	1557196	0.93	0.93	-	-

"Annexure – I" to Board's Report (contd.)

Statement Showing Shareholding Pattern								
Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a % of (A+B)1	As a % of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/ (IV)*100
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	NRI with Repat	149	448531	448531	0.27	0.27	-	-
(e)	NRI without Repat	61	152923	152923	0.09	0.09	-	-
(f)	Any Other (specify)							
i.	Trust & Foundations	1	321869	321869	0.19	0.19	-	-
ii.	NBFCs registered with RBI	2	20850	20850	0.01	0.01	-	-
	Sub-Total (B)(2)	**20399**	**32842741**	**31136621**	**19.56**	**19.56**	**-**	**-**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**20410**	**75153975**	**73340855**	**44.75**	**44.75**	**-**	**-**
	TOTAL (A)+(B)	**20423**	**167940000**	**166154880**	**100.00**	**100.00**	**-**	**-**
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**							
1	Promoter and Promoter Group	-	-	-	-	-	-	-
2	Public	-	-	-	-	-	-	-
	Sub-Total (C)	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	GRAND TOTAL (A)+(B)+(C)	**20423**	**167940000**	**166154880**	**100.00**	**100.00**	**36140430**	**38.95**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares pledged/ encumbered as a % of entire share capital of the Company	No. of shares	% of total shares of the company	% of Shares pledged/ encumbered as a % of entire share capital of the Company	
1.	Mr. Dinanath Jhunjhunwala	6225200	3.71	1.79	6225200	3.71	3.71	-
2.	Mr. Satya Narayan Jhunjhunwala	4465780	2.66	1.19	4465780	2.66	2.66	-
3.	Mrs. Anju Jhunjhunwala	4909300	2.92	-	4909300	2.92	2.92	-
4.	Mrs. Kishori Devi Jhunjhunwala	3296620	1.96	-	3296620	1.96	-	-
5.	Mrs. Uma Jhunjhunwala	20000	0.01	-	20000	0.01	-	-
6.	Mr. Vishwanath Jhunjhunwala	2716087	1.62	-	2716087	1.62	-	-
7.	Vishwanath Jhunjhunwala HUF	511500	0.30	-	511500	0.30	-	-
8.	Mr. Adarsh Jhunjhunwala	4465150	2.66	-	4465150	2.66	2.66	-
9.	Nilambar Trexim & Credit (P) Ltd.	16912900	10.07	-	16912900	10.07	-	-
10.	Jhunjhunwala Gases Pvt. Ltd.	16075000	9.57	-	16075000	9.57	-	-
11.	Aryan Multibusiness Pvt. Ltd.	12000000	7.15	-	12000000	7.15	-	-
12.	JVL Sewa Trust	7419000	4.42	-	7419000	4.42	-	-
13.	Paharia Markets and Investment Pvt. Ltd.	13769488	8.20	-	13769488	8.20	-	-
	Total	**92786025**	**55.25**	**2.98**	**92786025**	**55.25**	**11.95**	**-**

"Annexure – I" to Board's Report (contd.)

(iii) Change in Promoter's Shareholding as on 31/03/2019 (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	No changes during the year (92786025 fully paid equity shares of ₹1/- each)			
Date wise Increase/Decrease in Promoters Shareholding during the Year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat/equity etc.)	-			
At the end of the year	No changes during the year (92786025 fully paid equity shares of ₹1/- each)			

(iv) Shareholding Pattern of top ten Shareholders as on 31/03/2019 (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	ERISKA INVESTMENT FUND LTD	13319370	7.93	11914198	7.09
2.	ASIA INVESTMENT CORPORATION (MAURITIUS) LTD	8551340	5.09	7876485	4.69
3.	UTTAR PRADESH CARBON AND CHEMICALS LTD	7530100	4.48	7530100	4.48
4.	JASRAPURIA SILK MILLS PVT LTD	7216218	4.29	7216218	4.29
5.	SUBHAM COAL PROCESSORS PVT LTD	4887000	2.91	4887000	2.91
6.	BENNETT, COLEMAN AND COMPANY LTD	2887537	1.71	2802000	1.67
7.	KARVY STOCK BROKING LTD	527000	0.31	562294	0.33
8.	NEELAM AGARWAL	963281	0.57	515214	0.30
9.	USHA MANOHAR SHETTY	370000	0.22	370000	0.22
10.	ANIRUDHA BUBNA TRUST	321869	0.19	321869	0.19

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dina Nath Jhunjhunwala	6225200	3.71	6225200	3.71
2.	Satya Narayan Jhunjhunwala	4465780	2.66	4465780	2.66
3.	Adarsh Jhunjhunwala	4465150	2.66	4465150	2.66

"Annexure – I" to Board's Report (contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment (₹ in Crores)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	993.59	-	-	993.59
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**993.59**	**-**	**-**	**993.59**
Change in Indebtedness during the financial year				
*Addition	980.13	-	-	980.13
*Reduction	-	-	-	-
Net Change	980.13	**-**	**-**	980.13
Indebtedness at the end of the financial year				
i) Principal Amount	1,973.72	-	-	1,973.72
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i +ii+iii)	**1,973.72**	**-**	**-**	**1,973.72**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNELS

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

(In ₹)

Sl. No.	Particulars of Remuneration	Mr. Dina Nath Jhunjhunwala, Executive Chairman	Mr. Satya Narayan Jhunjhunwala, Managing Director	Mr. Adarsh Jhunjhunwala, Whole Time Director	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	525,000	660,000	680,000	**1,865,000**
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	**525,000**	**660,000**	**680,000**	**1,865,000**
Ceiling as per the Act					

B. Remuneration to other Directors

I. Independent Directors :

Particulars of Remuneration	Total Amount (₹)
Fee for attending Board / Committee Meetings	-
Commission	-
Others	-
Total B (I)	**-**
Ceiling as Per Act	

"Annexure – I" to Board's Report (contd.)

II. Other Non-Executive Directors :

Particulars of Remuneration	Total Amount (₹)
Fee for attending Board / Committee Meetings	-
Commission	-
Others	-
Total B (II)	**-**
Total B (I + II)	**-**
Ceiling as Per Act	

C. Remuneration to Key Managerial Personnel other than MD /MANAGER / WTD :

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (₹)
		Mr. Kartik Agrawal, Company Secretary	Mr. R. C. Garg, Chief Financial Officer	
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	743,065	790,282	**1,533,347**
	b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit - Others, specify	 - -	 - -	 - -
5	Others, please specify	-	-	-
	Total (C)	**743,065**	**790,282**	**1,533,347**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty Punishment Compounding	The National Company Law Tribunal ("NCLT"), Allahabad Bench vide order dated 25th July, 2018 ("Insolvency Commencement Order") has initiated Corporate Insolvency Resolution Process ("CIRP") based on petition filed by Standard Chartered Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr Avishek Gupta (IP Registration No. IBBI/IPA-003/IP-N000135/2017-18/11499) was appointed as Interim Resolution Professional (IRP) to manage affairs of the Company in accordance with the provisions of the Code. In the first meeting of Committee of Creditors held on Thursday, 23rd August, 2018, appointment of Mr Gupta as Resolution Professional (RP) was disapproved. Vide order dated 10th September, 2018 of the Hon'ble Tribunal, Mr Supriyo Kumar Chaudhuri (IP Registration No. IBBI/IPA-001/IP-P00644/2017-18/11098) was appointed as Resolution Professional (RP) to manage affairs of the Company in accordance with the provisions of the Code, since the Company is under Corporate Insolvency Resolution Process (CIRP), as per Section 17 of the Insolvency & Bankruptcy Code, from the date of appointment of the Resolution Professional.				

"Annexure – I" to Board's Report (contd.)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
B. DIRECTORS					
Penalty	The National Company Law Tribunal ("NCLT"), Allahabad Bench vide order dated 25th July, 2018 ("Insolvency Commencement Order") has initiated Corporate Insolvency Resolution Process ("CIRP") based on petition filed by Standard Chartered Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr Avishek Gupta (IP Registration No. IBBI/IPA-003/IP-N000135/2017-18/11499) was appointed as Interim Resolution Professional (IRP) to manage affairs of the Company in accordance with the provisions of the Code. In the first meeting of Committee of Creditors held on Thursday, 23rd August, 2018, appointment of Mr. Gupta as Resolution Professional (RP) was disapproved. Vide order dated 10th September, 2018 of the Hon'ble Tribunal, Mr Supriyo Kumar Chaudhuri (IP Registration No. IBBI/IPA-001/IP-P00644/2017-18/11098) was appointed as Resolution Professional (RP) to manage affairs of the Company in accordance with the provisions of the Code, since the Company is under Corporate Insolvency Resolution Process (CIRP), as per Section 17 of the Insolvency & Bankruptcy Code, from the date of appointment of the Resolution Professional.				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.				
Punishment					
Compounding					

"Annexure – II" to Board's Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31st March, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
JVL AGRO INDUSTRIES LIMITED
Village Tilmapur, Ghazipur Road, Ashapur
Varanasi – 221007
Uttar Pradesh, India
CIN: L15140UP1989PLC011396

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by JVL Agro Industries Limited (hereinafter called "the Company") having its registered office at Village Tilmapur, Ghazipur Road, Ashapur, Varanasi – 221007, Uttar Pradesh. Secretarial Audit was conducted in accordance with the Guidance Note issued by The Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

It is further stated that the Company is under Corporate Insolvency Resolution Process (CIRP) vide order dated 25th July, 2018 of the Hon'ble National Company Law Tribunal ("NCLT"), Allahabad Bench under the Insolvency and Bankruptcy Code, 2016 (the Code) and Mr. Avishek Gupta (IP Registration No. IBBI/IPA-003/IP-N000135/2017-18/11499) was appointed as Interim Resolution Professional (IRP) to manage affairs of the Company in accordance with the provisions of the Code. Further, in terms of the provisions of the Code, at the first meeting of Committee of Creditors (CoC) held on Thursday, 23rd August, 2018, Mr Supriyo Kumar Chaudhuri (IP Registration No. IBBI/IPA-001/IP-P00644/2017-18/11098) was appointed as Resolution Professional (RP) vide order dated10th September, 2018 of the Hon'ble Tribunal.

In terms of Section 17 of the Code, on commencement of the CIRP, the powers of the Board of Directors of the Company stand suspended and such powers have vested with the Resolution Professional i.e. Mr. Supriyo Kumar Chaudhuri.

Our responsibility is to express opinion on the secretarial records, standards and procedures followed by the Company with respect to the Secretarial Compliances.

During the year under review, the Central Bureau of Investigation (CBI) has seized the minutes books/registers/documents and/or other records maintained by the Company.

Based on our verification of available forms, returns and other records maintained by the Company and also the information provided by the officers, agents and authorized representatives of the Company and Resolution Professional (RP) during the conduct of secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

This Audit Report also refers to certain events that occurred after the close of financial year ended 31st March, 2019 to present fair view of the state of affairs of the Company; however, the event that happened after the close of the financial year were not reviewed for the audit purpose.

We have examined available forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

1) The Companies Act, 2013 ('the Act') and the rules made thereunder;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

"Annexure – II" to Board's Report (contd.)

5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Due to non-availability of the requisite documents, we are unable to comment on the matter;**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Due to non-availability of the requisite documents, we are unable to comment on the matter;**

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: **Not Applicable as the Company has not issued any securities during the financial year under review;**

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014: **Not Applicable as the Company has not granted any options to its employees during the financial year under review;**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: **Not Applicable as the Company has not issued Debt Securities during the financial year under review;**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review;**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 read with The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable as the Company has not bought back any of its securities during the financial year under review;**

We further report that, having regard to the compliance system prevailing in the Company and as certified by the officers, agents and authorized representatives of the Company and Resolution Professional (RP) and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied the following law applicable specifically to the Company named as:

- **FOOD SAFETY AND STANDARDS ACT, 2006**

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India;

ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except to the extent stated hereunder-:

a. We did not found any statutory registers, minutes, papers, disclosures and other documents as required under the Companies Act, 2013 for inspection.

b. The Company has not complied with the provisions of Section 138 of the Companies Act, 2013, i.e. appointment of Internal Auditor to conduct the internal audit of the functions and activities of the Company.

c. The Directors of the Company has not provided written representation that they are not disqualified as on 31st March, 2019 from being appointed as director in terms of Section 164(2) of the Companies Act 2013. However, it is evident from Ministry of Corporate Affairs (MCA) portal that Mr. S. N. Jhunjhunwala, Managing Director is disqualified under Section 164(2) of Companies Act, 2013 w.e.f. 1st November, 2017. Further, the Independent Directors have also not provided declaration that they are independent of management as required under Section 149(7) of the Companies Act, 2013 read with Regulation 25 of SEBI (LODR) Regulations, 2015.

d. The Cost Audit Report for the financial year 2017-18 was not filed with the Ministry of Corporate Affairs in e-form CRA-4. Further, the appointment of cost auditors for the financial year 2018-19 was done on 30th October, 2018 i.e., after expiry of 180 days.

e. During the year 2018-19, the Company had filed an application to the Registrar of Companies, Kanpur requesting for extension of time for holding Annual General Meeting (AGM) which was due on 30th September, 2018 for financial year (FY) 2017-18. The Registrar of Companies, Kanpur vide order dated 6th September, 2018, granted extension of 3 months till 31st December, 2018 but the Company conducted its AGM for FY 2017-18 on 21st January, 2020 after a delay of 385 days which results in violation of Section 96 of the Companies Act, 2013 and the Company had not made any application for compounding of such offence till date.

"Annexure – II" to Board's Report (contd.)

f. *The Company has not conducted the meeting of the Independent Directors of the company as per Schedule IV of Companies Act, 2013.*

g. *The Company has not complied with the provisions of Section 197 read with Schedule V of the Companies Act, 2013.*

h. *The constitution of Board Committees is not as per the provisions of the Companies Act, 2013.*

i. *The Consolidated Accounts for the financial year 2017-18 was not signed /authenticated as per the provisions of Section 134 of the Companies Act, 2013.*

j. *The tenure of Executive Directors had expired on 1st October, 2018 and their office is not filled either by re-appointing them or by replacing them. This resulted in violation of Section 203 of the Companies Act, 2013.*

k. *Due to non-availability of requisite documents, we are unable to comment on the compliance with respect to Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.*

l. *The Company being a listed entity has complied with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as SEBI (LODR) Regulations, 2015] except in respect of matters specified below:-*

Regulations/ Circulars/ guideline including specific clause	***Deviations***	***Observations/Remarks***
Regulation 27(2) – Corporate Governance Report	*Delayed submission to BSE Limited*	*The Corporate Governance Report for the quarter ended 30th September, 2018 was submitted on 16th October, 2018 with a delay of 1 (one) day.*
Regulation 33(3)(a) – Financial Results	*Non-submission of Financial Results*	*Financial Results for the quarter ended 30th June, 2018, 30th September, 2018, 31st December, 2018 and 31st March, 2019 has not been filed with the Stock Exchanges.*
Regulation 29(2) – Prior Intimations	*Prior Intimation to the Stock Exchanges regarding approval of Financial Results*	*The Company has not given prior intimation for the meeting held on 30th October, 2018 for approval of financial results for the year ended 31st March, 2018.*
Regulations 34 – Annual Report	*Non-submission of Annual Report to Stock Exchange*	*The Company has not submitted the Annual Report for the Financial Year 2017-18 to the stock exchange within the time specified under Regulation 34 as the Annual General Meeting of the Company for the Financial Year 2017-18 was held after a delay of 385 days.*

m. *The Stock Exchanges has imposed fines and penalties for the non-compliance of various regulations of the SEBI (LODR) 2015 but the same has not been paid.*

We further report that, as far as, we have been able to ascertain-

i. *The Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The tenure of Executive Directors had expired w.e.f. 1st October, 2018 and no re-appointment and/or resignation is made.*

ii. *The Company had not conducted minimum number of Board and Committee Meeting as required under Companies Act, 2013 read with SEBI (LODR) Regulations, 2015. However, in terms of Regulation 15(2A) of SEBI (LODR) Regulations, 2015, the provisions specified in regulation 17, 18, 19, 20 and 21 shall not be applicable during the CIRP period. Further, we are unable to comment whether adequate notice/agenda was given to schedule the Board/Committee Meetings at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.*

iii. *On application made to the Hon'ble Tribunal, the Company has been granted an extension period of 90 days in the CIRP vide order dated 22nd January, 2019. No resolution plans were approved in the meeting of the Committee of Creditors, the Resolution Professional has filed application for liquidation as per provisions of Section 33 of the Insolvency and Bankruptcy Code, 2016. The application is pending before Hon'ble National Company Law Tribunal, Allahabad Bench, for direction.*

We further report that there are inadequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

"Annexure – II" to Board's Report (contd.)

We further report that during the audit period there were no specific events / actions occurred (other than those reported above) which are having a major bearing on the company's affairs.

It is stated that the compliance of all applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the Management. We have relied on the representation made by the officers, agents and authorized representatives of the Company and Resolution Professional for systems and mechanism set up by the Company for compliances under applicable laws and rules. Our examination, on a test check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We 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 its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/ statement of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to Company except the aforementioned corporate laws of the Union of India.

(Koshal Agarwal)
Partner
KPA & Co.
Practicing Company Secretaries Firm
FRN : P2019WB078600
ACS No : 37508
CP No : 16670
UDIN : A037508A000611906

Place: Kolkata
Date: 16th March, 2020

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Encl : Annexure 'A' forming an integral part of this Report.

ANNEXURE-"A"

To
The Members,
JVL AGRO INDUSTRIES LIMITED
Village Tilmapur, Ghazipur Road, Ashapur
Varanasi – 221007
Uttar Pradesh, India
CIN: L15140UP1989PLC011396

Our Secretarial Audit Report for financial year ended 31st March, 2019 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express opinion on the secretarial records based on our audit.
2. We have followed audit practices and processes considered to be appropriate to obtain reasonable assurance about fairness of the contents of the secretarial records. The verification was done on test basis to ensure that facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedure on test basis to the extent applicable to the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

(Koshal Agarwal)
Partner
KPA & Co.
Practicing Company Secretaries Firm
FRN : P2019WB078600
ACS No : 37508
CP No : 16670
UDIN : A037508A000611906

Place: Kolkata
Date: 16th March, 2020

"Annexure – III" to Board's Report

Form AOC-1
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Information in respect of each subsidiary to be presented with amounts in ₹

Sl. No.	Particulars	Details (Amount in lacs)
1.	Name of the Subsidiary	JVL Overseas Pte. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st December, 2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Reporting Currency-US $ Exchange Rate (Balance Sheet) : 69.7158 Exchange Rate (Profit & Loss) : 68.4519
4.	Share Capital	348.58
5.	Reserves & Surplus	(370.75)
6.	Total Assets	5.09
7.	Total Liabilities	26.26
8.	Investments	-
9.	Turnover	-
10.	Profit/Loss before Taxation	(3.25)
11.	Provision for Taxation	-
12.	Profit/Loss after Taxation	(3.25)
13.	Proposed Dividend	-
14.	% of Shareholding	100%

Notes:

1. *No subsidiaries are yet to commence operations*
2. *No subsidiaries was liquidated or sold during the year.*

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

<table>
<tr><th>Sl. No.</th><th>Name of Associates/Joint Ventures</th><th>JVL Mega Food Park Private Limited</th><th>Adamjee Extraction Private Limited</th></tr>
<tr><td>1.</td><td>Latest audited Balance Sheet Date</td><td rowspan="11" colspan="2">The financial details of the associate companies are not available with the Company.</td></tr>
<tr><td rowspan="4">2.</td><td>Shares of Associate/Joint Ventures held by the company on the year end</td></tr>
<tr><td>a. No.</td></tr>
<tr><td>b. Amount of Investment in Associates/Joint Venture</td></tr>
<tr><td>c. Extend of Holding%</td></tr>
<tr><td>3.</td><td>Description of how there is significant influence</td></tr>
<tr><td>4.</td><td>Reason why the associate/joint venture is not consolidated</td></tr>
<tr><td>5.</td><td>Net worth attributable to shareholding as per latest audited Balance Sheet</td></tr>
<tr><td rowspan="3">6.</td><td>Profit/Loss for the year</td></tr>
<tr><td>a. Considered in Consolidation</td></tr>
<tr><td>b. Not Considered in Consolidation</td></tr>
</table>

Notes:

1. *No associates or joint ventures are yet to commence operations.*
2. *No associates or joint ventures was liquidated or sold during the year.*
3. *The financial statements of associate companies are not taken into consolidation as it is not available with the Company.*

For JVL Agro Industries Limited
(Company under Corporate Insolvency Resolution Process)
Ramesh Chander Garg
Chief Financial Officer

Place: Kolkata
Date: 16th March, 2020

"Annexure – IV" to Board's Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of the Board's Report for financial year ended on 31st March 2019

A. Conservation of Energy

Steps taken or impact on conservation of energy, steps taken for utilizing alternate sources of energy and capital investment on energy conservation equipments

Energy conservation and utilization of alternate energy is one of the priorities of your Company. from time to time, your Company replaced systems, equipments, appliances etc. with those of higher energy efficiency. Steps have also been taken to harness solar energy for utilization in common utility areas. Systems and procedures have been set up for close monitoring of energy utilization and avoidance of wastage thereof by improved processes.

B. Technology Absorption

Efforts made towards technology absorption, benefits derived therefrom, details of imported technologies and expenditure incurred on Research & Development

Your Company has set up in-house R&D facility at its manufacturing units. In these facilities, amongst others, work on new products, improvement of product quality and performance, development of raw materials, up-gradation and substitutes, production capacity utilization and other important areas like customers satisfaction, competitiveness, cost control etc. are regularly undertaken. Issues faced on areas particularly production, quality control, application etc. are referred to these facilities. Outcomes thereof and on-site experience gathered by technical personnel of your Company together with inputs received from other stakeholders including technology providers, enable your Company to continue to be a prominent player in the products your Company is operating in.

During the Financial Year 2018-2019, your Company did not import any technology.

Expenditure incurred on R&D activities are not captured separately by your Company as they are an integral part of overall activities.

C. Foreign Exchange Earnings and Outgo:

Earnings: NIL
Outgo : ₹ 1,535 Crs.

For JVL Agro Industries Limited
(Company under Corporate Insolvency Resolution Process)

Ramesh Chander Garg
Chief Financial Officer

Place: Kolkata
Date: 16th March, 2020

"Annexure – V" to Board's Report

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

I. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2018-19:

Sl. No.	Name of the Director	Remuneration of each Director Per Annum (₹)	Median Remuneration of Employees Per Annum (₹)	Ratio (Remuneration of each Director to Median Remuneration)
1.	D. N. Jhunjhunwala	5,25,000	1,04,400	5.03:1
2.	S. N. Jhunjhunwala	6,60,000	1,04,400	6.32:1
3.	Adarsh Jhunjhunwala	6,80,000	1,04,400	6.52:1

II. Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager in the financial year 2018-19:

Sl. No.	Name of the Director/ CFO/CEO/CS/Manager	Designation	Total Remuneration paid during FY 2018-19 (In ₹) (I)	Total Remuneration paid during FY 2017-18 (In ₹) (II)	% increase between (I) and (II) [(I-II) /II*100]
1.	D. N. Jhunjhunwala	Chairman of the Board	525,000	2,100,000	-
2.	S. N. Jhunjhunwala	Managing Director & CEO	660,000	2,600,000	-
3.	Adarsh Jhunjhunwala	Whole Time Director	680,000	2,000,000	-
4.	R. C. Garg	CFO	790,282	998,400	-
5.	Kartik Agrawal	CS	803,065	660,000	21.68

III. Percentage increase in the median remuneration of employees in the financial year 2018-19:

Median Remuneration of employees during the FY 2018-19 (in ₹)	Median Remuneration of employees during the FY 2017-18 (in ₹)	Percentage Increase
1,04,400/-	92,488	12.88

IV. Number of permanent employees on the rolls of the Company – There were 477 permanent employees as on 31st March, 2019.

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

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

		All Permanent Employees other than Managerial Personnel	Managerial Personnel
A	Total salary given in FY 2018-19 (In ₹ crores)	7.46	0.19
B	Total number in FY 2018-19	447	3
C	Average Salary in FY 2018-19 (A/B)	0.02	0.06
D	Total salary given in FY 2017-18 (In ₹ crores)	11.04	0.72
E	Total number in FY 2017-18	649	3
F	Average Salary in FY 2017-18 (D/E)	0.017	0.24
G	% increase from FY 2017-18 to FY 2018-19 (Average Percentile) [(C-F)/F*100]	(1.80%)	NA

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

"Annexure – V" to Board's Report (contd.)

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

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

Note:

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

Disclosure under Section 197(14)

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

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

Report on Corporate Governance

The Company is undergoing the Corporate Insolvency Resolution Process under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) which began on 25th July, 2018. During the said process, the powers of the Board of Directors of the Company are suspended and are being exercised by the Resolution Professional (RP) duly appointed by the Adjudicating Authority which in this case is Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench. The Company continued to operate as a going concern but due to non approval of any resolution plan by Committee of Creditors, the RP has filed an application for liquidation of the Company.

1. COMPANY'S GOVERNANCE PHILOSOPHY :

The Company believes that Corporate Governance is a set of guidelines to help the Company to fulfil its responsibilities to all its stakeholders. The Company is committed on adopting the best practices of Corporate Governance as manifested in the companies functioning to achieve the business excellence by enhancing long term shareholders' value.

The business of the Company was being managed by the Board of Directors. However, pursuant to initiation of Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of the Company stood suspended with effect from 25th July, 2018 and vested with the Resolution Professional, Mr. Supriyo Kumar Chaudhuri.

As per Notification No. SEBI/LAD-NRO/GN/2018/21 dated 31st May, 2018, Regulations 17, 18, 19 and 20 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015" or "the Listing Regulations"], related to Board of Directors, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee respectively, shall not be applicable to the Company as the Company is undergoing CIRP.

2. BOARD OF DIRECTORS :

Composition of Board of Directors

The Company is currently undergoing CIRP under the Insolvency and Bankruptcy Code, 2016 ("the Code") by the order dated 25th July, 2018 of the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench. As per Section 17 of the Code, the powers of the Board of Directors stands suspended and such powers shall be vested with Mr. Supriyo Kumar Chaudhuri appointed as the Resolution Professional vide order dated 10th September, 2018 in place of Mr. Avishek Gupta, Interim Resolution Professional.

The Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors of the Company (suspended during CIRP) comprises of four Directors. The composition of the Board and category of Directors are as follows:

Name of the Directors	Category	Designation
Dina Nath Jhunjhunwala	Promoter Executive Director	Wholetime Director
Satya Narayan Jhunjhunwala	Promoter Executive Director	Managing Director
Adarsh Jhunjhunwala	Promoter Executive Director	Wholetime Director
Rajani Pandey	Independent Non-Executive Director	Additional Director

Mr. Harsh Agrawal, Director has resigned w.e.f. 28th June, 2018 due to some other pre-occupations and the Board appointed Mrs. Rajani Pandey as an Additional Non-Executive Woman Independent Director w.e.f. 28th June, 2018. Further, after the Insolvency Commencement Order, Mr. Shashi Kant Dikshit and Mr. Brajesh Kumar Misra, Independent Directors have also resigned w.e.f. 14th September, 2018 and 15th November, 2018 due to health reasons and other professional commitments respectively with the information to the Resolution Professional.

Disclosure of relationship between Directors inter-se

Name of the Directors	Relationship with other Directors
Dina Nath Jhunjhunwala	Father of Mr. Satya Narayan Jhunjhunwala Grand Father of Mr. Adarsh Jhunjhunwala
Satya Narayan Jhunjhunwala	Son of Mr. Dina Nath Jhunjhunwala Father of Mr. Adarsh Jhunjhunwala
Adarsh Jhunjhunwala	Son of Mr. Satya Narayan Jhunjhunwala Grand Son of Mr. Dina Nath Jhunjhunwala
Rajani Pandey	Not, in any way, concern / interested / related with any of the other directors of the company

Note: *Relationship with other Director(s) means 'Relative' of other Director(s) as defined u/s 2(77) of the Companies Act, 2013.*

Report on Corporate Governance (contd.)

Number and Dates of Meetings

Till commencement of CIRP i.e., on 25th July, 2018, there were three Board Meetings held on 2nd April, 2018, 5th May, 2018 and 28th June, 2018 and one meeting of Resolution Professional and Key Managerial Personnel held on 30th October, 2018.

Attendance of each Director at the Board Meetings/ last Annual General Meeting with their Shareholding in the Company during the financial year ended 31st March, 2019

Name of the Directors	No. of Board Meetings entitled to attend	No. of Meetings attended	Whether attended last AGM	Shareholding in the Company in No. & %
Dina Nath Jhunjhunwala	3	3	No	62,25,200 (3.71%)
Satya Narayan Jhunjhunwala	3	3	No	44,65,780 (2.66%)
Adarsh Jhunjhunwala	3	3	No	44,65,150 (2.66%)
Shashi Kant Dikshit (ceased to be director) w.e.f. 14th September, 2018	3	3	N.A.	-
Brajesh Kumar Misra (ceased to be Director) w.e.f. 15th November, 2018	3	3	N.A.	-
Harsh Agrawal (ceased to be Director) from 28th June, 2018	3	-	N.A.	-
Rajani Pandey (appointed w.e.f. 28th June, 2018)	1	1	No	-

Outside Directorships and Membership of Board Committees as on 31st March, 2019

Sl. No.	Name of the Directors	Number and Name of Directorships in other Public Companies	No. of Committee position held in other Companies	
			Chairman	Member
1.	Dina Nath Jhunjhunwala	None	None	None
2.	Satya Narayan Jhunjhunwala	• Purvanchal Chamber of Commerce & Industry	None	None
3.	Adarsh Jhunjhunwala	• Sealac Agro Ventures Limited	None	None
4.	Rajani Pandey	None	None	None

Notes:

- *Directorship held by the Directors in other Companies does not include Directorship, if any, in Foreign Company, Section 8 Company and Private Limited Companies.*
- *Only Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee has been considered.*
- *None of the Directors held Directorship in more than 10 Public Limited Companies and/or were members of more than 10 committees or acted as Chairman of more than 5 committees across all the Indian Public Limited Companies in which they were Directors.*
- *None of the Directors served as Director in more than 8 Listed Companies.*
- *The Independent Director do not serve as an Independent Director in more than 7 Listed Companies.*
- *No shares are held by Non-Executive Directors.*
- *None of the above Directors are appointed in any other Listed Company.*

Skills / Expertise / Competence of the Board of Directors

Since the Board of Directors is suspended, comments on the skills, expertise and competence of the Board are not necessary.

Report on Corporate Governance (contd.)

Independent Directors

The Company has not received any declarations from Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015, hence, no confirmation can be given.

3. BOARD COMMITTEES :

The roles and responsibilities of the Committees after the commencement of Corporate Insolvency Resolution Process shall be fulfilled by the Resolution Professional in accordance with Sections 17 and 23 of Insolvency and Bankruptcy Code, 2016 and powers of the Board of Directors and Committee thereof stand suspended.

A. AUDIT COMMITTEE

i. Composition :

The Company had duly constituted Audit Committee, comprising of three directors, all financially literate and having accounting or related Financial Management expertise. Details of which are given below:

Name of the Committee Members	Position	Category
*Brajesh Kumar Misra	Chairman	Non-Executive Independent Director
*Shashi Kant Dikshit	Member	Non-Executive Independent Director
Rajani Pandey	Member	Non-Executive Independent Director

*Mr. Shashi Kant Dikshit and Mr. Brajesh Misra have resigned from directorship with effect from 14th September, 2018 and 15th November, 2018 respectively. Pursuant to the order of NCLT dated 25th July, 2018 to commence CIRP, Moratorium was declared under Section 14 of the IBC Code, therefore, no re-constitution of the Committee took place. The present constitution of the Committee is not in line with the SEBI (LODR) Regulations, 2015.

Mr. Kartik Agrawal, Company Secretary acted as Secretary to the Committee.

ii. Meeting of Audit Committee :

The Company is currently undergoing CIRP by the order of Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench dated 25th July, 2018. The powers of the Board of Directors of the Company stood suspended and the management of affairs have been vested with the Resolution Professional. During the year under review, only one meeting of Audit Committee was held on 22nd May, 2018.

B. NOMINATION AND REMUNERATION COMMITTEE

i. Composition :

The Company had duly constituted Nomination and Remuneration Committee, comprising of three directors, the details of which are given below:

Name of the Committee Members	Position	Category
*Brajesh Kumar Misra	Chairman	Non-Executive Independent Director
*Shashi Kant Dikshit	Member	Non-Executive Independent Director
Rajani Pandey	Member	Non-Executive Independent Director

*Mr. Shashi Kant Dikshit and Mr. Brajesh Misra have resigned from directorship with effect from 14th September, 2018 and 15th November, 2018 respectively. Pursuant to the order of NCLT dated 25th July, 2018 to commence CIRP, Moratorium was declared under Section 14 of the IBC Code, therefore, no reconstitution of the Committee took place. The present constitution of the Committee is not in line with the SEBI (LODR) Regulations, 2015.

Mr. Kartik Agrawal, Company Secretary acted as Secretary to the Committee.

ii. Meeting of Nomination and Remuneration Committee :

The Company is currently undergoing CIRP by the order of Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench dated 25th July, 2018. The powers of the Board of Directors of the Company stood suspended and the management of affairs have been vested with the Resolution Professional, therefore, no meeting of Nomination and Remuneration Committee was held during the period under the review.

iii. Performance evaluation criteria for Independent Directors :

No evaluation of the performance of Independent Director in accordance with their terms of reference and the requirements of the Companies Act, 2013.

Report on Corporate Governance (contd.)

iv. Meetings of Independent Directors :

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015, the Company's Independent Directors are required to meet once in a year without the presence of Executive Directors or management personnel except Company Secretary and CFO who performed the duties of Secretary and financial reporting to the meeting.

However, the Company is currently undergoing CIRP by the order of Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench dated 25th July, 2018. The powers of the Board of Directors of the Company stood suspended and the management of affairs have been vested with the Resolution Professional. Therefore, no meeting of Independent Directors was held during the period under the review.

v. Remuneration of Directors/KMP :

- **Independent and Non-Executive Directors Compensation and Disclosures :**

  There was no sitting fee paid to any directors during the financial year 2018-19 as the directors had waived the same by way of resolution passed in the Board Meeting in the early financial year.

- **Executive Directors :**

  Managerial Remuneration to all Executive Directors during the financial year 2018-19 was paid in accordance with the terms of appointment as approved by the shareholders. The remuneration paid to each Executive Director was as follows:-

Name of the Directors	Salary (In ₹)
Dina Nath Jhunjhunwala	525,000
Satya Narayan Jhunjhunwala	660,000
Adarsh Jhunjhunwala	680,000

Notes:

a) No bonus, stock option and pension was paid to the Directors.

b) No incentives, linked with performance, are given to the Directors.

c) The tenure of Mr. Dina Nath Jhunjhunwala and Mr. Adarsh Jhunjhunwala, Whole-time Directors of the Company had expired w.e.f. 1st October, 2018. The Company had proposed to re-appoint them for a further period of five year but the existing directors are expressing their unwillingness to continue as Whole-time Directors. Further, the tenure of Mr. S. N. Jhunjhunwala, Managing Director has also expired on the same date and he is disqualified under Section 164(2) by Ministry of Corporate Affairs. However, since the Company is under CIRP, no change in management can take place without the prior approval of the Committee of Creditors.

d) Besides above remuneration, all the Executive Directors are also entitled to Company's contribution to Provident Fund, Gratuity, travel benefits, holiday pays and encashment of leave, as per their remuneration rules approved by the members of the Company.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

i. Composition :

In compliance with Regulation 20 of SEBI (LODR) Regulations, 2015 and provisions of the Companies Act, 2013, the Stakeholder Relationship Committee has been constituted by the Board for a speedy disposal of grievances / complaints relating to stakeholders/investors.

The Company had duly constituted Stakeholder Relationship Committee, comprising of three directors, the details of which are given below:

Name of the Committee Members	Position	Category
*Brajesh Kumar Misra	Chairman	Non-Executive Independent Director
*Shashi Kant Dikshit	Member	Non-Executive Independent Director
Rajani Pandey	Member	Non-Executive Independent Director

*Mr. Shashi Kant Dikshit and Mr. Brajesh Misra have resigned from directorship with effect from 14th September, 2018 and 15th November, 2018 respectively. Pursuant to the order of NCLT dated 25th July, 2018 to commence CIRP, Moratorium was declared under Section 14 of the IBC Code, therefore, no reconstitution of the Committee took place. The present constitution of the Committee is not in line with the SEBI (LODR) Regulations, 2015.

Report on Corporate Governance (contd.)

ii. Meeting of Stakeholder Relationship Committee :

The Company is currently undergoing CIRP by the order of Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench dated 25th July, 2018. The powers of the Board of Directors of the Company stood suspended and the management of affairs have been vested with the Resolution Professional. During the year under review, only one meeting of Stakeholder Relationship Committee was held on 22nd May, 2018.

iii. Investor Grievance Redressal :

As per the certificate issued by the Registrar and Share Transfer Agents (RTA), MCS Share Transfer Agent Limited, during the year under review, complaints received from shareholders/investors were replied/ resolved to the satisfaction of the shareholders/investors.

The details of complaints are as under-

Opening as on 1st April 2018	**1**
Received during the year	Nil
Resolved during the year	1
Closing/Pending as on 31st March 2019	**Nil**

iv. Name, Designation and address of the Compliance Officer :

The details of Compliance Officer of the Company for the Financial Year 2018-19 are as:

Name: Mr. Kartik Agarwal
Designation: Company Secretary
Address: Village Tilmapur, Ghazipur Road, Ashapur, Varanasi-221 007

D. CORPORATE SOCIAL RESPOSIBILITY COMMITTEE

i. Composition :

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

The Company has duly constituted Corporate Social Responsibility Committee, comprising of three directors, the details of which are given below:

Name of the Committee Members	Position	Category
Rajani Pandey	Chairman	Non-Executive Independent Director
Satya Narayan Jhunjhunwala	Member	Managing Director
Adarsh Jhunjhunwala	Member	Whole Time Director

During the financial year 2018-19, the Company is not required to contribute to Corporate Social Responsibility as per the provisions of Section 135 of the Companies Act, 2013. Therefore, no meeting was required to be held.

Pursuant to the order of NCLT dated 25th July, 2018 to commence CIRP, the powers of the Committee stand suspended and vested with RP.

4. GENERAL BODY MEETINGS :

a) Location and time of last three Annual General Meeting

The details of last three Annual General Meetings are as under:

Financial Year	Day, Date and Time	Venue
2017-2018	29th AGM - Tuesday, 21st January, 2020 at 11.00 A.M.	Hotel Surabhi International, Hall Darbar, Pahariya, Sarnath, Varanasi - 221 007, (U.P.), India
2016-2017	28th AGM - Friday, 29th September, 2017 at 3.00 P.M.	Hotel Gateway (Taj), Gulab Bagh, Nadesar Palace Compound, Varanasi (U.P.), India
2015-2016	27th AGM - Friday, 30th December, 2016 at 3.00 P.M.	Hotel Radisson, The Mall, Cantonment, Varanasi (U.P.), India

Report on Corporate Governance (contd.)

b) Special Resolutions passed at the last 3 (three) AGMs of the Company

Financial Year	Items
2017-2018	Nil
2016-2017	a) Item No. 5 – Re-classification of existing 12,50,00,000 un-issued equity shares into 1,25,00,000 7% Unlisted Redeemable Non-Convertible Non-Cumulative Non-Participating Preference Shares of ₹ 10/- (Rupees Ten only) each and amend Clause V of the MOA accordingly.
	b) Item No. 6 – Issue 7% Unlisted Redeemable Non-Convertible Non-Cumulative Non-Participating Preference Shares of ₹ 10/- (Rupees Ten only) for consideration of upto ₹ 25,00,00,000/- only.
	c) Item No. 7 – Issue Non-Convertible Debentures in one or more series/tranches for consideration of upto ₹ 50,00,00,000/- only.
2015-2016	a) Under Section 5 and Section 14 of the Companies Act, 2013 for the alteration of main object clause of Memorandum of Association of the Company by inserting a new clause bearing Clause No.(iii)(A)(3).

c) Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting of the Company was held for the Financial Year 2018-2019.

d) Postal Ballot

No resolution was passed through Postal Ballot during the previous financial year and no Special Resolution is proposed to be conducted through Postal Ballot.

5. MEANS OF COMMUNICATION :

The Company interacts with the Shareholders through multiple ways of communication such as Results announcement, Annual Report and through Company's website and specific communications.

Quarterly Results : Since the Board is suspended, none of the quarterly financial results for the Financial Year 2018-19 were approved by them. Prior to commencement of CIRP, the Board approved the results, intimated it to Stock Exchanges and published the same in necessary newspapers.

The Shareholding Pattern and all other corporate communication are filed to the Stock Exchanges.

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

6. GENERAL SHAREHOLDERS INFORMATION :

Date of Annual General Meeting	Friday, 28th August, 2020
Time	11.00 AM
Mode	The Company is conducting its AGM through VC / OAVM pursuant to the MCA Circular dated May 5, 2020. For details please refer to the Notice of this AGM.
Financial Year	1st April, 2018 to 31st March, 2019
Book Closure Period	Saturday, 22nd August, 2020 to Friday, 28th August, 2020
Dividend Payment Date	No dividend has been recommended for the FY 2018-19

Listing on Stock Exchanges :

Equity Shares of the Company are listed both on BSE Limited and National Stock Exchange of India Limited under Stock Code Nos. 519248 and JVLAGRO respectively. Payment of Listing Fee for FY 2019-2020 has been effected to said Stock Exchanges. ISIN allotted to the Company under the Depository System is INE430G01026. Annual Custody Fee for FY 2019-2020 has also been paid to the Depositories, Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL).

Name and Address of Stock Exchanges	
BSE Limited	P. J. Towers, 25th Floor, Dalal Street, Mumbai - 400001
National Stock Exchange of India Limited	'Exchange Plaza', Bandra Kurla Complex, Bandra (E), Mumbai - 400051

It may please be noted that due to delay in submission of the financial results for the financial year / quarter ending 31st March, 2019, 30th June, 2018, 30th September, 2018 and 31st December, 2018, the security of the Company has been transferred to Z Category by the stock exchanges.

Report on Corporate Governance (contd.)

Market Price Data :

Equity Shares of the Company have been traded on BSE and NSE. Following is month-wise high/low prices of the Company's Equity Shares on BSE and NSE:

Month	National Stock Exchange of India Limited			BSE Limited		
	High Price (₹)	Low Price (₹)	Volume (No.)	High Price (₹)	Low Price (₹)	Volume (No.)
April, 2018	27.45	21.90	63,52,347	27.45	21.90	8,98,570
May, 2018	28.35	19.90	85,09,345	27.95	20.00	9,64,717
June, 2018	22.00	11.05	52,90,743	21.40	10.55	12,38,861
July, 2018	13.70	7.55	32,42,775	13.59	7.50	7,86,835
August, 2018	13.10	7.35	55,76,721	13.29	7.30	13,09,635
September, 2018	8.20	5.85	13,83,020	8.15	5.87	3,42,353
October, 2018	5.85	3.45	6,30,485	6.10	3.26	4,60,461
November, 2018	8.05	4.30	6,37,934	7.94	4.70	5,46,732
December, 2018	6.20	5.00	4,44,061	6.35	5.01	2,30,094
January, 2019	5.80	4.50	5,00,068	5.90	4.36	2,13,053
February, 2019	4.75	3.35	5,03,676	4.88	3.32	2,29,425
March, 2019	3.55	2.85	16,66,627	3.60	2.77	10,40,842

Increase or decrease in the SENSEX/NIFTY is not commensurate to fluctuations in Market Price of Company's Equity Share.

Registrar and Share Transfer Agent for Physical and Demat Segments (RTA) :

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

Name	M/s. MCS Share Transfer Agent Limited
Registered Address	12/1/5, Manoharpukur Road, Kolkata – 700026
Communication Address	F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020
Contact Person	Mr. Ajay Dalal, Sr. Manager Tel No. 011 - 41406149, 41406151 Fax No. 011 - 41406152

Share Transfer System :

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

The Company obtains a half yearly compliance certificate from Practicing Company Secretary as required under Regulation 7 of SEBI (LODR) Regulations, 2015 and files the same with Stock Exchanges.

Report on Corporate Governance (contd.)

Distribution of Shareholding :

The distribution of shareholding by size, as on 31st March, 2019 :

Category		Number of Cases	% of Cases	Number of Shares	Nominal Amount	% of Amount
From	To					
1	500	12731	61.33	26,07,592	26,07,592	1.55
501	1000	3498	16.85	31,26,614	31,26,614	1.86
1001	2000	2039	9.82	33,65,011	33,65,011	2.00
2001	3000	728	3.51	19,48,655	19,48,655	1.16
3001	4000	330	1.59	12,12,855	12,12,855	0.72
4001	5000	428	2.06	20,80,895	20,80,895	1.24
5001	10000	581	2.80	44,34,173	44,34,173	2.64
10001	50000	344	1.66	67,62,799	67,62,799	4.03
50001	100000	40	0.19	28,17,547	28,17,547	1.68
100001	above	40	0.19	13,95,83,859	13,95,83,859	83.12
TOTAL		**20759**	**100.00**	**16,79,40,000**	**16,79,40,000**	**100.00**

Categories of Shareholding as on 31st March, 2019 :

Sl. No.	Category	No. of Shares held	% of holding
1	Promoters and Promoters Group	92,786,025	55.25
2	Banks, Financial Institutions, Insurance Companies, Central/ State Gov. Institutions/ Venture Capital	85,233	0.05
3	Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors	19,790,683	11.78
4	NBFCs registered with RBI	20,850	0.01
5	Private Corporate Bodies	24,936,849	14.86
6	Individual Public (including NRIs)	29,998,491	17.86
7	Others	321,869	0.19
	TOTAL	**167,940,000**	**100.00**

Dematerialization of shares as on 31st March, 2019 :

Form	No. of Shares	% of Total
Held in dematerialized form in CDSL	2,61,03,140	15.54
Held in dematerialized form in NSDL	14,00,51,740	83.39
Physical form	17,85,120	1.07
Total	**167,940,000**	**100.00**

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

Outstanding GDRs or ADRs or Warrants or any Convertible Instruments, conversion date and likely impact on equity :

The Company has not issued any GDRs or ADRs or Warrants or any convertible instruments.

Corporate benefits to investors (During the last Financial Year, i.e. FY 2017-18) :

Dividend:

Financial Year	Dividend per share (₹)	Dividend percentage
2017-18	-	-

**On face value of ₹1/- per share*

Green Initiative for Paperless Communications :

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the general circular bearing no.17/2011 dated 21st April, 2011 issued recently by the Ministry of Corporate Affairs (MCA), Companies can now send various notices/ documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

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

Report on Corporate Governance (contd.)

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

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

Investor Services :

The Company is under the supervision of Mr. Supriyo Kumar Chaudhauri, Resolution Professional, committed to provide efficient and timely services to its shareholders. The Company has appointed M/s. MCS Share Transfer Agent Limited as its Registrar and Share Transfer Agents for rendering the entire range of services to the shareholders of the Company in regard to share transfer, refund, rematerialization, dematerialization, change of address, change of mandate, dividend etc.

Nomination :

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of all the registered shareholder/s pursuant to the provisions of Section 72 of the Companies Act, 2013. The prescribed form for such nomination can be obtained from the Company. Nomination facility in respect of shares held in electronic form is also available with depository participant (DP) as per the bye-laws and business rules applicable to NSDL and CDSL.

Address for correspondence :

Investors and shareholders can correspond with the Company at the following address:-

Resolution Professional
JVL Agro Industries Limited
Village Tilmapur, Ghazipur Road,
Near Ashapur, Varanasi - 221007
Phone: +91-542-2595930/31/32
Fax: +91-5142-2595941
E-mail: rpjvl@bdo.in

7. OTHER DISCLOSURES :

a) Disclosures on materially significant related party transactions

The Company has no materially significant related party transactions with its promoters, the directors or the management or relatives etc. that may have potential conflicts with the interests of the Company at large.

Attention of the members is drawn to the disclosures of transaction with related parties set out in Notes on Accounts forming part of Annual Report

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

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

BSE and NSE have imposed penalties on the Company for non-filing of the financial results under Regulation 33 for the financial year 2018-19.

In an old matter of levy of penalty by the stock exchanges on the Company during the calendar year 2016, the Company was pursuing the matter before the Hon'ble Securities Appellate Tribunal, Mumbai Bench, in which Hon'ble SAT in its decision in March 2018 has remanded the matter back to exchanges for consideration and giving an opportunity to the Company to be heard. The hearing before the BSE has happened on 21st June, 2018. Further, NSE is yet to set-up the date for hearing.

c) Whistle Blower Policy

The Company had adopted the Whistle Blower Policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior, actual or suspect fraud or violation of Code of Conduct.

Report on Corporate Governance (contd.)

d) Accounting treatment in preparation of financial statements

The Company followed the guidelines as laid down in the Indian Accounting Standards, prescribed by the Institute of Chartered Accountants of India, for the preparation of the financial statements and there is no deviation from it in general.

e) Subsidiary Company

The Company does not have any material subsidiary whose turnover or networth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

f) Certificate from Company Secretary in Practice

The Company has obtained certificate from M/s. KPA & Co, Practicing Company Secretaries Firm (FRN: P2019WB078600) stating about Directors disqualified by statutory authorities.

g) The total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor is ₹ 12,00,000/- per annum.

h) Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The following is a summary of sexual harassment complaints received and disposed off during financial year:

- No. of complaints received: NIL
- No. of complaints disposed off: NIL

i) Code of Conduct

In terms of provisions of SEBI (LODR) Regulations, 2015, the Company had laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Code had been circulated to Directors and Management Personnel and its compliance is affirmed by them annually.

j) Disclosure with respect to demat suspense account/ unclaimed suspense account

As on 31st March, 2019, there are no shares lying in the demat suspense account or unclaimed suspense account.

8. COMPLIANCE WITH MANDATORY AND DISCRETIONARY REQUIREMENTS

Till commencement of CIRP, the Company had complied with all the mandatory Corporate Governance requirements provided under SEBI (LODR) Regulations, 2015. The non-mandatory requirements complied has been disclosed at the relevant places under the appropriate head. The non-compliance has been disclosed at the relevant places under the appropriate head.

9. CFO CERTIFICATION

The Company has received a compliance certificate from the Chief Financial Officer of the Company pursuant to Regulation 17(8) read with Schedule II Part B of SEBI Listing Regulations.

10. CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

The Company has obtained Compliance Certificate from M/s KPA & Co., Practicing Company Secretaries Firm, regarding compliance of conditions on Corporate Governance and the same is attached to this report.

For JVL Agro Industries Limited
(Company under Corporate Insolvency Resolution Process)

Place: Kolkata
Date: 16th March, 2020

Ramesh Chander Garg
Chief Financial Officer

Declaration under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

As required under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that the Company has not received affirmation on compliance with Code of Conduct, from the Board Members and Senior Management Personnel for the financial year ended on 31st March, 2019, as the Company is under Corporate Insolvency Resolution Process.

For JVL Agro Industries Limited
(Company under Corporate Insolvency Resolution Process)

Ramesh Chander Garg
Chief Financial Officer

Place: Kolkata
Date: 16th March, 2020

Certificate on Corporate Governance

To,
The Members
JVL Agro Industries Limited
Village Tilmapur, Ghazipur Road, Ashapur,
Varanasi – 221007, Uttar Pradesh, India

We have examined the compliance of conditions of Corporate Governance by JVL Agro Industries Limited ('the Company under Corporate Insolvency Resolution Process') for the financial year ended 31st March, 2019 as per Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015].

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our responsibility was limited to examining the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and representation made by the officers, agents and authorized representatives of the Company and Resolution Professional, we certify that the Company has not complied with most of the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI (LODR) Regulations, 2015 as the Company is undergoing Corporate Insolvency Resolution Process.

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.

RESTRICTIONS ON USE

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Koshal Agarwal
Partner
KPA & Co.
Practicing Company Secretaries Firm
FRN : P2019WB078600
M. No.: 37508
C.P. No.: 16670
UDIN: A037508A000611939

Place: Kolkata
Date: 16th March, 2020

Management Discussion & Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian GDP has grown to 6.8% in Financial Year 2019. The decline in GDP growth is on account of multiple factors like, fallout of NBFCs, low credit growth, tight liquidity conditions, dismal growth in wages and flat exports owing to a global slowdown. Indian Manufacturing continued its downtrend growing at 3.1%. However, GDP growth rate is expected to bottom out in the coming quarters. With Government continuing to roll out policies focusing on rural population, there could be some relief to the ongoing distress and signs of recovery should be visible in the second half of the financial year.

Each year, India imports a substantial amount of edible oils to meet the growing demand for its domestic consumption. With a population of 1.3 Billion people, it accounts for 4% of global vegetable oil production, 12% of global consumption and 21% of globally traded volumes.

OPPORTUNITIES AND THREATS

With the positive attitude of the Government, it appears that new opportunities may open up for sustained growth of Manufacturing Companies. However, the Management is not satisfied about the future growth of the Company and constantly reviews the ups and downs of the market particularly bearing in mind that the Company is under Corporate Insolvency Resolution Process (CIRP) and there are plenty of obstacles which are hindering its growth.

The Company has to ensure that the people working for it, who constitute its major competitive advantage, continue to contribute productivity to its business. The Company has to be on the lookout for tracking the competition and maintaining its competitive edge in terms of quality and value proportion. Following also contribute to the favourable opportunities of the Company:

a) Favourable business environment, increase in demand for the products;
b) Ease in liquidity;
c) Expansion in the Product Base as a result of recent plant modification for Ethanol;
d) Favourable foreign currency movements;
e) Ease in domestic and international prices of raw materials;
f) Fast pace progress towards the commencement of production of subsidiary;
g) Stable government in India.

Our company is exposed to the risk of price fluctuation on raw material as well as on finished goods, business risk, commodity risk, etc. in its entire product range and economic risk. The risk identified are reviewed and evaluated on continuous basis and suitable steps are taken on timely basis to mitigate the same. The Risk Management Process is reviewed periodically.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The performance of the Company for the year 2018-19 is described in the Financial Statement of the Company.

OUTLOOK

The recent passage of the IBC (Insolvency & Bankruptcy Code) has been a major change in the environment for the company. As mentioned earlier, the Committee of Creditors has not approved any Resolution Plan submitted for the Company and hence, the Resolution Professional has filed an application before the Hon'ble National Company Law Tribunal, Allahabad Bench demanding liquidation of the Company.

RISK AND CONCERN

Needless to mention, with huge money, there comes the involvement of big risks. The Company faces the following risks:

- Business Risk
- Market Risk
- Financial Risk
- Legal Risk
- Commodity Risk
- Political Risk
- Exchange Rate Risk

Management Discussion & Analysis Report (contd.)

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has not laid down internal financial controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company is under CIRP and due to non-approval of any resolution plan by Committee of Creditors, the Resolution Professional made an application before the Hon'ble National Company Law Tribunal, Allahabad Bench for liquidation of Company.

HUMAN RESOURCE DEVELOPMENT

Prior to commencement of CIRP, it has been the tradition of the Company to maintain excellent industrial relations at all levels.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONG WITH DETAILED EXPLANATION

As reflected from the Financial Statements of the Company, there are major changes in the financial ratios of the Company. The Company is currently undergoing CIRP and no resolution plan is approved by the Committee of Creditors.

Under such circumstances, the Resolution Professional has made an application before the Hon'ble National Company Law Tribunal, Allahabad Bench for liquidation of Company.

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Date: 16th March, 2020
Place: Kolkata

Ramesh Chandra Garg
Chief Financial Officer

Independent Auditors' Report

To the Members of
JVL Agro Industries Limited

Report on the Standalone Ind-AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying standalone Ind-AS financial statements of JVL Agro Industries Limited (hereinafter referred to as 'the Company'), which comprise the Balance Sheet as at 31st March 2019, the statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

We do not express an opinion on the accompanying Standalone Financial Statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph of this report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Standalone Financial Statements.

Basis for Disclaimer of Opinion

1. Material uncertainty relating to Going Concern

    a) We would like to draw your attention to Notes 1 and 35 to Standalone Financial Statements. Application filed by the financial creditor against the Company for initiation of Corporate Insolvency Resolution Process as per the Insolvency & Bankruptcy Code, 2016 was admitted by National Company Law Tribunal (NCLT), Allahabad Bench with effect from 25.07.2018. Interim Resolution Professional and thereafter, Resolution Professional was appointed and affairs of the Company are being managed by Resolution Professional now. Resolution Professional has filed liquidation application before NCLT.

    b) During the financial year 2018-19, the Company has incurred post tax loss of ₹ 921.46 crores (out of which ₹ 253.99 crores relates to Pre-CIRP period) and as on 31st March, 2019, the Company has negative retained earnings of ₹1,572.62 crores and negative net worth of ₹ 1,302.42 crores. Further the company's current liabilities exceed its current assets by ₹ 1,739.03 crores. On account of its operational and financial position, the Company has delayed payments to various parties and dues to statutory authorities and interest on such delays is not determined.

    c) Out of total Trade Receivables of ₹ 132.74 crores, provision for impairment has been made for ₹ 128.37 crores and only ₹ 4.37 crores has been considered as good vide Note No. 9 to Standalone Financial Statements (these provisions relate to pre-CIRP period). Further, out of total trade advances of ₹ 108.10 crores, provision for doubtful debts has been made for ₹ 61.42 crores and only ₹ 46.68 crores has been considered as good vide Note No.13 of Standalone Financial Statements (these provisions relate to pre-CIRP period).

    d) As informed to us, production at plants has been stopped since more than a year.

    Above factors might impact the aspect of going concern.

2. We would like to draw your attention to total cost of material consumed booked by ₹ 1,202.37 crores vide Note No. 25 to Standalone Financial Statements. Out of this, during our audit of purchases on test basis we found that, purchases of ₹ 27.09 crores of RBD Palmolein Oil was not verifiable due to non-availability of any document with the Company in this respect and no entry found in Gate Pass Register maintained in respective plant. All of these purchases were booked from 3 suppliers before CIRP period and no other indigenous purchase of RBD Palmolein Oil were booked from any other suppliers during the whole financial year.

3. We would like to draw your attention to Note 31 of Standalone Financial Statements wherein prior period expenses has been claimed at ₹ 9.29 crores. Out of this, ₹ 8.77 crores is related to loss on commodity trading (relates to pre-CIRP period) and ₹ 0.26 crores is related to cash balances write off due to physical cash differences with books (relates to pre-CIRP period) and ₹ 0.25 crore is related to inventories write off (booked in post-CIRP period). We are not able to comment on these prior period items due to unavailability of proper documents, information and explanations from the management.

4. Records of Alwar Plant of the Company were not made available as it is understood from the management of the Company that same is under the custody of CBI. Further, sales records of Naupur Plant were also not made available to us due to labour unrest as explained by the management. Thus, we are unable to comment on sales, purchases, other income and expenses booked with respect to Alwar plant and sales booked for Naupur Plant due to unavailability of proper documents and information. Most of the transactions are related to pre-CIRP period in the respect of these plants.

Independent Auditors' Report (contd.)

5. We would like to draw your attention to Note 2 of Standalone Financial Statements –

   a) Addition of land has been shown at ₹ 14.09 crores (relates to pre-CIRP period). This addition of land has been booked on the basis of Patna High Court Order dated 13.10.2011. The said order was made for land of ₹ 18.25 crores. However, no registry document has been shown to substantiate the sale and purchase of the said land from the date of order till date. We are not able to comment on this addition relating to financial year 2010-11 and booked in financial year 2018-19 with partial amount due to unavailability of proper documents, information and explanations from the management.

   b) Addition in Plant & Machinery has been shown at ₹ 1.75 crores (relates to pre-CIRP period). We are not able to comment on this addition due to unavailability of proper documents, information and explanations from the management.

   c) Sale of vehicle costing ₹ 1.74 crores (relates to pre-CIRP period) has been claimed to be made at ₹ 0.45 crore in the books of account and loss on sale of vehicle after deprecation has been booked at ₹ 0.31 crores before CIRP period (Note 31 to Standalone Financial Statements). No document was made available to us to substantiate the sale of such vehicles. We are not able to comment on these sale of vehicles due to unavailability of proper documents, information and explanations from the management.

6. We would like to draw your attention to Note 6 and Note 22 to Standalone Financial Statements –

   a) Asset relating to taxes etc. has been shown as statutory dues at ₹ 83.66 crores under the group Other Non-Current Assets and liability as statutory liabilities at ₹ 0.34 crores under the group Other Current Liabilities. Apart from this, Custom Duty Liability of ₹ 50.94 crores has been grouped in Trade Payable vide Note 20 to Standalone Financial Statements. Further, contingent liability relating to statutory dues has been shown at ₹ 372.47 crores in Note 36 to Standalone Financial Statements.

   b) Against the total Claim of Custom Department of ₹ 73.56 crores, claim of ₹ 43.85 crores have been admitted by the Resolution Professional and the same (₹ 43.85 crores) has been shown as contingent liability vide Note 34 to standalone financial statements. Liability with respect to Custom at the end of 31st March, 2019 as per book of account at ₹ 5.52 crores only (₹ 50.94 crores has been grouped in Trade Payable vide Note 20 and negative balance of ₹ 45.42 crores has been grouped in other non current assets vide Note 6 to Standalone Financial Statements).

   c) GST assets and liabilities are not in agreement with the returns filed. Liabilities and assets with respect to other taxes were not fully verifiable.

   We are not able to comment on these statutory liability and asset balances including contingent liability and its impact, if any, on the Standalone Financial Statements due to unavailability of proper documents, orders, notices, information, explanations and reconciliations from the management.

7. We would like to draw your attention to Note No. 7 and 1.11 to Standalone Financial Statements. Inventories at the end of financial year has been shown at ₹ 94.41 crores. As per the company's policy, inventories except scrap should have been valued at lower of cost and net realizable value. During the audit, it has been observed that in many cases, raw material has been valued on the basis of FIFO method instead of Weighted Average Method. During physical verification of stock, it was observed that most of the finished goods has expired. However, finished goods has been valued at market price. Item wise working of net realizable value in any case was not made available to us. We are not able to comment on valuation of inventories due to unavailability of proper documents, information, explanations and reconciliations from the management.

8. On migration of previous software into SAP in earlier years, it resulted into migration difference of ₹ 129.08 crores (not related to CIRP period, however, differences are still there in books). End to end reconciliation of these migration differences are not made available to us and these has been adjusted against Working Capital Borrowings, Trade Payables, Trade Receivables and Balance with Bank in current account in Standalone Financial Statements. Due to unavailability of proper reconciliation, we are not able to comment on its impact, if any, on the Standalone Financial Statements.

9. We would like to draw your attention to Note 1.22 and Note 18 to Standalone Financial Statements, The Company was supposed to recognize deferred tax liability for the timing differences in depreciation for the financial year 2018-19. We are not able to comment on Deferred Tax Liability shown in Balance Sheet due to unavailability of proper documents, information, explanations and reconciliations from the management.

Independent Auditors' Report (contd.)

10. We would like to draw your attention to Note 20 to Standalone Financial Statements. The Company has disclosed Micro, Small and Medium Enterprises Creditors at NIL value, however, as per MSME form filed by the Company with MCA, total overdue to Micro and Small Enterprises as on 31.03.2019 was ₹ 2.41 crores. We are not able to comment on correct balance of Micro, Small and Medium Enterprises Creditors due to unavailability of proper documents, information and explanations from the management.

11. We would like to draw your attention to Note 19, Note 21, Note 29, and Note 31 to Standalone Financial Statements. The Company has claimed interest to bank at ₹ 53.33 crores (Note 29). However, the Company has not booked interest charged by Standard Chartered Bank. Had it been booked, interest to bank would have increased by ₹ 1.86 crores (Note 29), prior period items would have increased by ₹ 14.97 crores (Note 31), Current Maturity of Long term debt would have increased by ₹ 6.47 crores (Note 21) and Working Capital Borrowings would have increased by ₹ 10.36 crores (Note 19). However, these interest amount are related to pre-CIRP period only. Unlike Standard Chartered Bank, post CIRP period interest has been also recorded by one way or another. Complete detail of post-CIRP period interest of Standard Chartered Bank is not made available to us by the management, therefore, we are not able to comment on the same.

12. We would like to draw your attention to Note 6 and Note 29 to Standalone Financial Statements. The Company has claimed interest to bank at ₹ 53.33 crores (Note 29). The Company has shown Other Advances (Deposits with Government Authorities & Recoverable from Banks etc) at ₹ 14.73 crores (Note 6) as Other Non-current assets. ₹ 14.73 crores includes interest/charges charged by bank of ₹ 14.32 crores during the year (out of which ₹ 7.08 crores relates to post-CIRP period and ₹ 7.24 crores relates to pre-CIRP period). Instead of claiming this interest amount as expenditure, Company has shown it as an asset contending that this is excessive interest charged by bank and should be reversed. Due to unavailability of proper explanation on the same from the management, we are not able to comment on its impact, if any, on the Standalone Financial Statements.

13. We would like to draw your attention to Note 19 to Standalone Financial Statements. The Company has shown Working Capital Borrowings at ₹ 1973.72 crores. As per the reconciliations and closing bank statement/certificate produced to us, banks have credited ₹ 354.95 crores in different loan statements, however, the nature of such credit is not properly explained by the management and no accounting treatment has been made in respect of such credit. These amounts are still lying in Bank Reconciliation Statement of different Banks. We are not able to comment on these credits in bank statements and balances of borrowings as per books and its impact, if any on Standalone Financial Statment due to unavailability of proper documents, information and explanations from the management.

14. Due to unavailability of reconciliation and confirmation of Trade Receivable, Trade Payable, Trade Advances, we are not able to comment on its impact, if any, on the Standalone Financial Statements. Most of the balances of Trade Receivables and Trade Payable relate to pre-CIRP period transactions. All the Trade Advances are related to pre-CIRP period.

15. Due to unavailability of proper documents, information, explanations and reconciliations from the management, we are not able to comment on the balances shown and its impact, if any, on the Standalone Financial Statements with respect to investment shown in equity of subsidiary and associates, investment in BGR Energy System Ltd., investment in HDFC AMC PMS Mutual Fund (Refer Note 8 to Standalone Financial Statements), Government Grant Receivable (Refer Note 11 to Standalone Financial Statements), Other Advances (Refer Note 6 to Standalone Financial Statements), List of shareholders holding more than 5% Shares (Refer Note 14 to Standalone Financial Statements), and related party disclosures. (Refer Note 33 to Standalone Financial Statements).

Key Audit Matters

Except for the matter described in the "Basis for Disclaimer of Opinion" section, we have determined that there are no other key audit matters to communicate in our report.

Emphasis of Matter

We would like to draw your attention to Note No.13 to Standalone Financial Statements. The Company has shown Other Current Assets-Others at ₹ 167.72 crores. As explained to us, out of this ₹ 167.72 crores, ₹ 167.70 crores are related to fixed deposit liquidated and appropriated by banks against their letter of credit and demand loan. Resolution Professional of the Company preferred appeal before NCLT against appropriation by banks of ₹ 164.25 crores and NCLT has ordered in favor of the Company. As explained to us, rest of ₹ 3.45 crores carries the same nature therefore, similar accounting treatment has been made for the rest of ₹ 3.45 crores. Thus, ₹ 167.70 crores has been considered as recoverable from Banks and shown here and corresponding loan is included in Working Capital Borrowing shown at Note 19 to Standalone Financial Statements.

Independent Auditors' Report (contd.)

Our opinion is not modified in respect of this matter

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's management under the direction of the Resolution Professional is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Report on Corporate Governance but does not include the financial statements and our auditors' report thereon.

The Board's Report and Report on Corporate Governance is expected to be made available to us after the date of this Auditors' Report. Our disclaimer of opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit engagement of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions necessary as per the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management under the direction of the Resolution Professional is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind-AS') specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Company's management under the direction of Resolution Professional is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's management under the direction of Resolution Professional either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Company's management under the direction of the Resolution Professional is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report (contd.)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
   a) As described in the Basis for Disclaimer of Opinion paragraph, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
   b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books and returns provided for the purpose our audit.
   c) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to comment whether the Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account .
   d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Independent Auditors' Report (contd.)

e) No written representations or any other documents were made available to us from the directors of the Company as on 31st March, 2019, regarding disqualification of Directors of the Company in terms of section 164(2) of the Act. Therefore, in the absence of such written representation, we are unable to comment whether any of the Directors of the Company are disqualified or not.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is not in accordance with the provisions of section 197 of the Act. Since Company is in loss and defaulted in repayment of its debts to banks etc. and no prior approval from secured creditors for remuneration made available to us. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Company has disclosed the impact of pending litigations on its financial position in its standalone Ind-AS financial statements.

   ii. Due to possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether, the Company has made provisions as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. Due to insufficient details, documents and explanations provided to us, we are unable to state whether there has been any delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company or not.

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No.018282C

CA Aadesh Kumar Agrawwal
Partner
ICAI M. No. 410473
Kolkata - March 16, 2020
UDIN -20410473AAAAAZ6363

Annexure - A to the Independent Auditors' Report

The Annexure-A referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report to the members of JVL Agro Industries Limited (hereinafter referred to as "the Company") for the year ended 31st March, 2019. We report that:

Sl. No.	Particulars	Auditors' Remarks
(i)	a) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	The company has not maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
	b) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	No document and satisfactory explanation were made available regarding verification of fixed assets by the management, therefore, we are not able to comment whether physical verification of fixed assets has been conducted by the management at reasonable interval or not.
	c) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	The title deeds of immovable properties were not provided for the purpose of our audit. Therefore, in the absence of title deeds, we are unable to comment whether the title deeds are held in the name of the Company or not.
(ii)	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	As explained to us, inventories have been physically verified during the year by the management at regular intervals. However, during our physical verification on test basis, we found certain discrepancies and the same were not explained satisfactorily by the management. Inventory is maintained and managed manually in plants and records produced to us were not proper. Since production at the plants are ceased therefore, inventories are not being verified so frequently by the management. We would like to draw your attention to the matters covered under section "Basis of Disclaimer of Opinion" of our report
(iii)	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion"
	a) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	N.A.
	b) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	N.A.
	c) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	N.A.
(iv)	In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion"
(v)	In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	According to explanation and documents given to us, the Company has not accepted any deposits from the public during the year. Accordingly, the provision of Clause 3(v) of the Order is not applicable to the Company.

Annexure - A to the Independent Auditors' Report (contd.)

Sl. No.	Particulars	Auditors' Remarks
(vi)	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	According to explanations and documents produced before us, we observed that cost records were not proper. However, we have not made detailed examination of the records with a view of determining whether these are accurate and complete.
(vii)	a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion"
	b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion". However, contingent liabilities disclosed in Note 34 to Standalone Financial Statements are not correct and complete.
(viii)	Whether the Company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	The Company has defaulted in repayment of loans or borrowing to financial institution/banks and CIRP process has been initiated. However, we are unable to comment on period and amount of default due to matters covered under section "Basis for Disclaimer of Opinion"
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	During the year the Company has not raised any money by way of initial public offer or further offer or term loan.
(x)	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion".
(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is not in accordance with the provisions of Section 197 to the Act. since Company is in loss and defaulted in repayment of its debts to banks etc. and no prior approval from secured creditors for remuneration made available to us, Managerial Remuneration paid has been disclosed vide note 33.5 to Standalone Financial Statements. To our information, no steps have been taken for recovery of the said remuneration from the directors.
(xii)	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	The Company is not a Nidhi Company therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

Annexure - A to the Independent Auditors' Report (contd.)

Sl. No.	Particulars	Auditors' Remarks
(xiii)	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion".
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of Clause 3(xiv) of the order are not applicable to the Company
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with	We are unable to comment due to matters covered under section "Basis for Disclaimer of Opinion".
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, the provisions of Clause 3(xvi) of the Order are not applicable to the Company

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No. 018282C

CA Aadesh Kumar Agrawwal
Partner
ICAI M. No. 410473
Kolkata - March 16, 2020
UDIN : 20410473AAAAAZ6363

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of JVL Agro Industries Limited (hereinafter referred to as "the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management under the direction of Resolution Professional is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (The "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management under the direction of Resolution Professional; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Annexure - B to the Independent Auditors' Report (contd.)

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been identified as at 31st March, 2019:

a) The Company is not having a full-fledged ERP system to manage different operational activities. Accordingly, many of the operations, which ideally would have been taken care by the system, require manual intervention to that extant there are limitations in control system and processes.

b) The Company needs to strengthen controls to ensure correctness and completeness of accounting records by conducting reconciliation between SAP postings and physical documents as well as entries posted vis-a-vis control checks maintained.

c) The Company needs to maintain proper inventory records with correct details of material consumption and closing inventory. Further, the Company needs to maintain proper fixed assets register with location and identification of asset so that it can be controlled.

A "material weakness" is a deficiency or combination of deficiencies, in internal financial control over financial reporting, such that there is reasonable possibility that a material misstatement of the Company's annual or interim financial statement will not be prevented or detected on timely basis.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the Standalone Financial Statements of the Company as at and for the year ended 31st March, 2019, and these material weaknesses has affected our opinion on the Standalone Financial Statements of the Company and we have issued Disclaimer of Opinion on the Standalone Financial Statements.

In our opinion, except for the effects/possible effects of material weaknesses described above on the achievement of the objectives of the control criteria, the Company has not maintained adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were not operating effectively as on 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No. 018282C

CA Aadesh Kumar Agrawwal
Partner
ICAI M. No. 410473
Kolkata - March 16, 2020
UDIN : 20410473AAAAAZ6363

Standalone Balance Sheet as at 31st March, 2019

(₹ in crores)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-Current Assets :			
(a) Property, Plant and Equipment	2	387.96	392.99
(b) Capital Work-in-Progress	3	-	0.45
(c) Other Intangible Assets	4	0.84	1.40
(d) Financial Assets :			
(i) Investments	8	3.78	3.75
(ii) Loans	5.1	-	0.38
(iii) Other Financial Assets	5.2	-	0.34
(e) Deffered Tax Assets (Net)	18	-	364.76
(f) Other Non-Current Assets	6	110.82	27.31
Total Non-Current Assets		**503.40**	**791.38**
Current Assets :			
(a) Inventories	7	94.41	377.78
(b) Financial Assets :			
(i) Investments	8	6.55	6.22
(ii) Trade Receivables	9	4.37	168.79
(iii) Cash & Cash Equivalents	10	16.47	60.56
(iv) Bank Balances other than Cash & Cash Equivalents	10.1	10.71	81.90
(v) Other Financial Assets	11	110.66	110.74
(c) Current Tax Assets (Net)	12	9.64	9.00
(d) Other Current Assets	13	214.64	22.50
Total Current Assets		**467.45**	**837.49**
Total Assets		**970.85**	**1,628.87**
EQUITY AND LIABILITIES			
Equity :			
(a) Equity Share Capital	14	16.79	16.79
(b) Other Equity	15	(1,319.21)	(397.75)
Total Equity		**(1,302.42)**	**(380.96)**
LIABILITIES			
Non-Current Liabilities :			
(a) Financial Liabilities :			
(i) Borrowings	16	-	7.47
(ii) Other Financial Liabilities	17	4.40	5.14
(b) Other Non-Current Liabilities		-	-
(c) Deffered Tax Liabilities (Net)	18	62.40	-
Total Non-Current Liabilities		**66.80**	**12.61**
Current Liabilities :			
(a) Financial Liabilities			
(i) Borrowings	19	1,973.72	986.12
(ii) Trade Payables	20	144.71	961.53
(iii) Other Financial Liabilities	21	54.79	47.16
(b) Other Current Liabilities	22	33.26	2.41
Total Current Liabilities		**2,206.48**	**1,997.22**
Total Liabilities		**2,273.28**	**2,009.83**
Total Equity and Liabilities		**970.85**	**1,628.87**

The notes referred above are an integral part of these Standalone Financial Statements.

As per our Report of even date attached

For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Standalone Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in crores)

Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Income :			
Revenue from Operations	23	1,187.56	3,190.21
Other Income	24	7.80	17.05
Total Income		**1,195.36**	**3,207.26**
Expenses :			
Cost of Materials Consumed	25	1,202.37	3,188.10
Purchase of Stock-in-Trade	26	-	102.77
Changes in Inventories	27	110.53	28.79
Employee Benefits Expense	28	17.48	12.25
Finance Costs	29	59.78	93.92
Depreciation and Amortisation Expense	30	20.73	19.80
Other Expenses	31	278.79	86.71
Total Expenses		**1,689.67**	**3,532.34**
Loss before Exceptional Items and Tax		**(494.31)**	**(325.08)**
Exceptional Items		-	**-**
Profit on sale of investment in subsidiaries		-	-
Profit before Tax		**(494.31)**	**(325.08)**
Tax Expense :			
Current Tax		-	-
Deffered Tax		427.15	(405.35)
Total Tax Expenses		**427.15**	**(405.35)**
Profit for the year		**(921.46)**	**80.27**
Other Comprehensive Income			
Total Comprehensive Income for the year		**(921.46)**	**80.27**
Earnings Per Share (Nominal value of share ₹ 1 each)			
Basic (₹)		(54.88)	4.78
Diluted (₹)		(54.88)	4.78

The notes referred above are an integral part of these Standalone Financial Statements.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2019 and 31st March, 2018

(₹ in crores)

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2019

Balance as at 1st April, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
16.79	-	16.79

For the year ended 31st March, 2018

Balance as at 1st April, 2017	Changes in Equity Share Capital during the year	Balance as at 31st March, 2018
16.79	-	16.79

B. OTHER EQUITY

(i) As at 31st March, 2019

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Total Equity
Opening Balance as at 1st April, 2018	112.05	32.16	109.81	(651.16)	(0.61)	(397.75)
Profit for the year	-	-	-	(921.46)	-	(921.46
Adjustments from Retained Earnings	-	-	-	-	-	-
Closing Balance as at 31st March, 2019	**112.05**	**32.16**	**109.81**	**(1,572.62)**	**(0.61)**	**(1,319.21)**

(ii) As at 31st March, 2018

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Total Equity
Opening Balance as at 1st April, 2017	112.05	32.16	109.81	(731.43)	(0.61)	(478.02)
Profit for the year	-	-	-	80.27	-	80.27
Dividend (incuding Corporate Dividend Tax)	-	-	-	-	-	-
Closing Balance as at 31st March, 2018	**112.05**	**32.16**	**109.81**	**(651.16)**	**(0.61)**	**(397.75)**

The description of the nature and purpose of each reserve within equity is as follows :

A. Securities Premium Reserve

Securities Premium Reserve is credited when shares are issued at a premium. It can be used to issue bonus shares, to provide premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

Statement of Changes in Equity for the year ended 31st March, 2019 and 31st March, 2018 (contd.)

B. General Reserve

It is a free reserve that is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulation in this regard.

C. Capital Reserve

Capital Reserve is mainly the reserve created out of Capital Subsidy received.

The notes referred above are an integral part of these standalone financial statements.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Standalone Statement of Cash Flow for the year ended 31st March, 2019

(₹ in crores)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
(A)	**Cash Flow from Operating Activities**		
	Profit/(Loss) before Taxes	(494.31)	(325.08)
	Adustments for :		
	Depreciation	20.73	19.80
	Loss on sale of Fixed Assets	0.31	-
	Investment in Fair Value	-	(0.13)
	Interest Income	(5.95)	(2.30)
	Finance Cost	59.78	93.92
	Forex Loss	-	0.13
	Operating Profit before working capital changes	**(419.44)**	**(213.66)**
	(Increase)/Decrease in Non-Current/Current Financial and Other Assets	(40.24)	142.82
	Inventory Movement	283.37	82.27
	Increase/(Decrease) in Non-Current Financial and Other Liabilities	(779.08)	(306.90)
	Cash generated from Operations	**(955.40)**	**(295.47)**
	Net Cash Flows from Operating Activities	**(955.40)**	**(295.47)**
(B)	**Cash Flow from Investing Activities**		
	Investment in Property, Plant and Equipments	(15.41)	(10.85)
	Sale of Property, Plant and Equipments	0.45	-
	Interest Income	5.95	2.30
	Net Cash Flow from Investing Activities	**(9.01)**	**(8.55)**
(C)	**Cash Flow from Financing Activities**		
	Increase/(Decrease) in borrowing and finance charges	(59.78)	(93.92)
	Dividend Paid including Dividend Tax	-	-
	Proceeds from Short Term Borrowing	980.13	341.30
	Repayment from Long Term Borrowing	-	(4.03)
	Net Cash Flow from Financing Activities	**920.35**	**243.35**
	Net Increase/Decrease in Cash and Cash Equivalents (A+B+C)	**(44.06)**	**(60.67)**
	Cash at the beginnig of the year	60.53	121.20
	Cash and Cash Equivalents at the end of year	**16.47**	**60.53**

As per our Report of even date attached

For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Notes to the Standalone Financial Statements as at 31st March, 2019

General Information

JVL Agro Industries Limited ("the Company") is a public limited company and listed on Bombay Stock Exchange (BSE), National Stock Exchange (NSE). The Company is in the business of manufacturing of edible oil. The Company processes rice as well. The Company has manufacturing facilities in Naupur - Uttar Pradesh, Alwar - Rajasthan. Dehri - Bihar, Haldia - West Bengal and Rohtas, Bihar and sell primarily its products in India.

The Company has defaulted in their repayment obligations to banks. As a result, pursuant to application before the Hon'ble NCLT, Allahabad Bench, by one of the financial creditors, Corporate Insolvency Resolution Process (CIRP) for the Company has commenced on 25th July 2018 as per the Order of the said Tribunal. Consequently, the affairs of the Company are under the management of the Interim Resolution Professional and thereafter by the Resolution Professional by virtue of the Hon'ble NCLT as per order dated 10th September 2018. The previous years' Annual Accounts and the same for the period upto 24th July 2018, i.e. the date prior to commencement of CIRP, were prepared under the supervision of the erstwhile Board of Directors of the Company. The powers of the board of directors stand suspended with effect from 25th July 2018 and hence current year's annual accounts from 25th July 2018 have been prepared under the supervision of Resolution Professional.

1. Significant Accounting Policies

1.1 Statement of compliance:

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

1.2 Basis of Preparation:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities which have been measured at fair value:

- Derivative Financial Instruments (covered under para 1.16)
- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments (covered under para 1.17 and para 1.18)

1.3 Functional and presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

1.4 Classification of assets and liabilities as current and non-current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

1.5 Property, Plant and Equipment (PPE):

Property, Plant and Equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

1.6 Treatment of Expenditure during Construction Period:

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non- Current Assets".

1.7 Depreciation:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has used the following useful lives of the property, plant and equipment to provide depreciation.

Major Assets Class where useful life considered in Schedule II:

Sl. No	Nature of Assets	Estimated Useful Life of Assets (Years)
1	Plant & Machinery- Continuous Process Plant	25
2	Plant & Machinery- Non-Continuous Process Plant	15
3	Factory Building	30
4	Building (Other than Factory Building)	60
5	Electric Installations	10
6	Computer and Other Hardware	3
7	Office Equipment	5
8	Motor Vehicle	8
9	Motor Cycle	10

The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Continuous process plant, as defined in Schedule II of the Companies Act, 2013, have been classified on the basis of technical assessment and depreciation is provided accordingly.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of a new Project from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

1.8 Intangible Assets Acquired Separately and Amortisation:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

Intangible Assets and their useful lives are as under:

Sl. No	Nature of Assets	Estimated Useful Life of Assets (Years)
1	Computer Software	5

1.9 Non-Current Assets Classified as Held for Disposal:

Assets which are available for immediate sale and its sale must be highly probable are classified as "Assets held for Disposal". Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for Disposal". Once classified as held for disposal, such assets are no longer amortised or depreciated. Such assets are stated at the lower of carrying amount and fair value less costs to sell.

1.10 Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Inventories:

Inventories are valued at lower of cost or net realisable value except scrap (salvage), which is valued at net estimated realisable value.

The methods of determining cost of various categories of inventories are as follows:

Sl. No	Nature of Inventory	
1	Raw Materials	Weighted Average Method
2	Stores and Spares	Weighted Average Method
3	Work-in-Progress	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
4	Finished Goods (Manufactured)	
5	Goods in Transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of goods and services tax, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

Obsolete, defective, slow moving and unserviceable inventories, if any, are duly provided for.

1.12 Leases:

Finance Lease: as a Lessee:

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the Lessee, are classified as finance lease. The assets acquired under finance lease are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets. Such assets are amortised over the period of lease or estimated life of such asset, whichever is lower. Lease payments are apportioned between the finance charges and reduction of the lease liability based on implicit rate of return. Lease management fees, lease charges and other initial direct costs have been capitalised.

Operating Lease: as a Lessee:

Leases, where significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

1.13 Employee Benefits:

Short-term Employee Benefits:

Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plan:

Contribution payable to recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

The provident fund contribution as specified under the law is paid to the Provident Fund to the Regional Provident Fund Commissioner.

Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

1.14 Foreign Currency Transactions:

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which these arise except for exchange differences on foreign currency borrowings relating to assets under construction for future

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and exchange differences on transactions entered into in order to hedge certain foreign currency risks.

1.15 Derivative Financial Instruments and Hedge Accounting:

The Company does not enter into forward contracts to hedge the foreign currency risk. The Company does not hold financial instruments for speculative purpose.

1.16 Fair value measurement:

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

1.17 Financial Instruments:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

Initial Recognition and Measurement:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

Classification and Subsequent Measurement:

Financial Assets:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both:

a) business model for managing the financial assets, and

b) the contractual cash flow characteristics of the financial asset.

A Financial Asset is measured at amortized cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A Financial Asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A Financial Asset shall be classified and measured at fair value through profit or loss (FVTPL) unless it is measured at amortized cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Equity Investments:

Equity investments in Subsidiaries, Associates and Joint Ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries, Associates and Joint Ventures at cost.

All other equity investments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments other than held for trading, the company has exercised irrevocable option to recognize in other comprehensive income subsequent changes in the fair value.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Cash and Cash Equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash, which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

Impairment of Financial Assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments- for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes an associated liability.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss.

Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial Liabilities are classified, at initial recognition:

- at fair value through profit or loss,
- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, they are recognized net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial Liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

After the commencement of the corporate insolvency resolution process, the banks have adjusted the margin money for letters of credit and demand loan amounting to ₹167 crores kept as margin money by way of fixed deposits. The Resolution Professional preferred an appeal before Hon'ble NCLT for reinstatement of Fixed Deposit for which a favourable order in favour of the company has since been passed by the Hon'ble NCLT. In the accounts, the said amount has been shown as recoverable from banks and the borrowings from banks have been re-stated to reflect the gross amounts.

Derecognition of Financial Liabilities:

The Company de-recognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

1.18 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

a) Sales are recognized on transfer of significant risks and rewards of ownership of the goods to the buyer as per the terms of contract and no uncertainty exists regarding the amount of consideration that will be derived from sales of goods. It also includes goods and services tax (as it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not) and price variation based on the contractual agreement. It is measured at fair value of the consideration received. Sales exclude self-consumption of finished goods.

b) Income from services is recognised as they are rendered, based on agreement/arrangement with the concerned customers.

c) Dividend income is accounted for when the right to receive the income is established.

d) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

e) Interest income for all financial instruments measured at fair value through other comprehensive income is recognised in the statement of profit and loss.

f) Export incentives, insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

1.19 Employee Share Based Payments:

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black Scholes Model.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

shown net of un-amortised deferred employee compensation expenses. However as on date there are no employee share based payment made.

1.20 Borrowing Cost:

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Certain banks have charged interest on working capital amounting to ₹ 26.71 crores after the commencement of the insolvency process. The amount has been provided for in the profit and loss account.

All other borrowing cost are recognized in the Statement of Profit and Loss in the period in which they are incurred.

1.21 Government Grants and Subsidies:

Government grants, related to assets, are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes the related costs for which the grants are intended to compensate.

Government grants related to income under State Investment Promotion Scheme linked with VAT/GST etc, are recognized in the Statement of Profit and Loss in the period in which they become receivable.

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attached conditions will be complied with.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates, and is recognized in the Statement of Profit and Loss.

1.22 Provision for Current and Deferred Tax:

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961, and the rules framed there under.

Deferred tax is recognized using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities, and assets on a net basis or such tax assets and liabilities will be realized simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognized to the extent that it is probable that sufficient future taxable income will be available to realize such assets.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Current and deferred tax are recognized in the statement of profit and loss, except when the same relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognized in other comprehensive income or directly in equity respectively.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

As the company is under corporate insolvency resolution process and in view of the assessment that the company may not recover the future taxable profit for recovering of the deferred tax, during the financial year 2018-19 the deferred tax has been de-recognized.

1.23 Minimum Alternate Tax (MAT):

MAT is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

1.24 Provision for Contingent Liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

1.25 Segment Reporting:

Identification of Segments:

Operating segments are identified based on monitoring of operating results. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the company.

Operating segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Geographical segment is identified based on geography in which major operating divisions of the company operate.

Segment Policies:

However as on date there are no segment reporting applicable.

1.26 Earnings per Share (EPS):

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes to the Standalone Financial Statements as at 31st March, 2019 (contd.)

1.27 Significant Accounting Judgments, Estimates and Assumptions:

The preparation of financial statements in conformity with the Ind AS requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

a. Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- **Useful Life of Property, Plant and Equipment:**

  The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the un-amortised depreciable amount is charged over the remaining useful life of the assets.

- **Recognition and measurement of provisions and contingencies:**

  Key assumptions about the likelihood and magnitude of an outflow of resources.

- **Fair value measurement of Financial Instruments:**

  When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable market where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgment includes consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.28 Cash Dividend to Equity Holders of the Company:

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

2. PROPERTY, PLANT AND EQUIPMENT

A. Reconciliation of carrying amount

Particulars	Land (Free Hold)	Buildings	Plant & Machinery	Office Equipments	Fixtures and Fittings	Vehicles	Turbine	Total
Deemed Cost*								
Balance at 1st April, 2017	10.00	58.39	433.79	2.87	1.51	3.99	14.80	525.35
Additions	1.70	1.48	6.75	0.84	0.01	0.14	-	10.92
Disposals	-	-	-	-	-	-	-	-
Balance at 31st March, 2018	**11.70**	**59.87**	**440.54**	**3.71**	**1.52**	**4.13**	**14.80**	**536.27**
Balance at 1st April, 2018	11.70	59.87	440.54	3.71	1.52	4.13	14.80	536.27
Additions	14.09	-	1.75	0.02	-	-	-	15.86
Disposals	-	-	-	-	-	(1.74)	-	(1.74)
Balance at 31st March, 2019	**25.79**	**59.87**	**442.29**	**3.73**	**1.52**	**2.39**	**14.80**	**550.40**

Particulars	Land (Free Hold)	Buildings	Plant & Machinery	Office Equipments	Fixtures and Fittings	Vehicles	Turbine	Total
Accumulated Depreciation								
Balance at 1st April, 2017	-	10.57	101.67	2.54	0.62	2.44	6.20	124.04
Depreciation for the year	-	1.90	16.13	0.38	0.14	0.34	0.35	19.24
Disposals	-	-	-	-	-			-
Balance at 31st March, 2018	**-**	**12.47**	**117.80**	**2.92**	**0.76**	**2.78**	**6.55**	**143.28**
Balance at 1st April, 2018	-	12.47	117.80	2.92	0.76	2.78	6.55	143.28
Depreciation for the year	-	1.92	16.71	0.86	0.13	0.19	0.35	20.17
Disposals	-	-	-	-	-	(0.98)	-	(0.98)
Balance at 31st March, 2019	**-**	**14.39**	**134.51**	**3.78**	**0.89**	**1.99**	**6.90**	**162.47**
At 1st April, 2017	10.00	47.82	332.12	0.33	0.89	1.55	8.60	401.31
At 31st March, 2018	**11.70**	**47.40**	**322.74**	**0.79**	**0.76**	**1.35**	**8.25**	**392.99**
At 31st March, 2019	**25.79**	**45.49**	**307.78**	**(0.05)**	**0.63**	**0.40**	**7.90**	**387.93**

* On the transition date, the Company has elected to use Previous GAAP carrying values of the property, plant and equipment as the deemed cost. Since deemed cost is the amount used as a surrogate for the cost or depreciated cost and for the purpose of subsequent depreciation or amortisation, the net carrying value under Previous GAAP as at the transition date i.e. 1st April, 2016 has been disclosed as the cost under Ind AS.

3. CAPITAL WORK-IN-PROGRESS

Reconciliation of carrying amount

Particulars	Capital Work-in-progress
Cost or deemed cost (gross carrying amount)	
Balance at 1st April, 2017	0.52
Additions	-
Assets capitalised during the year	-
Disposal/ Adjstment	0.07
Balance at 31st March, 2018	**0.45**
Balance at 1st April, 2018	0.45
Additions	-
Adjustment	(0.45)
Assets capitalised during the year	-
Balance at 31st March, 2019	**-**
Carrying amounts (Net)	
At 1st April, 2017	0.52
At 31st March, 2018	**0.45**
At 31st March, 2019	**-**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

4. OTHER INTANGIBLE ASSETS

Reconciliation of carrying amount

Particulars	Server & Network	Total
Deemed cost*		
Balance at 1st April, 2017	2.81	2.81
Additions	-	-
Balance at 31st March, 2018	**2.81**	**2.81**
Balance at 1st April, 2018	2.81	2.81
Additions	-	-
Balance at 31 March 2019	**2.81**	**2.81**
Accumulated Amortisation		
Balance at 1st April, 2017	0.85	0.85
Amortisation for the year	0.56	0.56
Balance at 31st March, 2018	**1.41**	**1.41**
Balance at 1st April, 2018	1.41	1.41
Amortisation for the year	0.56	0.56
Balance at 31st March, 2019	**1.97**	**1.97**

Carrying amounts (net)

At 31st March, 2017	1.96	1.96
At 31st March, 2018	**1.40**	**1.40**
At 31st March, 2019	**0.84**	**0.84**

*On the transition date, the Company has elected to use Previous GAAP carrying values of the Intangible assets as the deemed cost. Since deemed cost is the amount used as a surrogate for the cost or depreciated cost and for the purpose of subsequent depreciation or amortisation, the net carrying value under Previous GAAP as at the transition date i.e. April 1, 2016 has been disclosed as the cost under Ind AS.

5.1 NON-CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good (Otherwise stated)		
Other Loans	-	0.38
Total	**-**	**0.38**

5.2 NON-CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Fixed Deposits with Banks with the maturity more than 12 Months	-	0.34
Total	**-**	**0.34**

6. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Leasehold Land Payments	6.82	6.83
Statutory Dues	83.66	-
Capital Advances for purchase of Plant, Property and Equipment	-	14.84
Security Deposits	5.62	5.63
Other Advances (Deposits with Government Authorities & Recoverable from Banks etc)	14.73	0.01
Total	**110.82**	**27.31**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

7. INVENTORIES

(₹ in crores)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Material	23.79	185.58
Finished Goods	47.08	123.45
Stock in Progress	12.26	46.42
Packing Materials, Stores & Chemicals	11.28	22.33
Total	**94.41**	**377.78**

8. CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	Face Value	As at 31st March, 2019	As at 31st March, 2018
Investments at Fair Value through FVTPL (fully paid)			
Quoted Shares			
(i) 1,59,146 (Previous Year 1,59,146) Gyan Trade Ltd.	10	3.97	3.84
Quoted Investments in Mutual Funds			
(i) 22,50,000 (FY 2016- 22,50,000 and April, 2016 - 0) Union Capital Protection Fund	10	2.58	2.38
Total Investments		**6.55**	**6.22**

Non-Current Financial Assets - Investments

Particulars	No. of Shares	Face Value	As at 31st March, 2019	As at 31st March, 2018
Long-Term fully paid up				
Investments in Equity Investments - Subsidiaries & Associates (carried at cost)				
(i) JVL Overseas PTE Ltd (Singapore)	500000	USD 1	2.05	2.05
(ii) Adamjee Extraction P Ltd, Sri Lanka	2231439	10.00	1.00	1.00
(iii) JVL Mega Food Park Pvt Ltd *	2500	10.00	-	-
(iv) JVL Cement Ltd	10000	10.00	0.01	0.01
Total Investments carried at cost			**3.06**	**3.06**

Others: Carried at Fair Value through Other Comprehensive Income (FVTOCI)

Particulars	No. of Shares	Face Value	As at 31st March, 2019	As at 31st March, 2018
Quoted				
(i) Sun Pharmaceutical Industries Ltd (478.85)	80	5.00	0.03	0.01
(ii) Indo Rama Synthetics (India) Ltd (35.05)	500	10.00	0.01	-
(iii) Tata Tele Services Ltd ** (3.07)	1133	10.00	-	-
(iv) Bank of Baroda (129.60)	2045	10.00	0.03	0.03
(v) BGR Energy System Ltd (62.85)	550	10.00	0.01	0.01
(vi) Reliance Power Ltd (11.35)	2614	10.00	0.01	0.01
Unquoted				
(i) Sea Lac Agro Ventures Ltd	250000	10.00	0.25	0.25
(ii) JVL Textile Park Pvt Ltd	5000	10.00	0.01	0.01

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

Investments in Mutual Funds carried at Fair Value through Profit or Loss (FVTPL)

Particulars	No. of Shares	Face Value	As at 31st March, 2019	As at 31st March, 2018
Quoted Investments in Mutual Fund				
(i) PNB Mutual Funds	15197.57	10.00	0.03	0.05
(ii) HDFC AMC PMS - Real Estate Portfolio	-	10.00	0.08	0.08
(iii) Baroda Pioneer Short Term Fund	162044.045	10.00	0.16	0.15
(iv) Union KBC Equity Fund	50000	10.00	0.10	0.09
Total Investments			**3.78**	**3.75**

* JVL Mega Food Park Pvt Ltd ₹ 25,000 (Previous Year ₹ 25,000)

** Tata Tele Services Ltd ₹ 3,478.31 (Previous Year ₹ 6,254)

Aggregate Book value of

Particulars	As at 31st March, 2019	As at 31st March, 2018
Quoted Investments	0.37	0.37
Unquoted Investments	3.87	3.87
	4.24	**4.24**
Aggregate Market Value of Quoted Investments	0.46	0.43
Aggregate Market Value of Unquoted Investments	3.32	3.32
Total	**3.78**	**3.75**

Category wise Non-Current Investments

Particulars	As at 31st March, 2019	As at 31st March, 2018
Quoted		
Financial Investments measured at FVTOCI :		
Equity Shares	0.09	0.06
Mutual Funds	0.37	0.37
Sub Total (a)	**0.46**	**0.43**
Financial Investments carried at cost	-	-
Sub Total (b)	**-**	**-**
Sub Total (a+b)	**0.46**	**0.43**
Unquoted		
Financial Investments measured at FVTOCI :		
Equity Shares	0.26	0.26
Sub Total (a)	**0.26**	**0.26**
Financial Investments carried at cost :		
Equity Shares	3.06	3.06
Sub Total (a)	**3.06**	**3.06**
Sub Total (a+b)	**3.32**	**3.32**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

9. TRADE RECEIVABLES

(Unsecured considered good, unless otherwise stated)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables		
Unsecured, considered good	4.37	168.79
Doubtful	128.37	-
	132.74	**168.79**
Less: Provision for impairment	(128.37)	-
Net Trade Receivables	**4.37**	**168.79**
Non-Current	-	-
Current	4.37	168.79

Of the above, trade receivables from related parties are as below:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total Trade Receivables from related parties	-	-
Less: Provision for impairment	-	-
Net Trade Receivables	**-**	**-**

10. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance with banks		
In Current Account	16.46	7.86
In Deposit Account - Original Maturity of 3 months or less		
- In Margin Money account	-	39.04
- Others	-	12.95
Cash on hand	0.01	0.71
Total	**16.47**	**60.56**

10.1 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earmarked Unclaimed Dividend Account	0.60	0.39
In Deposit Account - Original Maturity more than 3 months but less than 12 months *		
- In Margin Money account *	8.40	81.51
- Others *	1.71	-
Total	**10.71**	**81.90**

*The company had a Fixed Deposit with various banks towards margin money for letter of credit. Subsequent to the admission of the company by NCLT under IBC Code, 2016, the banks have adjusted the margin money against the loans outstanding. As per the IBC provisions, there is a moratorium period for 6 months where the banks dues are forzen. On the date of commencement of the business, the insolvance professional has preferred an appeal before NCLT for recovery of these fixed deposits. The appeal under consideration of NCLT, Allahabad.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

11. OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest Accured on Fixed Deposit	0.36	0.44
Government Grant Receivable (Subsidy)	110.30	110.30
Advances to Related Party - Against Expenses	-	-
Total	**110.66**	**110.74**

12. CURRENT TAX ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Advance Tax/TDS (net of provision)	9.64	9.00
Total	**9.64**	**9.00**

13. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured Considered Good		
- Leaseheld Land Prepayments	0.09	0.09
- Prepaid Expenses	0.15	0.02
- Others **	167.72	22.39
Trade Advances	108.10	
Less: Provision for doubtful advances	(61.42)	
Total	**214.64**	**22.50**

** The company had a Fixed Deposit with various banks towards margin money for letter of credit. Subsequent to the admission of the company by NCLT under IBC Code, 2016, the banks have adjusted the margin money against the loans outstanding. As per the IBC provisions, there is a moratorium period for 6 months where the banks dues are forzen. On the date of commencement of the business, the insolvance professional has preferred an appeal before NCLT for recovery of these fixed deposits. The appeal under consideration of NCLT, Allahabad.

14. SHARE CAPITAL

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorised Share Capital 17,76,00,000 Equity Shares of ₹ 1 each and 1,25,00,000 7% unlisited redeemable Non-Convertible Non-Cumulative Non-Participating Preference Shares of ₹ 10 each. (March 31, 2017 : 30,26,00,000 Equity Shares of ₹ 1/- each)	30.26	30.26
	30.26	**30.26**
Issued, Subscribed and Paid up Capital 16,79,40,000 [FY 16-17 : 16,79,40,000 and April 1, 2016 16,79,40,000] Equity Shares of ₹ 1/- each	16.79	16.79
	16.79	**16.79**

All issued shares are fully paid up.

Reconciliation of share outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Numbers (Crs)	Amount	Numbers (Crs)	Amount
At the commencement of the year	16.79	16.79	16.79	16.79
Bonus shares issued during the year	-	-	-	-
At the end of the year	**16.79**	**16.79**	**16.79**	**16.79**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Particulars of shareholders holding more than 5% shares

Particulars	1st April, 2019		1st April, 2018	
	Numbers	% of total share in class	Numbers	% of total share in class
Nilamber Trexim & Credit Private Limited	1,69,12,900	10.07%	1,69,12,900	10.07%
Jhunjhunwala Gases Private Limited	1,60,75,000	9.57%	1,60,75,000	9.57%
Aryan Multibusiness Private Limited	1,20,00,000	7.15%	1,20,00,000	7.15%
Paharia Markets & Investmnts Private Limited	1,37,69,488	8.20%	1,37,69,488	8.20%
Asia Investment Corporation (Mauritius) Limited	-	-	85,51,340	5.09%
Eriska investment Fund Limited	1,19,14,198	7.09%	1,33,19,370	7.93%

15. OTHER EQUITY

Particulars	As at 31st March, 2019	As at 31st March, 2018
A Securities Premium Reserve		
Balance as at the beginning of the year	112.05	112.05
Add: Additions during the year	-	-
Balance at the end of the year	**112.05**	**112.05**
B General Reserve		
Balance as at the beginning of the year	32.16	32.16
Add: Additions during the year	-	-
Balance at the end of the year	**32.16**	**32.16**
C Capital Reserve		
Balance as at the beginning of the year	109.81	109.81
Add: Additions during the year	-	-
Balance at the end of the year	**109.81**	**109.81**
D Retained Earnings		
Balance as at the beginning of the year	(651.16)	(731.43)
Add: Profit/(Loss) for the year	(921.46)	80.27
Less: Fair valuation on account of Ind AS taken to retained earning	-	-
Less: Dividend including Corporate Dividend Tax	-	-
Less: Transfer to Capital Reserve	-	-
Less: Transfer to General Reserve	-	-
Balance at the end of the year	**(1,572.62)**	**(651.16)**
E Other Comprehensive Income		
Balance as at the beginning of the year	(0.61)	(0.61)
Add: Additions during the year	-	-
Balance at the end of the year	**(0.61)**	**(0.61)**
Total (A+B+C+D+E)	**(1,319.21)**	**(397.75)**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

16. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crores)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018	As at 1 April, 2017
Secured Loans from banks				
- Rupee Term Loan from Banks	A.1	-	7.47	12.19
- Foreign Currency Term Loan from Banks	A.2	-	-	-
Total		**-**	**7.47**	**12.19**

Nature of Security, Repayment Terms and Break-up of Current and Non-Current

	Interest Rate	As at 31st March, 2019	As at 31st March, 2018
Secured Long-Term Borrowings:			
a. Bank of Baroda :			
For Alwar Unit : • Rupee Term Loan secured by First Pari pasu charge on the entire assets by way of Mortgage/ Joint Deed of Hypothication, Intersee Agreement and Personal Guarantee (by two directors, their relatives and a group company. Also Secured by mortgage of Joint Property of one director). ***Schedule of repayment :*** • 4 installment of ₹ 0.44 Crore having maturity in FY 18-19.	MCLR+3.65 p.a	1.76	1.76
For Rice Mill Unit : • Rupee Term Loan secured by Hypothication of Plant & Machinery and Other Fixed Assets situated at Akurhi Gola, Dist. Rohatas and personal guarantee by two directors, Also Secured by Equitable mortgage of Factory Land and building. • Schedule of repayment: 2 installment of ₹ 0.75, 9 installment of ₹ 1.00 Crore and 1 installment of ₹ 0.47 crore having maturity in FY 2020-21	MCLR+3.65 p.a	11.11	11.16
b. State Bank of India :			
Term Loan-I	-	-	-
Term Loan-II	-	-	-
Term Loan-III	-	-	-
• (Equitable mortgage of land & factory building and other construction at village Pahleza, Mauza-chakia, Dehri, Bihar, on pari-passu basis with other term lenders. Hypothecation charge on other fixed assets including plant & machinery of the projects at Pahleza, Chakia, Dehri, Bihar on pari passu basis with other term lenders of the project and collaterally secured by second charge on current assets of the company's unit at Chakia, Dehri, Bihar on pari passu basis with personal guarantee of two directors) • Schedule of repayment: Repaid in full.			
c. Standard Chartered Bank- Foreign Currency Loan : • Foreign Currency Term Loan secured by exclusive first charge on all movable and immovable fixed assets at Haldia Facility and second charge on all current assets of the company's unit at Haldia Facility with personal guarantee by two directors. • Schedule of repayment: 6 quarterly installment of USD 1.058 Mio each having maturity till FY 17-18	3 month Libor+3.50 bps p.a.	41.32	41.32
Total		**54.19**	**54.24**
Less: Current Maturity of Long Term Debts (Refer Note 2.24)		-	46.77
Non Current Borrowing		**54.19**	**7.47**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

17. NON-CURRENT OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Security Deposits	4.40	5.14
Total	**4.40**	**5.14**

18. DEFERRED TAX LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deffered Tax Liabilities	62.40	-
Total	**62.40**	**-**

Particulars	As at 31st March, 2017	Mat Credit Utilized	Charge for the current year		As at 31st March, 2018
			Profit or Loss	Other Comprehensive Income	
Deferred Tax Liabilities					
Accumulated Depreciation	40.59	-	21.81	-	62.40
	40.59	**-**	**21.81**	**-**	**62.40**
Deferred Tax Assets					
Carry Forward Loss	-	-	427.02	-	427.02
Other	-	-	0.14	-	0.14
	-	**-**	**427.16**	**-**	**427.16**
Deferred Tax Assets (Net)	**-**	**-**	**405.35**	**-**	**364.76**

Particulars	As at 31st March, 2018	Mat Credit Utilized	Charge for the current year		As at 31st March, 2019
			Profit or loss	Other comprehensive Income	
Deferred Tax Liabilities					
Accumulated Depreciation	62.40	-	-	-	62.40
	62.40	**-**	**-**	**-**	**62.40**
Deferred Tax Assets					
Carry Forward Loss	427.02	-	(427.02)	-	-
Other	0.14	-	(0.14)	-	-
	427.15	**-**	**(427.15)**	**-**	**-**
Deferred Tax Assets (Liabilities)		**-**	**(427.15)**	**-**	**(62.40)**

Deferred Tax Asset has been reversed aggregating to ₹ 427.15 crores as at 31st March, 2019 (31st March, 2018 Nil), where it is not probable that sufficient taxable income will be available in the future against which such deferred tax assest can be realised in normal course of Business of the company.

19. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
Loans Repayable on Demand from Bank			
Secured:			
Working Capital borrowings		1,973.72	986.12
		1,973.72	**986.12**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

19.1 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in crores)

Particulars	Interest Rate	As at 31st March, 2019	As at 31st March, 2018
Secured Loans :			
a. Bank of Baroda	MCLR+3.65 p.a	467.08	304.34
b. Punjab National Bank (For Naupur & Alwar Unit - Secured by hypothecation of entire stock in trade, trade receivables and movable current assets. Secured by first pari passu charge on the fixed assets and personal guarantee by two directors, their relative and a group company. Also secured by mortage of joint property of one director.)	MCLR+5.00 p.a	642.04	154.20
c. Bank of Baroda (For Rice Mill: Secured by hypothecation of entire stock in trade, trade receivables and movable current asssets and secured by first charge on the fixed assets and personal guarantee by two directors)	MCLR+3.65 p.a	13.10	13.37
d. State Bank of India		436.11	436.18
e. Vijaya Bank (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)	MCLR+5.90 p.a	35.92	5.83
f. Allahabad Bank		67.04	(0.31)
g. Corporation Bank	MCLR+3.65 p.a	119.59	15.12
h. Indian Oversease Bank	MCLR+4.75 p.a	80.93	-
i. Union Bank of India	MCLR+4.50 p.a	33.13	2.27
j. Oriental Bank of Commerce (For Haldia Unit - Secured by first (pari passu) 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.)	MCLR+4.50 p.a	24.93	1.27
k. Standard Chartered Bank - Cash Credit etc		20.71	20.71
l. Standard Chartered Bank - WCDL		12.95	12.95
m. Standard Chartered Bank - Import Loan (First pari passu charge on stocks of Halida unit with other Consortium member bank. Second Pari passu charge on all the movable fixed assets of Haldia unit of the company with other Consortium members of Haldia unit and Personal guarantee of two directors. Second pari passu charge on equitable mortgage of Land & factory located at Mouza Debhog, J.L. No. 149 P.S. Bhabanipur (Formally P.S. Sutahata) Haldia, Dist Purba Medinipur on pari passu basis with other working capital bankers of Haldia unit.First parri passu charge on all the current assets of the Haldia unit of the company covering receivables and other chargeable current assets with other consortium member banks)		20.19	20.19
Total		**1,973.72**	**986.12**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

20. CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Payables to micro, small and medium enterprises	-	-
Other trade payables	144.71	961.53
Total	**144.71**	**961.53**

21. CURRENT - OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current Maturities of Long-Term Debts	54.19	46.77
Dividend Payable	0.60	0.39
Total	**54.79**	**47.16**

22. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Statutory Liabilities	0.34	0.49
Advance from Customers	-	0.11
Other Payables (including Emplyoee Benefits Payable, Provision, etc)	32.92	1.81
Total	**33.26**	**2.41**

23. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Product		
- Sale of Manufacturing Products	1,185.16	3,085.98
- Sale of Trading Products	1.99	104.23
- Sale of Scrap	0.41	-
Total Revenue from Operations	**1,187.56**	**3,190.21**

24. OTHER INCOME

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest Income		
- on IT Refund	-	1.78
- from Others	5.95	0.50
Government Grants (Subsidy)	0.25	14.62
Gain on Fair Valuation of Mutual Fund/ Shares (Measured at FVTPL)	-	0.13
Other Non-Operating Income	1.60	0.02
Total	**7.80**	**17.05**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

25. COST OF MATERIAL CONSUMED

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Raw-Material Consumed :		
Opening Stock	185.58	235.29
Add: Purchase & Incidental Expenses	946.11	2,966.05
Less: Closing Stock	(23.79)	(185.58)
Raw-Material Consumed	**1,155.48**	**3,015.76**
Packing Material & Chemical Consumed :		
Opening Stock	22.33	26.10
Add: Purchase & Incidental Expenses	13.28	168.57
Less: Closing Stock	(11.28)	(22.33)
Packing Material & Chemical Consumed	**46.89**	**172.34**
Total	**1,202.37**	**3,188.10**

26. PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Imported Oils	-	102.77
Total	**-**	**102.77**

27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCEES AND STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Closing Stock :		
Finished Goods	47.08	123.45
Stock-in-Process	12.26	46.42
	59.34	**169.87**
Less: Opening Stock		
Finished Goods	123.45	166.77
Stock-in-Process	46.42	31.89
	169.87	**198.66**
(Increase)/ Decrease in Stock	**(110.53)**	**(28.79)**

28. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salary, Wages & Bonus, etc	13.24	11.04
Contribution to Gratuity, Provident Fund and Other Funds	3.95	0.83
Staff Welfare Expenses	0.29	0.38
Total	**17.48**	**12.25**

29. FINANCE COSTS

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest to Banks	53.33	78.20
Interest to Others	2.27	1.54
Bank Charges	4.18	14.18
Total	**59.78**	**93.92**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

30. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation of Property, Plant and Equipment	2	20.17	19.24
Amortisation of Other Intangible Assets	4	0.56	0.56
Total		**20.73**	**19.80**

31. OTHER EXPENSES

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Manufacturing Expenses :		
Power and Fuel	20.46	42.10
Consumption of Store and Spares	6.03	1.64
Administrative, Selling & Distribution Expenses :		
Repairs and Maintenance	0.42	1.07
Repairs and Maintenance - others	-	0.27
Legal Expenses	0.11	0.38
Bad Debts written-off	14.65	-
Amortisation of Lease Prepaymnets	-	0.09
Travelling Expenses	0.83	2.18
Conveyance Expenses	-	0.44
Insurance	0.93	0.34
Rates & Taxes	0.93	1.12
Auditor Fees	0.18	0.15
Postage, Telegram & Telepone	-	0.47
Printing & Stationery	-	0.16
Miscellanous Expenses	2.35	3.79
Foreign Exchange Gain/Loss	(7.38)	0.13
Professional & Consultancy Charges	1.24	2.55
Brokerage & Commision (net)	4.84	6.89
Advertisement & Publicity	0.39	0.99
Selling Expenses	16.26	1.43
Rent	2.69	2.44
Prior Period Items	9.29	17.42
Provision for Doubtful Debts and Advances	189.79	0.04
CSR Expenses	0.11	0.62
Custom Penalty	8.08	-
IRP Expenses	0.63	-
RP Expenses	2.70	-
Loss on Sale of Assets	0.31	-
Freight	1.27	-
Import expenses for Oil	1.53	-
Wages	-	-
Water Charges	0.15	-
Total	**278.79**	**86.71**

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

32. EMPLOYEE BENEFITS

A. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination/ resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

B. Leave Benefits

Amount of Nil (previous year: Nil) towards leave benefits is recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss. The comapany has not conducted Actuarial Valuation of Leave Benefits for the year ended March 2018 and March 2019.

33.1 PARTIES WHERE CONTROL EXISTS

Name of the Related parties		Principle Place of Business	% Shareholding and Voting Power	
			As at 31st March, 2019	As at 31st March, 2018
JVL Overseas Pte Ltd (Singapore)	Subsidiary	Singapore	100%	100%

33.2 LIST OF RELATED PARTIES WITH SIGNIFICANT INFLUENCE

Name of the Related parties		Principle Place of Business	% Shareholding and Voting Power	
			As at 31st March, 2018	As at 31st March, 2017
JVL Mega Food Park Pvt Ltd	Associate	India	25%	25%
JVL Cement Ltd	Associate	India	20%	20%
JVL Agro (Assam) Pvt Ltd	Associate	India	50%	50%
Adamjee Extraction Pvt Ltd	Associate	Srilanka	25%	25%

33.3 LIST OF RELATED PARTIES WITH SIGNIFICANT INFLUENCE

Name of the Related parties	Relationship
Key Management Personnel (KMP)	
D. N. Jhunjhunwala	Chairman
S. N. Jhunjhunwala	Managing Director & CEO
Adarsh Jhunjhunwala	Whole-time Director
R C Garg	Chief Financial Officer
Kartik Agarwal	Company Secretary

33.4 OTHER RELATED PARTIES WITH WHICH DIRECTORS ARE INTERESTED

Name of the Related parties	Relationship
Anju Jhunjhunwala	Wife of Managing Director
Kishori Devi Jhunjhunwala	Mother of Managing Director
S.N.Jhunjhunwala (HUF)	Managing Director is Karta
Juhi Fatehpuria	Daughter of Managing Director
Jhunjhunwala Gases Pvt Ltd	Promoter Group Company
Jhunjhunwala Oils Mills Ltd	Promoter Family Company
Jhunjhunwala Sewa Society	Promoter Society

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

33.5 DISCLOSURE OF RELATED PARTY TRANSACTIONS

(₹ in crores)

Nature of Transactions	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sales of Products and Services	-	1.20
Purchase of Goods and Services	-	0.64
Managerial Remuneration Paid	0.27	0.72
Remuneration paid to KMP other than MD/Manager/WTD	0.16	0.17
Others	0.03	0.08

33.6 BALANCE OUTSTANDING AS AT 31ST MARCH 2019

	For the year ended 31st March, 2019
D N Jhunjhunwala (Director)	0.08
Adarsh Jhunjhunwala (Director)	0.08
Anju Jhunjhunwala	0.01
R C Garg	0.08
Kartik Agarwal	0.08

Terms and conditions of transactions with Related Parties

The Sales to and purchase from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

34. EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Face value per equity share (in ₹)	1.00	1.00
(a) Profit for the year attributable to equity shareholders	(921.46)	80.27
(b) Number of equity shares at the beginning of the year	16.79	16.79
(c) Equity shares issued during the year	-	-
(d) Number of equity shares at the end of the year	16.79	16.79
Earnings Per Share (in ₹):		
- Basic earning per share (a/d)	(54.88)	4.78
- Diluted earning per share (a/d)	(54.88)	4.78

35. As mentioned in Note No.1, the honourable NCLT has admitted an application to commence corporate insolvency resolution process (CIRP) for the Company under the Insolvency and Bankruptcy Code, 2016. As per the Code, it is required that the Company be managed as a going concern during the CIRP. The company is under CIRP now.

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

36. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Nature of Statute	Brief Description of Contingent Liabilities	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Entry Tax, VAT, CST	Entry Tax, VAT & CST demand under appeal before Hon'ble Supreme Court & appellate authority for different years	91.38	51.48
GST	Demand on GST for different years	9.76	-
Excise Duty	Demand on Excise Duty for different years under appeal at Appellate Tribunal, Custom, Excise & Service Tax, New Delhi/Allahabad/Kolkata	110.82	110.82
Income Tax	Appeal pending before CIT (Appeal) and ITAT for various assessment years	114.96	-
Customs Duty claim	Customs department has filed claim as per Insolvency and Bankruptcy Cod, 2016, disposal of which is subject to the provision of the said code	43.85	-
Sales Tax	Appeal under Section 4A	1.70	-
	Total	**372.47**	**162.30**

Cash outflows for the above are determinable only on receipt of judgement pending with various authorities/ courts/ tribunal

37. DETAILS OF PRODUCTS (SALES) ARE AS UNDER

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Manufacturing Products :		
Edible Oil	1,173.36	2,923.13
DOC	0.02	9.98
Rice	11.14	56.00
Others	0.64	96.87
Trading Products :		
Edible Oil	0.92	92.55
Others	1.07	11.68
Total	**1,187.15**	**3,190.21**

38. DETAILS OF AUDITORS' REMUNERATION

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Statutory Auditors Fees	0.12	0.15
(b) Tax Audit Fees	0.04	-
(c) Secretarial & Cost Audit Fees	0.02	-
Total	**0.18**	**0.15**

39. DETAILS OF TAX EXPENSES

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Applicable Tax Rate	30.90%	30.90%
Profit Before Tax	-	-
Tax Expenses	-	-

Notes to the Standalone Financial Statements for the year ended 31st March, 2019 (contd.)

40. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(₹ in crores)

Particulars	As at 31st March, 2019	As at 31st March, 2018
FDR's In Banks	-	220.94
Less: 100% Margin deposited in bank to take loan against deposit	-	87.10
Total	**-**	**133.84**

41. GOVERNMENT GRANTS (IND AS 20)

The Company has received Government Grant from State Goverentment being Capital Investment Subsidy. The same as been recognized as income in the Statement of Profit and Loss under "Other Income"

42. ASSETS TAKEN ON OPERATING LEASE AS PER IND AS 17

Lease Prepayments made for leasehold land were classified as Leasehold Land under previous GAAP. However, under Ind AS, prepayments made for leasehold should be classified as lease prepayments under operating lease and the same should be amortized over lease term. According Lease prepayments as on April 1, 2016 are classified from Property, Plant and Equipment into Lease Prepayments as Other Current and Non-Current Assets.

Sl. No	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Operating Lease Payments recognized in the Statement of Profit & Loss	-	0.09
2	General Description of Leasing Agreements	-	-

43. CORPORATE SOCIAL RESPONSIBILITY

As per Companies Act, 2013, all companies having networth of ₹ 500 crores or more, turnover of ₹ 1,000 crores or more or net profit of Rs. 5 Crores or more during any financial year are required to spend at least 2% of average net profit of the Company's three immediately preceding financial years. Accordingly, the Company was required to spend ₹ Nil towards CSR activities in financial year 2018-19.

44. PREVIOUS YEARS FIGURES

Previous year figures have not been regrouped / reclassified wherever consider necessary.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Independent Auditors' Report

To the Members of
JVL Agro Industries Limited

Report on the Consolidated Ind-AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying Consolidated Ind-AS financial statements of JVL Agro Industries Limited (hereinafter referred to as 'the Holding Company') and its one foreign subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

We do not express an opinion on the accompanying Consolidated Financial Statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph of this report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Consolidated Financial Statements.

Basis for Disclaimer of Opinion

1. Material uncertainty relating to Going Concern

   a) We would like to draw your attention to Note 1 and 35 to Consolidated Financial Statements. Application filed by the financial creditor against the Holding Company for initiation of Corporate Insolvency Resolution Process as per the Insolvency & Bankruptcy Code, 2016 was admitted by National Company Law Tribunal (NCLT), Allahabad Bench with effect from 25.07.2018. Interim Resolution Professional and thereafter, Resolution Professional was appointed and affairs of the Holding Company are being managed by Resolution Professional now. Resolution Professional has filed liquidation application before NCLT.

   b) During the financial year 2018-19, the Group has incurred a loss of ₹ 921.51 crores before comprehensive income and as on 31st March, 2019, the Group has negative retained earnings of ₹ 1577.46 crores and negative net worth of ₹ 1304.70 crores. Further the Group's current liabilities exceed its current assets by ₹ 1739.25 crores. On account of its operational and financial position, the Holding Company has delayed payments to various parties and dues to statutory authorities and interest on such delays is not determined.

   c) Out of total Trade Receivables of ₹ 132.76 crores, provision for impairment has been made for ₹ 128.37 crores and only ₹ 4.39 crores has been considered as good vide Note No.9 of Consolidated Financial Statements (these provisions relate to pre-CIRP period). Further, out of total trade advances of ₹ 108.10 crores, provision for doubtful debts has been made for ₹ 61.42 crores and only ₹ 46.68 crores has been considered as good vide Note No.13 of Consolidated Financial Statements (these provisions relate to pre-CIRP period).

   d) As informed to us, production at plants of Holding Company has been stopped since more than a year.

   Above factors might impact the aspect of going concern.

2. We would like to draw your attention to total cost of material consumed booked by ₹ 1200.88 crores vide Note No. 25 TO Consolidated Financial Statements. Out of this, during our audit of purchases on test basis of Holding Company, we found that, purchases of ₹ 27.09 crores of RBD Palmolein Oil was not verifiable due to non-availability of any document with the Holding Company in this respect and no entry found in Gate Pass Register maintained in respective plant. All of these purchases were booked from 3 suppliers before CIRP period and no other indigenous purchase of RBD Palmolein Oil were booked from any other suppliers during the whole financial year.

3. We would like to draw your attention to Note 31 of Consolidated Financial Statements wherein prior period expenses has been claimed at ₹ 9.29 crores. Out of this, ₹ 8.77 crores is related to loss on commodity trading (relates to pre-CIRP period) and ₹ 0.26 crores is related to cash balances write off due to physical cash differences with books (relates to pre-CIRP period) and ₹ 0.25 crores is related to inventories write off (booked in post-CIRP period). We are not able to comment on these prior period items due to unavailability of proper documents, information and explanations from the management of the Holding Company.

4. Records of Alwar Plant of the Holding Company were not made available as it is understood from the management of the Holding Company that same is under the custody of CBI. Further, sales records of Naupur Plant of Holding Company

Independent Auditors' Report

were also not made available to us due to labour unrest as explained by the management of the Holding Company. Thus, we are unable to comment on sales, purchases, other income and expenses booked with respect to Alwar plant and sales booked for Naupur Plant of Holding Company due to unavailability of proper documents and information.

5. We would like to draw your attention to Note 2 to Consolidated Financial Statements –

   a) Addition of land has been shown at ₹ 14.09 crores (relates to pre-CIRP period). This addition of land has been booked on the basis of Patna High Court Order dated 13.10.2011. The said order was made for land of ₹ 18.25 crores. However, no registry document has been shown to substantiate the sale and purchase of the said land from the date of order till date. We are not able to comment on this addition relating to financial year 2010-11 and booked in financial year 2018-19 with partial amount due to unavailability of proper documents, information and explanations from the management of the Holding Company.

   b) Addition in Plant & Machinery has been shown at ₹ 1.75 crores (relates to pre-CIRP period). We are not able to comment on this addition due to unavailability of proper documents, information and explanations from the management of the Holding Company.

   c) Sale of vehicle costing ₹ 1.74 crores (relates to pre-CIRP period) has been claimed to be made at ₹ 0.45 crore in the books of account and loss on sale of vehicle after deprecation has been booked at ₹ 0.31 crores before CIRP period (Note 31 to Consolidated Financial Statements). No document was made available to us to substantiate the sale of such vehicles. We are not able to comment on these sale of vehicles due to unavailability of proper documents, information and explanations from the management of the Holding Company.

6. We would like to draw your attention to Note 6 and Note 22 to Consolidated Financial Statements-

   a) Asset relating to taxes etc. has been shown as statutory dues at ₹ 83.66 crores under the group Other Non-Current Assets and liability as statutory liabilities at ₹ 0.34 crores under the group Other Current Liabilities. Apart from this, Custom Duty Liability of ₹ 50.94 crores has been grouped in Trade Payable vide Note 20 to Consolidated Financial Statements. Further, contingent liability relating to statutory dues has been shown at ₹ 372.47 crores in Note 36 to Consolidated Financial Statements.

   b) Against the total Claim of Custom Department of ₹ 73.56 crores, claim of ₹ 43.85 crores has been admitted by the Resolution Professional of the Holding Company and the same (₹ 43.85 crores) has been shown as contingent liability vide Note 34 to Consolidated Financial Statements. Liability with respect to Custom at the end of 31st March, 2019 as per books of account of holding company is ₹ 5.52 crores only (₹ 50.94 crores has been grouped in Trade Payable vide Note 20 and negative balance of ₹ 45.42 crores has been grouped in other non current assets vide Note 6 to Consolidated Financial Statements).

   c) GST assets and liabilities are not in agreement with the returns filed. Liabilities and assets with respect to other taxes were not fully verifiable.

   We are not able to comment on these statutory liability and asset balances including contingent liability and its impact, if any, on the Consolidated Financial Statements due to unavailability of proper documents, orders, notices, information, explanations and reconciliations from the management of the Holding Company.

7. We would like to draw your attention to Note No.7 and 1.11 to Consolidated Financial Statements. Inventories at the end of financial year has been shown at ₹ 94.41 crores. As per the accounting policy of Holding Company, inventories except scrap should have been valued at lower of cost and net realizable value. During the audit of Holding Company, it has been observed that in many cases, raw material has been valued on the basis of FIFO method instead of Weighted Average Method. During physical verification of stock, it was observed that most of the finished goods has expired. However, finished goods has been valued at market price. Item wise working of net realizable value in any case was not made available to us. We are not able to comment on valuation of inventories due to unavailability of proper documents, information, explanations and reconciliations from the management of the Holding Company.

8. On migration of previous accounting software of Holding Company into SAP in earlier years, it resulted into migration difference of ₹ 129.08 crores (not related to CIRP period, however, differences are still there in books). End to end reconciliation of these migration differences are not made available to us by the management of the Holding Company and these has been adjusted against Working Capital Borrowings, Trade Payables, Trade Receivables and Balance with Bank in current account in Consolidated Financial Statements. Due to unavailability of proper reconciliation, we are not able to comment on its impact, if any, on the Consolidated Financial Statements.

Independent Auditors' Report (contd.)

9. We would like to draw your attention to Note 1.22 and Note 18 to Consolidated Financial Statements, the Holding Company was supposed to recognize deferred tax liability for the timing differences in depreciation. We are not able to comment on Deferred Tax Liability shown in Balance Sheet due to unavailability of proper documents, information, explanations and reconciliations from the management of the Holding Company.

10. We would like to draw your attention to Note 20 to Consolidated Financial Statements. The Group has disclosed Micro, Small and Medium Enterprises Creditors at NIL value, however, as per MSME form filed by the Holding Company with MCA, total overdue to Micro and Small Enterprises as on 31.03.2019 was ₹ 2.41 crores. We are not able to comment on correct balance of Micro, Small and Medium Enterprises Creditors due to unavailability of proper documents, information and explanations from the management of the Holding Company.

11. We would like to draw your attention to Note 19, Note 21, Note 29, and Note 31 to Consolidated Financial Statements. The Group has claimed interest to bank at ₹ 53.33 crores (Note 29). However, the Holding Company has not booked interest charged by Standard Chartered Bank. Had it been booked, interest to bank would have increased by ₹ 1.86 crores (Note 29), prior period items would have increased by ₹ 14.97 crores (Note 31), Current Maturity of Long term debt would have increased by ₹ 6.47 crores (Note 21) and Working Capital Borrowings would have increased by ₹ 10.36 crores (Note 19). However, these interest amount are related to pre-CIRP period only. Unlike Standard Chartered Bank, post CIRP period interest has been also recorded by one way or another. Complete detail of post-CIRP period interest of Standard Chartered Bank is not made available to us by the management of the Holding Company, therefore, we are not able to comment on the same.

12. We would like to draw your attention to Note 6 and Note 29 to Consolidated Financial Statements. The Group has claimed interest to bank at ₹ 53.33 crores (Note 29). The Group has shown Other Advances (Deposits with Government Authorities & Recoverable from Banks etc) at ₹ 14.73 crores (Note 6) as Other Non-current assets. This ₹ 14.73 crores includes interest charged by bank of ₹ 14.32 crores during the year (out of which ₹ 7.08 crores relates to post-CIRP period and ₹ 7.24 crores relates to pre-CIRP period). Instead of claiming this interest amount as expenditure, the Holding Company has shown it as an asset contending that this is excessive interest charged by bank and should be reversed. Due to unavailability of proper explanation on the same from the management of the Holding Company, we are not able to comment on its impact, if any, on the Consolidated Financial Statements

13. We would like to draw your attention to Note 19 to Consolidated Financial Statements. The Group has shown Working Capital Borrowings at ₹ 1973.72 crores. As per the reconciliations and closing bank statement/certificate produced to us, banks have credited ₹ 354.95 crores in different loan statements of the Holding Company, however, the nature of such credit is not properly explained by the management of the Holding Company and no accounting treatment has been made in respect of such credit. These amounts are still lying in Bank Reconciliation Statement of different Banks. We are not able to comment on these credits in bank statements and balances of borrowings as per books and its impact, if any on Consolidated Financial Statements due to unavailability of proper documents, information and explanations from the management of the Holding Company.

14. Due to unavailability of reconciliation and confirmation of Trade Receivable, Trade Payable, Trade Advances of the Holding Company, we are not able to comment on its impact, if any, on the Consolidated Financial Statements. Most of the balances of Trade Receivables and Trade Payable of the Holding Company relate to pre-CIRP period transactions. All the Trade Advances of the Holding Company are related to pre-CIRP period.

15. Due to unavailability of proper documents, information, explanations and reconciliations from the management of the Holding Company, we are not able to comment on the balances shown and its impact, if any, on the Consolidated Financial Statements with respect to investment shown in associates, investment in BGR Energy System Ltd., investment in HDFC AMC PMS Mutual Fund (Refer Note 8 to Consolidated Financial Statements), Government Grant Receivable (Refer Note 11 to Consolidated Financial Statements), Other Advances (Refer Note 6 to Consolidated Financial Statements), List of shareholders holding more than 5% Shares (Refer Note 14 to Consolidated Financial Statements), and related party disclosures (Refer Note 33 to Consolidated Financial Statements).

16. We would like to draw your attention to Note 46 to Consolidated Financial Statements, operation of the Holding Company namely JVL Mega Food Park Pvt. Ltd., JVL Cement Ltd., JVL Agro (Assam) Pvt. Ltd. and Adamjee Extraction Pvt. Ltd. are immaterial for consolidation and therefore, not consolidated in the aforesaid Consolidated Financial Statements. The investment in such associates have been reported at cost in Note 8 to Consolidated Financial Statements instead of applying equity method as required by Ind As 28 "Investment in Associates and Joint Ventures". Due to unavailability of financials of these associates, we are not able to comment on the balances shown and its impact, if any, on the Consolidated Financial Statements with respect to investment shown in associates.

Independent Auditors' Report (contd.)

17. It has been assumed while preparing this Consolidated Financial Statement that foreign subsidiary is 100% subsidiary of the Holding Company. However, as per Standalone Financial Statement of foreign subsidiary, it has issued 7,60,001 shares and as per Standalone Financial Statement of Holding Company, it has acquired 5,00,000 shares of foreign subsidiary. Due to unavailability of proper document, information and explanation on the same from the management of the Holding Company, we are not able to comment on its impact, if any, on the Consolidated Financial Statements.

18. In Standalone Financial Statement of foreign subsidiary primary reporting currency is US dollar. However, in notes to account at many places they have reported the figures in Singapore dollar instead of US dollar. This Consolidated Financial Statement has been prepared on the assumption that all the figures reported in the Standalone Financial Statement of foreign subsidiary are in US dollar. Due to unavailability of proper document, information and explanation on the same from the management of the Holding Company, we are not able to comment on its impact, if any, on the Consolidated Financial Statements.

19. The Independent Auditor of the subsidiary of the Holding Company has given disclaimer of opinion on the financial statement of the subsidiary company for the year ended 31st December, 2018 which have been used for consolidation of the aforesaid Consolidated Financial Statements. In respect of subsidiary the auditor has observed as under:

    a) One set of the consolidated financial statement of the foreign subsidiary and its subsidiary have not been prepared in accordance with Reporting Standard and Companies Act of Singapore.

    b) The foreign subsidiary has cash at bank of USD 4803 which includes USD 856 held at a certain overseas bank, for which they were not able to obtain original and direct confirmation and statement from the bank to ascertain the existence and completeness of the balance held.

    c) The foreign subsidiary incurred a loss after tax of USD 4,754 during the financial year ended December 31, 2018 and as of that date, the Company's current liabilities exceeded its current assets by USD 32,050 and the total liabilities exceeded its total assets by USD 31,800 respectively. The financial statements have been prepared on a going concern basis on the assumption that financial support from the Holding Company will continue to be available. However, the Holding Company is placed under Corporate insolvency Resolution Process and a Resolution Professional is appointed as per the directive of National Company Law Tribunal. These events or conditions cast a significant doubt on the Holding Company's ability to continue as going concern and provide the necessary support to the Company. As such we are unable to obtain sufficient appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial statements.

Key Audit Matters

Except for the matter described in the "Basis for Disclaimer of Opinion" section, we have determined that there are no other key audit matters to communicate in our report.

Emphasis of Matter

We would like to draw your attention to Note No.13 to Consolidated Financial Statements. The Group has shown Other Current Assets-Others at ₹167.72 crores. As explained to us, out of this ₹ 167.72 crores, ₹ 167.70 crores are related to fixed deposit liquidated and appropriated by banks against their letter of credit and demand loan given to the Holding Company. Resolution Professional of the Holding Company preferred appeal before NCLT against appropriation by banks of ₹ 164.25 crores and NCLT has ordered in favor of the Holding Company. As explained to us, rest of ₹ 3.45 crores carries the same nature therefore, similar accounting treatment has been made for the rest of ₹ 3.45 crores. Thus, this 167.70 crores has been considered as recoverable from Banks and shown here and corresponding loan is included in Working Capital Borrowing shown at Note 19 to Standalone Financial Statements.

Our opinion is not modified in respect of this matter

Information other than the Consolidated Financial Statements and Auditors' Report thereon

The management of the Holding Company under the direction of the Resolution Professional is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Report on Corporate Governance but does not include the Consolidated Financial Statements and our auditors' report thereon.

The Board's Report and Report on Corporate Governance is expected to be made available to us after the date of this Auditors' Report. Our disclaimer of opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent Auditors' Report (contd.)

In connection with our audit engagement of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Board's Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions necessary as per the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The management of the Holding Company under the direction of the Resolution Professional is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind-AS') specified under section 133 of the Act, read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the management of the Holding Company under the direction of Resolution Professional is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management of the Holding Company under the direction of Resolution Professional either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The management of the Holding Company under the direction of the Resolution Professional is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant

Independent Auditors' Report (contd.)

doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Holding Company within the Group of which we are the Independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the Consolidated Financial Statements of which we are the independent auditors. For the foreign subsidiary included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statement/financial information of the subsidiary (foreign subsidiary) included in the Consolidated Financial Statements whose financial statement / financial information reflect total assets of USD 7,306 (INR 0.05 crore) and total loss after tax of USD 4,754 (INR 0.03 crore) for the year ended on 31st December, 2018. These financial statements have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the auditor of the said subsidiary.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

   a) As described in the Basis for Disclaimer of Opinion paragraph, we have sought but were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit of the aforesaid Consolidated Financial Statements.

   b) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether proper books of accounts as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and report of the auditor of the subsidiary company.

Independent Auditors' Report (contd.)

c) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to comment whether the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) No written representations or any other documents were made available to us from the directors of the Holding Company as on 31st March, 2019, regarding disqualification of Directors of the Holding Company in terms of section 164(2) of the Act. Therefore, in the absence of such written representation, we are unable to comment whether any of the Directors of the Holding Company are disqualified or not.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'.

g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is not in accordance with the provisions of section 197 of the Act. Since the Holding Company is in loss and defaulted in repayment of its debts to banks etc. and no prior approval from secured creditors for remuneration made available to us. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Group has disclosed the impact of pending litigations on its financial position in its Consolidated Ind-As financial statements.

   ii. Due to possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether, the Group has made provisions as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts.

   iii. Due to insufficient details, documents and explanations provided to us, we are unable to state whether there has been any delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Group or not.

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No. 018282C

CA. Aadesh Kumar Agrawwal
Partner
ICAI M. No. 410473
KOLKATA – March 16, 2020
UDIN : 20410473AAAABB9163

Annexure - A to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of JVL Agro Industries Limited (hereinafter referred to as "the Holding Company") as of March 31, 2019 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management of the Holding Company under the direction of Resolution Professional is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (The "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management under the direction of Resolution Professional of the Holding Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Annexure - A to the Independent Auditors' Report (contd.)

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been identified as at 31st March, 2019:

a) The Holding Company is not having a full-fledged ERP system to manage different operational activities. Accordingly, many of the operations, which ideally would have been taken care by the system, require manual intervention to that extant there are limitations in control system and processes.

b) The Holding Company needs to strengthen controls to ensure correctness and completeness of accounting records by conducting reconciliation between SAP postings and physical documents as well as entries posted vis-a-vis control checks maintained.

c) The Holding Company needs to maintain proper inventory records with correct details of material consumption and closing inventory. Further, the Holding Company needs to maintain proper fixed assets register with location and identification of asset so that it can be controlled.

A "material weakness" is a deficiency or combination of deficiencies, in internal financial control over financial reporting, such that there is reasonable possibility that a material misstatement of the Company's annual or interim financial statement will not be prevented or detected on timely basis.

We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the Consolidated Financial Statements of the Group as at and for the year ended 31st March, 2019, and these material weaknesses has affected our opinion on the Consolidated Financial Statements of the Group and we have issued Disclaimer of Opinion on the Consolidated Financial Statements.

In our opinion, except for the effects/possible effects of material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has not maintained adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were not operating effectively as on 31st March, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A K Agrawal & Co.
Chartered Accountants
ICAI Firm's Regn. No. 018282C
CA. Aadesh Kumar Agrawwal
Partner
ICAI M. No. 410473
KOLKATA – March 16, 2020
UDIN : 20410473AAAABB9163

Consolidated Balance Sheet as at 31st March, 2019

(₹ in crores)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-Current Assets :			
(a) Property, Plant and Equipment	2	387.96	393.00
(b) Capital Work-in-Progress	3	-	0.45
(c) Other Intangible Assets	4	0.84	1.40
(d) Financial Assets :			
(i) Investments	8	1.73	1.70
(ii) Loans	5.1	-	0.38
(iii) Other Financial Assets	5.2	-	0.34
(e) Deffered Tax Assets (Net)	18	-	364.76
(f) Other Non-Current Assets	6	110.82	27.32
Total Non-Current Assets		**501.35**	**789.35**
Current Assets :			
(a) Inventories	7	94.41	377.78
(b) Financial Assets :			
(i) Investments	8	6.55	6.22
(ii) Trade Receivables	9	4.39	168.79
(iii) Cash & Cash Equivalents	10	16.50	60.62
(iv) Bank Balances other than Cash & Cash Equivalents	10.1	10.71	81.90
(v) Other Financial Assets	11	110.66	110.74
(c) Current Tax Assets (Net)	12	9.64	9.00
(d) Other Current Assets	13	214.64	22.50
Total Current Assets		**467.50**	**837.55**
Total Assets		**968.85**	**1,626.90**
EQUITY AND LIABILITIES			
Equity :			
(a) Equity Share Capital	14	16.79	16.79
(b) Other Equity	15	(1,321.49)	(399.98)
Total Equity		**(1,304.70)**	**(383.19)**
LIABILITIES			
Non-Current Liabilities :			
(a) Financial Liabilities :			
(i) Borrowings	16	-	7.47
(ii) Other Financial Liabilities	17	4.40	5.14
(b) Other Non-Current Liabilities		-	-
(c) Deffered Tax Liabilities (Net)	18	62.40	-
Total Non-Current Liabilities		**66.80**	**12.61**
Current Liabilities :			
(a) Financial Liabilities :			
(i) Borrowings	19	1,973.72	986.12
(ii) Trade Payables	20	144.98	961.53
(iii) Other Financial Liabilities	21	54.79	47.16
(b) Other Current Liabilities	22	33.26	2.67
Total Current Liabilities		**2,206.75**	**1,997.48**
Total Liabilities		**2,273.55**	**2,010.09**
Total Equity and Liabilities		**968.85**	**1,626.90**

The notes referred above are an integral part of these Consolidated Financial Statements.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

(₹ in crores)

Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Income :			
Revenue from Operations	23	1,187.56	3,444.50
Other Income	24	7.80	17.06
Total Income		**1,195.36**	**3,461.56**
Expenses :			
Cost of Materials Consumed	25	1,200.88	3,188.10
Purchase of Stock-in-Trade	26	-	367.02
Changes in Inventories	27	110.53	28.79
Employee Benefits Expense	28	18.65	12.25
Finance Costs	29	59.80	93.92
Depreciation and Amortisation Expense	30	20.73	19.80
Other Expenses	31	279.13	89.49
Total Expenses		**1,689.72**	**3,799.37**
Loss before Exceptional Items and Tax		**(494.36)**	**(337.81)**
Exceptional Items		-	**-**
Profit on sale of investment in subsidiaries		-	-
Profit before Tax		**(494.36)**	**(337.81)**
Tax Expense :			
Current Tax		-	-
Deffered Tax		427.15	(405.35)
Total Tax Expenses		**427.15**	**(405.35)**
Profit for the year		**(921.51)**	**67.54**
Other Comprehensive Income :			
A (i) Items that will not be reclassified to Statement of Profit and Loss Account		-	-
B (i) Items that will be reclassified to Statement of Profit and Loss Account		-	-
(a) Foreign Currency translation difference		-	-
Total Comprehensive Income for the year		**(921.51)**	**67.60**
Earnings Per Share (Nominal value of share ₹ 1 each)			
Basic (₹)		(54.88)	4.03
Diluted (₹)		(54.88)	4.03

The notes referred above are an integral part of these Consolidated Financial Statements.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31st March, 2019 and 31st March, 2018

(₹ in crores)

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2019

Balance as at 1st April, 2018	Changes in Equity Share Capital during the year	Balance as at 31st March, 2019
16.79	-	16.79

For the year ended 31st March, 2018

Balance as at 1st April, 2017	Changes in Equity Share Capital during the year	Balance as at 31st March, 2018
16.79	-	16.79

B. OTHER EQUITY

(i) As at 31st March, 2019

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign Exchange Translational Difference through Other comprehensive income	Total Equity
Opening Balance as at 1st April, 2018	112.05	32.16	109.81	(655.95)	(0.61)	2.56	(399.98)
Profit for the year	-	-	-	(921.51)	-	-	(921.51)
Foreign Exchange Conversion Difference	-	-	-	-	-	-	-
Closing Balance as at 31st March, 2019	**112.05**	**32.16**	**109.81**	**(1,577.46)**	**(0.61)**	**2.56**	**(1,321.49)**

(ii) As at 31st March, 2018

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Foreign Exchange Translational Difference through Other comprehensive income	Total Equity
Opening Balance as at 1st April, 2017	112.05	32.16	109.81	(723.49)	(0.61)	2.50	(467.58)
Profit for the year	-	-	-	67.54	-	-	67.54
Foreign Exchange Conversion Difference	-	-	-	-	-	0.06	0.06
Closing Balance as at 31st March, 2018	**112.05**	**32.16**	**109.81**	**(655.95)**	**(0.61)**	**2.56**	**(399.98)**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2019 and 31st March, 2018 (contd.)

The description of the nature and purpose of each reserve within equity is as follows :

A. Securities Premium Reserve

Securities Premium Reserve is credited when shares are issued at a premium. It can be used to issue bonus shares, to provide premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.

B. General Reserve

It is a free reserve that is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulation in this regard.

C. Capital Reserve

Capital Reserve is mainly the reserve created out of Capital Subsidy received.

The notes referred above are an integral part of these Consolidated Financial Statements.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Consolidated Statement of Cash Flow for the year ended 31st March, 2019

(₹ in crores)

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
(A)	**Cash Flow from Operating Activities**		
	Profit/(Loss) before Taxes	(494.36)	(337.81)
	Adustments for :		
	Depreciation	20.73	19.80
	Loss on sale of Fixed Assets	0.31	-
	Investment in Fair Value	-	(0.13)
	Interest Income	(5.95)	(2.31)
	Finance Cost	59.78	93.92
	Forex Loss	-	0.13
	Operating Profit before working capital changes	**(419.47)**	**(226.40)**
	(Increase)/Decrease in Non-Current/Current Financial and Other Assets	(40.27)	155.20
	Inventory Movement	283.37	82.27
	Increase/(Decrease) in Non-Current Financial and Other Liabilities	(779.07)	(306.81)
	Cash generated from Operations	**(955.44)**	**(295.74)**
	Net Cash Flows from Operating Activities	**(955.44)**	**(295.74)**
(B)	**Cash Flow from Investing Activities**		
	Investment in Property, Plant and Equipments	(15.41)	(10.85)
	Sale of Property, Plant and Equipments	0.45	-
	Interest Income	5.95	2.31
	Net Cash Flow from Investing Activities	**(9.01)**	**(8.54)**
(C)	**Cash Flow from Financing Activities**		
	Increase/(Decrease) in borrowing and finance charges	(59.80)	(93.92)
	Dividend Paid including Dividend Tax	-	-
	Proceeds from Short Term Borrowing	980.13	341.30
	Repayment from Long Term Borrowing	-	(4.03)
	Net Cash Flow from Financing Activities	**920.33**	**243.35**
	Net Increase/Decrease in Cash and Cash Equivalents (A+B+C)	**(44.12)**	**(60.93)**
	Cash at the beginnig of the year	60.62	121.55
	Cash and Cash Equivalents at the end of year	**16.50**	**60.62**

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

Notes to the Consolidated Financial Statements as at 31st March, 2019

General Information

JVL Agro Industries Limited ("the Company") is a public limited company and listed on Bombay Stock Exchange (BSE), National Stock Exchange (NSE). The Company is in the business of manufacturing of edible oil. The Company processes rice as well. The company has manufacturing facilities in Naupur-Uttar Pradesh, Alwar- Rajasthan, Dehri - Bihar, Haldia - West Bengal and Rohtas, Bihar and sell primarily its products in India.

The company has defaulted in their repayment obligations to banks. As a result, pursuant to application before the Hon'ble NCLT, Allahabad Bench, by one of the financial creditors, Corporate Insolvency Resolution Process (CIRP) for the company has commenced on 25th July 2018 as per the Order of the said Tribunal. Consequently, the affairs of the company are under the management of the interim resolution professional and thereafter by the resolution professional by virtue of the Hon'ble NCLT as per order dated 10th September 2018. The previous years' Annual Accounts and the same for the period upto 24th July 2018, i.e. the date prior to commencement of CIRP, were prepared under the supervision of the erstwhile Board of Directors of the company. The powers of the board of directors stand suspended with effect from 25th July 2018 and hence current year's annual accounts from 25th July 2018 have been prepared under the supervision of Resolution Professional.

1. Significant Accounting Policies

1.1 Statement of compliance:

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

1.2 Basis of Preparation:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities which have been measured at fair value:

- Derivative Financial Instruments (covered under para 1.16)
- Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments (covered under para 1.17 and para 1.18)

1.3 Functional and presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

1.4 Classification of assets and liabilities as current and non-current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realization in cash and cash equivalents, 12 months period has been considered by the Company as its normal operating cycle.

1.5 Property, Plant and Equipment (PPE):

Property, Plant and Equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

1.6 Treatment of Expenditure during Construction Period:

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non- Current Assets".

1.7 Depreciation:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has used the following useful lives of the property, plant and equipment to provide depreciation.

Major Assets Class where useful life considered in Schedule II:

Sl. No	Nature of Assets	Estimated Useful Life of Assets (Years)
1	Plant & Machinery- Continuous Process Plant	25
2	Plant & Machinery- Non-Continuous Process Plant	15
3	Factory Building	30
4	Building (Other than Factory Building)	60
5	Electric Installations	10
6	Computer and Other Hardware	3
7	Office Equipment	5
8	Motor Vehicle	8
9	Motor Cycle	10

The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Continuous process plant, as defined in Schedule II of the Companies Act, 2013, have been classified on the basis of technical assessment and depreciation is provided accordingly.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of a new Project from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

1.8 Intangible Assets Acquired Separately and Amortisation:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

Intangible Assets and their useful lives are as under:

Sl. No	Nature of Assets	Estimated Useful Life of Assets (Years)
1	Computer Software	5

1.9 Non-Current Assets Classified as Held for Disposal:

Assets which are available for immediate sale and its sale must be highly probable are classified as "Assets held for Disposal". Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for Disposal". Once classified as held for disposal, such assets are no longer amortised or depreciated. Such assets are stated at the lower of carrying amount and fair value less costs to sell.

1.10 Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Inventories:

Inventories are valued at lower of cost or net realisable value except scrap (salvage), which is valued at net estimated realisable value.

The methods of determining cost of various categories of inventories are as follows:

Sl. No	Nature of Inventory	
1	Raw Materials	Weighted Average Method
2	Stores and Spares	Weighted Average Method
3	Work-in-Progress	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
4	Finished Goods (Manufactured)	
5	Goods in Transit	Cost of purchase

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition inclusive of goods and services tax, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost, except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

Obsolete, defective, slow moving and unserviceable inventories, if any, are duly provided for.

1.12 Leases:

Finance Lease: as a Lessee:

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the Lessee, are classified as finance lease. The assets acquired under finance lease are capitalised at lower of fair value and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets. Such assets are amortised over the period of lease or estimated life of such asset, whichever is lower. Lease payments are apportioned between the finance charges and reduction of the lease liability based on implicit rate of return. Lease management fees, lease charges and other initial direct costs have been capitalised.

Operating Lease: as a Lessee:

Leases, where significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term.

1.13 Employee Benefits:

Short-term Employee Benefits:

Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plan:

Contribution payable to recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

The provident fund contribution as specified under the law is paid to the Provident Fund to the Regional Provident Fund Commissioner.

Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination/resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

1.14 Foreign Currency Transactions:

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency, are not retranslated.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which these arise except for exchange differences on foreign currency borrowings relating to assets under construction for future

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and exchange differences on transactions entered into in order to hedge certain foreign currency risks.

1.15 Derivative Financial Instruments and Hedge Accounting:

The Company does not enter into forward contracts to hedge the foreign currency risk. The Company does not hold financial instruments for speculative purpose.

1.16 Fair value measurement:

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

1.17 Financial Instruments:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

Initial Recognition and Measurement:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

Classification and Subsequent Measurement:

Financial Assets:

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of both:

a) business model for managing the financial assets, and

b) the contractual cash flow characteristics of the financial asset.

A Financial Asset is measured at amortized cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A Financial Asset is measured at fair value through other comprehensive income if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A Financial Asset shall be classified and measured at fair value through profit or loss (FVTPL) unless it is measured at amortized cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Equity Investments:

Equity investments in Subsidiaries, Associates and Joint Ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries, Associates and Joint Ventures at cost.

All other equity investments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments other than held for trading, the company has exercised irrevocable option to recognize in other comprehensive income subsequent changes in the fair value.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Cash and Cash Equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash, which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

Impairment of Financial Assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments- for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes an associated liability.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Statement of Profit and Loss.

Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial Liabilities are classified, at initial recognition:

- at fair value through profit or loss,
- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and in the case of loans and borrowings and payables, they are recognized net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial Liabilities designated upon initial recognition at FVTPL are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

After the commencement of the corporate insolvency resolution process, the banks have adjusted the margin money for letters of credit and demand loan amounting to ₹167 crores kept as margin money by way of fixed deposits. The Resolution Professional preferred an appeal before Hon'ble NCLT for reinstatement of Fixed Deposit for which a favourable order in favour of the company has since been passed by the Hon'ble NCLT. In the accounts, the said amount has been shown as recoverable from banks and the borrowings from banks have been re-stated to reflect the gross amounts.

Derecognition of Financial Liabilities:

The Company de-recognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

1.18 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

a) Sales are recognized on transfer of significant risks and rewards of ownership of the goods to the buyer as per the terms of contract and no uncertainty exists regarding the amount of consideration that will be derived from sales of goods. It also includes goods and services tax (as it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not) and price variation based on the contractual agreement. It is measured at fair value of the consideration received. Sales exclude self-consumption of finished goods.

b) Income from services is recognised as they are rendered, based on agreement/arrangement with the concerned customers.

c) Dividend income is accounted for when the right to receive the income is established.

d) For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

e) Interest income for all financial instruments measured at fair value through other comprehensive income is recognised in the statement of profit and loss.

f) Export incentives, insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

1.19 Employee Share Based Payments:

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black Scholes Model.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

shown net of un-amortised deferred employee compensation expenses. However as on date there are no employee share based payment made.

1.20 Borrowing Cost:

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are attributable to the acquisition or construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Certain banks have charged interest on working capital amounting to ₹ 26.71 crores after the commencement of the insolvency process. The amount has been provided for in the profit and loss account.

All other borrowing cost are recognized in the Statement of Profit and Loss in the period in which they are incurred.

1.21 Government Grants and Subsidies:

Government grants, related to assets, are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognizes the related costs for which the grants are intended to compensate.

Government grants related to income under State Investment Promotion Scheme linked with VAT/GST etc, are recognized in the Statement of Profit and Loss in the period in which they become receivable.

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attached conditions will be complied with.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates, and is recognized in the Statement of Profit and Loss.

1.22 Provision for Current and Deferred Tax:

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961, and the rules framed there under.

Deferred tax is recognized using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities, and assets on a net basis or such tax assets and liabilities will be realized simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognized to the extent that it is probable that sufficient future taxable income will be available to realize such assets.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Current and deferred tax are recognized in the statement of profit and loss, except when the same relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognized in other comprehensive income or directly in equity respectively.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

As the company is under corporate insolvency resolution process and in view of the assessment that the company may not recover the future taxable profit for recovering of the deferred tax, during the financial year 2018-19 the deferred tax has been de-recognized.

1.23 Minimum Alternate Tax (MAT):

MAT is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

1.24 Provision for Contingent Liabilities:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

1.25 Segment Reporting:

Identification of Segments:

Operating segments are identified based on monitoring of operating results. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the company.

Operating segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Geographical segment is identified based on geography in which major operating divisions of the company operate.

Segment Policies:

However as on date there are no segment reporting applicable.

1.26 Earnings per Share (EPS):

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes to the Consolidated Financial Statements as at 31st March, 2019 (contd.)

1.27 Significant Accounting Judgments, Estimates and Assumptions:

The preparation of financial statements in conformity with the Ind AS requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

a. Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- **Useful Life of Property, Plant and Equipment:**

  The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the un-amortised depreciable amount is charged over the remaining useful life of the assets.

- **Recognition and measurement of provisions and contingencies:**

  Key assumptions about the likelihood and magnitude of an outflow of resources.

- **Fair value measurement of Financial Instruments:**

  When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable market where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgment includes consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

1.28 Cash Dividend to Equity Holders of the Company:

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

2. PROPERTY, PLANT AND EQUIPMENT

A. Reconciliation of carrying amount

Particulars	Land (Free Hold)	Buildings	Plant & Machinery	Office Equipments	Fixtures and Fittings	Vehicles	Turbine	Total
Deemed Cost *								
Balance at 1st April, 2017	10.00	58.39	433.79	2.87	1.51	3.99	14.80	525.35
Additions	1.70	1.48	6.75	0.84	0.01	0.14	-	10.92
Disposals	-	-	-	-	-	-	-	-
Balance at 31st March, 2018	**11.70**	**59.87**	**440.54**	**3.71**	**1.52**	**4.13**	**14.80**	**536.27**
Balance at 1st April, 2018	11.70	59.87	440.54	3.71	1.52	4.13	14.80	536.27
Additions	14.09	-	1.75	0.02	-	-	-	15.86
Disposals	-	-	-	-	-	(1.74)	-	(1.74)
Balance at 31st March, 2019	**25.79**	**59.87**	**442.29**	**3.73**	**1.52**	**2.39**	**14.80**	**550.40**

Particulars	Land (Free Hold)	Buildings	Plant & Machinery	Office Equipments	Fixtures and Fittings	Vehicles	Turbine	Total
Accumulated depreciation								
Balance at 1st April, 2017	-	10.57	101.67	2.54	0.62	2.44	6.20	124.04
Depreciation for the year	-	1.90	16.13	0.38	0.14	0.34	0.35	19.24
Disposals	-	-	-	-	-			-
Balance at 31st March, 2018	**-**	**12.47**	**117.80**	**2.92**	**0.76**	**2.78**	**6.55**	**143.28**
Balance at 1st April, 2018	-	12.47	117.80	2.92	0.76	2.78	6.55	143.28
Depreciation for the year	-	1.92	16.71	0.86	0.13	0.19	0.35	20.17
Disposals	-	-	-	-	-	(0.98)	-	(0.98)
Balance at 31st March, 2019	**-**	**14.39**	**134.51**	**3.78**	**0.89**	**1.99**	**6.90**	**162.47**
At 1st April, 2017	10.00	47.82	332.12	0.33	0.89	1.55	8.60	401.31
At 31st March, 2018	**11.70**	**47.40**	**322.74**	**0.79**	**0.76**	**1.35**	**8.25**	**392.99**
At 31st March, 2019	**25.79**	**45.49**	**307.78**	**(0.05)**	**0.63**	**0.40**	**7.90**	**387.93**

* On the transition date, the Company has elected to use Previous GAAP carrying values of the property, plant and equipment as the deemed cost. Since deemed cost is the amount used as a surrogate for the cost or depreciated cost and for the purpose of subsequent depreciation or amortisation, the net carrying value under Previous GAAP as at the transition date i.e. April 1, 2016 has been disclosed as the cost under Ind AS.

3. CAPITAL WORK-IN-PROGRESS

Reconciliation of carrying amount

Particulars	Capital Work-in-progress
Cost or deemed cost (gross carrying amount)	
Balance at 1st April, 2017	0.52
Additions	-
Assets capitalised during the year	-
Disposal/ Adjstment	0.07
Balance at 31st March, 2018	**0.45**
Balance at 1st April, 2018	0.45
Additions	-
Adjustment	(0.45)
Assets capitalised during the year	-
Balance at 31st March, 2019	**-**
Carrying amounts (Net)	
At 1st April, 2017	0.52
At 31st March, 2018	**0.45**
At 31st March, 2019	**-**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

4. OTHER INTANGIBLE ASSETS

Reconciliation of carrying amount

Particulars	Server & Network	Total
Deemed cost*		
Balance at 1st April, 2017	2.81	2.81
Additions	-	-
Balance at 31st March, 2018	**2.81**	**2.81**
Balance at 1st April, 2018	2.81	2.81
Additions	-	-
Balance at 31 March 2019	**2.81**	**2.81**
Accumulated Amortisation		
Balance at 1st April, 2017	0.85	0.85
Amortisation for the year	0.56	0.56
Balance at 31st March, 2018	**1.41**	**1.41**
Balance at 1st April, 2018	1.41	1.41
Amortisation for the year	0.56	0.56
Balance at 31st March, 2019	**1.97**	**1.97**

Carrying amounts (net)

At 31st March, 2017	1.96	1.96
At 31st March, 2018	**1.40**	**1.40**
At 31st March, 2019	**0.84**	**0.84**

*On the transition date, the Company has elected to use Previous GAAP carrying values of the Intangible assets as the deemed cost. Since deemed cost is the amount used as a surrogate for the cost or depreciated cost and for the purpose of subsequent depreciation or amortisation, the net carrying value under Previous GAAP as at the transition date i.e. April 1, 2016 has been disclosed as the cost under Ind AS.

5.1 NON-CURRENT FINANCIAL ASSETS - LOANS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, Considered Good (Otherwise stated)		
Other Loans	-	0.38
Total	**-**	**0.38**

5.2 NON-CURRENT FINANCIAL ASSETS - OTHERS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Fixed Deposits with Banks with the maturity more than 12 Months	-	0.34
Total	**-**	**0.34**

6. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Leasehold Land Payments	6.82	6.83
Statutory Dues	83.66	-
Capital Advances for purchase of Plant, Property and Equipment	-	14.84
Security Deposits	5.62	5.64
Other Advances (Deposits with Government Authorities & Recoverable from Banks etc)	14.73	0.01
Total	**110.82**	**27.32**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

7. INVENTORIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Material	23.79	185.58
Finished Goods	47.08	123.45
Stock in Progress	12.26	46.42
Packing Materials, Stores & Chemicals	11.28	22.33
Total	**94.41**	**377.78**

8. CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	Face Value	As at 31st March, 2019	As at 31st March, 2018
Investments at Fair Value through FVTPL (fully paid)			
Quoted Shares			
(i) 1,59,146 (Previous Year 1,59,146) Gyan Trade Ltd.	10	3.97	3.84
Quoted Investments in Mutual Funds			
(i) 22,50,000 (FY 2016- 22,50,000 and April, 2016 - 0) Union Capital Protection Fund	10	2.58	2.38
Total Investments		**6.55**	**6.22**

Non-Current Financial Assets - Investments

Particulars	No. of Shares	Face Value	As at 31st March, 2019	As at 31st March, 2018
Long-Term fully paid up				
Investments in Equity Investments - Subsidiaries & Associates (carried at cost)				
(i) Adamjee Extraction P Ltd, Sri Lanka	2231439	10.00	1.00	1.00
(ii) JVL Mega Food Park P Ltd *	2500	10.00	-	-
(iii) JVL Cement Ltd	10000	10.00	0.01	0.01
Total Investments carried at cost			**1.01**	**1.01**

Others: Carried at Fair Value through Other Comprehensive Income (FVTOCI)

Particulars	No. of Shares	Face Value	As at 31st March, 2019	As at 31st March, 2018
Quoted				
(i) Sun Pharmaceutical Industries Ltd (478.85)	80	5.00	0.03	0.01
(ii) Indo Rama Synthetics (India) Ltd (35.05)	500	10.00	0.01	-
(iii) Tata Tele Services Ltd ** (3.07)	1133	10.00	-	-
(iv) Bank of Baroda 129.60)	2045	10.00	0.03	0.03
(v) BGR Energy System Ltd (62.85)	550	10.00	0.01	0.01
(vi) Reliance Power Ltd (11.35)	2614	10.00	0.01	0.01
Unquoted				
(i) Sea Lac Agro Ventures Ltd	250000	10.00	0.25	0.25
(ii) JVL Textile Park Pvt Ltd	5000	10.00	0.01	0.01

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

Investments in Mutual Funds carried at Fair Value through Profit or Loss (FVTPL)

Particulars	No. of Shares	Face Value	As at 31st March, 2019	As at 31st March, 2018
Quoted Investments in Mutual Fund				
(i) PNB Mutual Funds	15197.57	10.00	0.03	0.05
(ii) HDFC AMC PMS - Real Estate Portfolio	-	10.00	0.08	0.08
(iii) Baroda Pioneer Short Term Fund	162044.045	10.00	0.16	0.15
(iv) Union KBC Equity Fund	50000	10.00	0.10	0.09
Total Investments			**1.73**	**1.7**

* JVL Mega Food Park Pvt Ltd ₹ 25,000 (Previous Year ₹ 25,000)

** Tata Tele Services Ltd ₹ 3,478.31 (Previous Year ₹ 6,254)

Aggregate Book value of

Particulars	As at 31st March, 2019	As at 31st March, 2018
Quoted Investments	0.37	0.37
Unquoted Investments	3.87	3.87
	4.24	**4.24**
Aggregate Market Value of Quoted Investments	0.46	0.43
Aggregate Market Value of Unquoted Investments	3.32	3.32
Total	**3.78**	**3.75**

Category wise Non-Current Investments

Particulars	As at 31st March, 2019	As at 31st March, 2018
Quoted		
Financial Investments measured at FVTOCI :		
Equity Shares	0.09	0.06
Mutual Funds	0.37	0.37
Sub Total (a)	**0.46**	**0.43**
Financial Investments carried at cost	-	-
Sub Total (b)	**-**	**-**
Sub Total (a+b)	**0.46**	**0.43**
Unquoted		
Financial Investments measured at FVTOCI :		
Equity Shares	0.26	0.26
Sub Total (a)	**0.26**	**0.26**
Financial Investments carried at cost :		
Equity Shares	3.06	3.06
Sub Total (a)	**3.06**	**3.06**
Sub Total (a+b)	**3.32**	**3.32**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

9. TRADE RECEIVABLES

(Unsecured considered good, unless otherwise stated)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables		
Unsecured, considered good	4.39	168.79
Doubtful	128.37	-
	132.76	**168.79**
Less: Provision for impairment	(128.37)	-
Net Trade Receivables	**4.39**	**168.79**
Non-Current	-	-
Current	4.39	168.79

Of the above, trade receivables from related parties are as below:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Total Trade Receivables from related parties	-	-
Less: Provision for impairment	-	-
Net Trade Receivables	**-**	**-**

10. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balance with banks		
In Current Account	16.49	7.92
In Deposit Account - Original Maturity of 3 months or less		
- In Margin Money account	-	39.04
- Others	-	12.95
Cash on hand	0.01	0.71
Total	**16.50**	**60.62**

10.1 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Earmarked Unclaimed Dividend Account	0.60	0.39
In Deposit Account - Original Maturity more than 3 months but less than 12 months *		
- In Margin Money account *	8.40	81.51
- Others *	1.71	-
Total	**10.71**	**81.90**

* The company had a Fixed Deposit with various banks towards margin money for letter of credit. Subsequent to the admission of the company by NCLT under IBC Code, 2016, the banks have adjusted the margin money against the loans outstanding. As per the IBC provisions, there is a moratorium period for 6 months where the banks dues are forzen. On the date of commencement of the business, the insolvance professional has preferred an appeal before NCLT for recovery of these fixed deposits. The appeal under consideration of NCLT, Allahabad.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

11. OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest Accured on Fixed Deposit	0.36	0.44
Government Grant Receivable (Subsidy)	110.30	110.30
Advances to Related Party - Against Expenses	-	-
Total	**110.66**	**110.74**

12. CURRENT TAX ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current		
Advance Tax/TDS (net of provision)	9.64	9.00
Total	**9.64**	**9.00**

13. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured Considered Good		
- Leaseheld Land Prepayments	0.09	0.09
- Prepaid Expenses	0.15	0.02
- Others **	167.72	22.39
Trade Advances	108.10	-
Less: Provision for doubtful advances	(61.42)	-
Total	**214.64**	**22.50**

** The company had a Fixed Deposit with various banks towards margin money for letter of credit. Subsequent to the admission of the company by NCLT under IBC Code, 2016, the banks have adjusted the margin money against the loans outstanding. As per the IBC provisions, there is a moratorium period for 6 months where the banks dues are forzen. On the date of commencement of the business, the insolvance professional has preferred an appeal before NCLT for recovery of these fixed deposits. The appeal under consideration of NCLT, Allahabad.

14. SHARE CAPITAL

Particulars	As at 31st March, 2019	As at 31st March, 2018
Authorised Share Capital 17,76,00,000 Equity Shares of ₹ 1 each and 1,25,00,000 7% unlisited redeemable Non-Convertible Non-Cumulative Non-Participating Preference Shares of ₹ 10 each. (March 31, 2017 : 30,26,00,000 Equity Shares of ₹ 1/- each)	30.26	30.26
	30.26	**30.26**
Issued Subscribed and Paid up 16,79,40,000 [FY 16-17 : 16,79,40,000 and April 1, 2016 16,79,40,000] Equity Shares of ₹ 1/- each	16.79	16.79
	16.79	**16.79**

All issued shares are fully paid up.

Reconciliation of share outstanding at the beginning and at the end of the year

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Numbers (Crs)	Amount	Numbers (Crs)	Amount
At the commencement of the year	16.79	16.79	16.79	16.79
Bonus shares issued during the year	-	-	-	-
At the end of the year	**16.79**	**16.79**	**16.79**	**16.79**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Particulars of shareholders holding more than 5% shares

Particulars	1st April, 2019		1st April, 2018	
	Numbers	% of total share in class	Numbers	% of total share in class
Nilamber Trexim & Credit Private Limited	1,69,12,900	10.07%	1,69,12,900	10.07%
Jhunjhunwala Gases Private Limited	1,60,75,000	9.57%	1,60,75,000	9.57%
Aryan Multibusiness Private Limited	1,20,00,000	7.15%	1,20,00,000	7.15%
Paharia Markets & Investmnts Private Limited	1,37,69,488	8.20%	1,37,69,488	8.20%
Asia Investment Corporation (Mauritius) Limited	-	-	85,51,340	5.09%
Eriska investment Fund Limited	1,19,14,198	7.09%	1,33,19,370	7.93%

15. OTHER EQUITY

Particulars	As at 31st March, 2019	As at 31st March, 2018
A Securities Premium Reserve		
Balance as at the beginning of the year	112.05	112.05
Add: Additions during the year	-	-
Balance at the end of the year	**112.05**	**112.05**
B General Reserve		
Balance as at the beginning of the year	32.16	32.16
Add: Additions during the year	-	-
Balance at the end of the year	**32.16**	**32.16**
C Capital Reserve		
Balance as at the beginning of the year	109.81	109.81
Add: Additions during the year	-	-
Balance at the end of the year	**109.81**	**109.81**
D Retained Earnings		
Balance as at the beginning of the year	(655.95)	(723.49)
Add: Profit/(Loss) for the year	(921.51)	67.54
Less: Fair valuation on account of Ind AS taken to retained earning	-	-
Less: Dividend including Corporate Dividend Tax	-	-
Less: Transfer to Capital Reserve	-	-
Less: Transfer to General Reserve	-	-
Balance at the end of the year	**(1,577.46)**	**(655.95)**
E Other Comprehensive Income		
Balance as at the beginning of the year	1.95	2.50
Add: Additions during the year	-	(0.61)
Add: Foreign Exchange Translation Difference	-	0.06
Balance at the end of the year	**1.95**	**1.95**
Total (A+B+C+D+E)	**(1,321.49)**	**(399.98)**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

16. NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
Secured Loans from banks			
- Rupee Term Loan from Banks	A.1	-	7.47
- Foreign Currency Term Loan from Banks	A.2	-	-
Total		**-**	**7.47**

Nature of Security, Repayment Terms and Break-up of Current and Non-Current

	Interest Rate	As at 31st March, 2019	As at 31st March, 2018
Secured Long-Term Borrowings:			
a. Bank of Baroda :			
For Alwar Unit : • Rupee Term Loan secured by First Pari pasu charge on the entire assets by way of Mortgage/ Joint Deed of Hypothication, Intersee Agreement and Personal Guarantee by two directors, their relatives and a group company. Also Secured by mortgage of Joint Property of one director. ***Schedule of repayment :*** • 4 installment of Rs. 0.44 Crore having maturity in FY 18-19.	MCLR+3.65 p.a	1.76	1.76
For Rice Mill Unit • Rupee Term Loan secured by Hypothication of Plant & Machinery and Other Fixed Assets situated at Akurhi Gola, Dist. Rohatas and personal guarantee by two directors, Also Secured by Equitable mortgage of Factory Land and building. • Schedule of repayment: 2 installment of ₹ 0.75, 9 installment of ₹ 1.00 Crore and 1 installment of ₹ 0.47 crore having maturity in FY 2020-21	MCLR+3.65 p.a	11.11	11.16
b. State Bank of India :			
Term Loan-I	-	-	-
Term Loan-II	-	-	-
Term Loan-III	-	-	-
• (Equitable mortgage of land & factory building and other construction at village Pahleza, Mauza-chakia, Dehri, Bihar, on pari-passu basis with other term lenders. Hypothecation charge on other fixed assets including plant & machinery of the projects at Pahleza, Chakia, Dehri, Bihar on pari passu basis with other term lenders of the project and collaterally secured by second charge on current assets of the company's unit at Chakia, Dehri, Bihar on pari passu basis with personal guarantee of two directors) • Schedule of repayment: Repaid in full.			
c. Standard Chartered Bank- Foreign Currency Loan : • Foreign Currency Term Loan secured by exclusive first charge on all movable and immovable fixed assets at Haldia Facility and second charge on all current assets of the company's unit at Haldia Facility with personal guarantee by two directors. • Schedule of repayment: 6 quarterly installment of USD 1.058 Mio each having maturity till FY 17-18	3 month Libor+3.50 bps p.a.	41.32	41.32
Total		**54.19**	**54.24**
Less: Current Maturity of Long Term Debts (Refer Note 2.24)		-	46.77
Non Current Borrowing		**54.19**	**7.47**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

17. NON-CURRENT OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Security Deposits	4.40	5.14
Total	**4.40**	**5.14**

18. DEFERRED TAX LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deffered Tax Liabilities	62.40	-
Total	**62.40**	**-**

Details

Particulars	As at 31st March, 2017	Mat Credit Utilized	Charge for the current year		As at 31st March, 2018
			Profit or Loss	Other Comprehensive Income	
Deferred Tax Liabilities					
Accumulated Depreciation	40.59	-	21.81	-	62.40
	40.59	**-**	**21.81**	**-**	**62.40**
Deferred Tax Assets					
Carry Forward Loss	-	-	427.02	-	427.02
Other	-	-	0.14	-	0.14
	-	**-**	**427.16**	**-**	**427.16**
Deferred Tax Assets (Net)	**-**	**-**	**405.35**	**-**	**364.76**

Particulars	As at 31st March, 2018	Mat Credit Utilized	Charge for the current year		As at 31st March, 2019
			Profit or loss	Other comprehensive Income	
Deferred Tax Liabilities					
Accumulated Depreciation	62.40	-	-	-	62.40
	62.40	**-**	**-**	**-**	**62.40**
Deferred Tax Assets					
Carry Forward Loss	427.02	-	(427.02)	-	-
Other	0.14	-	(0.14)	-	-
	427.15	**-**	**(427.15)**	**-**	**-**
Deferred Tax Assets (Liabilities)		**-**	**(427.15)**	**-**	**(62.40)**

Deferred Tax Asset has been reversed aggregating to ₹ 427.15 crores as at 31st March, 2019 (31st March, 2018 Nil), where it is not probable that sufficient taxable income will be available in the future against which such deferred tax assest can be realised in normal course of Business of the company.

19. CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
Loans Repayable on Demand from Bank			
Secured:			
Working Capital borrowings		1,973.72	986.12
		1,973.72	**986.12**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

19.1 CURRENT FINANCIAL LIABILITIES - BORROWINGS

Particulars	Interest Rate	As at 31st March, 2019	As at 31st March, 2018
Secured Loans :			
a. Bank of Baroda	MCLR+3.65 p.a	467.08	304.34
b. Punjab National Bank (For Naupur & Alwar Unit - Secured by hypothecation of entire stock in trade, trade receivables and movable current assets. Secured by first pari passu charge on the fixed assets and personal guarantee by two directors, their relative and a group company. Also secured by mortage of joint property of one director.)	MCLR+5.00 p.a	642.04	154.20
c. Bank of Baroda (For Rice Mill: Secured by hypothecation of entire stock in trade, trade receivables and movable current asssets and secured by first charge on the fixed assets and personal guarantee by two directors)	MCLR+3.65 p.a	13.10	13.37
d. State Bank of India		436.11	436.18
e. Vijaya Bank (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)	MCLR+5.90 p.a	35.92	5.83
f. Allahabad Bank		67.04	(0.31)
g. Corporation Bank	MCLR+3.65 p.a	119.59	15.12
h. Indian Oversease Bank	MCLR+4.75 p.a	80.93	-
i. Union Bank of India	MCLR+4.50 p.a	33.13	2.27
j. Oriental Bank of Commerce (For Haldia Unit - Secured by first (pari passu) 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.)	MCLR+4.50 p.a	24.93	1.27
k. Standard Chartered Bank - Cash Credit etc		20.71	20.71
l. Standard Chartered Bank - WCDL		12.95	12.95
m. Standard Chartered Bank - Import Loan (First pari passu charge on stocks of Halida unit with other Consortium member bank. Second Pari passu charge on all the movable fixed assets of Haldia unit of the company with other Consortium members of Haldia unit and Personal guarantee of two directors. Second pari passu charge on equitable mortgage of Land & factory located at Mouza Debhog, J.L. No. 149 P.S. Bhabanipur (Formally P.S. Sutahata) Haldia, Dist Purba Medinipur on pari passu basis with other working capital bankers of Haldia unit.First parri passu charge on all the current assets of the Haldia unit of the company covering receivables and other chargeable current assets with other consortium member banks)		20.19	20.19
Total		**1,973.72**	**986.12**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

20. CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Payables to micro, small and medium enterprises	-	-
Other trade payables	144.98	961.53
Total	**144.98**	**961.53**

21. CURRENT - OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current Maturities of Long-Term Debts	54.19	46.77
Dividend Payable	0.60	0.39
Total	**54.79**	**47.16**

22. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
Statutory Liabilities	0.34	0.49
Advance from Customers	-	0.11
Other Payables (including Emplyoee Benefits Payable, Provision, etc)	32.92	2.07
Total	**33.26**	**2.67**

23. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Product		
- Sale of Manufacturing Products	1,185.16	3,085.98
- Sale of Trading Products	1.99	358.52
- Sale of Scrap	0.41	-
Total Revenue from Operations	**1,187.56**	**3,444.50**

24. OTHER INCOME

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest Income		
- on IT Refund	-	1.78
- from Others	5.95	0.50
Government Grants (Subsidy)	0.25	14.62
Gain on Fair Valuation of Mutual Fund/ Shares (Measured at FVTPL)	-	0.13
Other Non-Operating Income	1.60	0.03
Total	**7.80**	**17.06**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

25. COST OF MATERIAL CONSUMED

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Raw-Material Consumed :		
Opening Stock	185.58	235.29
Add: Purchase & Incidental Expenses	944.62	2,966.05
Less: Closing Stock	(23.79)	(185.58)
Raw-Material Consumed	**1,153.99**	**3,015.76**
Packing Material & Chemical Consumed :		
Opening Stock	22.33	26.10
Add: Purchase & Incidental Expenses	13.28	168.57
Less: Closing Stock	(11.28)	(22.33)
Packing Material & Chemical Consumed	**46.89**	**172.34**
Total	**1,200.88**	**3,188.10**

26. PURCHASE OF STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Imported Oils	-	367.02
Total	**-**	**367.02**

27. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCEES AND STOCK-IN-TRADE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Closing Stock :		
Finished Goods	47.08	123.45
Stock-in-Process	12.26	46.42
	59.34	**169.87**
Less: Opening Stock		
Finished Goods	123.45	166.77
Stock-in-Process	46.42	31.89
	169.87	**198.66**
(Increase)/ Decrease in Stock	**(110.53)**	**(28.79)**

28. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Salary, Wages & Bonus, etc	14.41	11.04
Contribution to Gratuity, Provident Fund and Other Funds	3.95	0.83
Staff Welfare Expenses	0.29	0.38
Total	**18.65**	**12.25**

29. FINANCE COSTS

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest to Banks	53.33	78.20
Interest to Others	2.27	1.54
Bank Charges	4.20	14.18
Total	**59.80**	**93.92**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

30. DEPRECIATION AND AMORTISATION EXPENSE

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
Depreciation of Property, Plant and Equipment	2	20.17	19.24
Amortisation of Other Intangible Assets	4	0.56	0.56
Total		**20.73**	**19.80**

31. OTHER EXPENSES

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Manufacturing Expenses :		
Power and Fuel	20.46	42.10
Consumption of Store and Spares	6.03	1.64
Administrative, Selling & Distribution Expenses :		
Repairs and Maintenance	0.43	1.07
Repairs and Maintenance - others	-	0.27
Legal Expenses	0.11	0.38
Bad Debts written-off	14.65	-
Amortisation of Lease Prepaymnets	-	0.09
Travelling Expenses	0.83	2.18
Conveyance Expenses	-	0.44
Insurance	0.93	0.34
Rates & Taxes	0.93	1.12
Auditor Fees	0.18	0.15
Postage, Telegram & Telepone	-	0.47
Printing & Stationery	-	0.16
Miscellanous Expenses	2.52	3.79
Foreign Exchange Gain/Loss	(7.35)	0.13
Professional & Consultancy Charges	1.28	2.55
Other operating expenses	-	2.78
Brokerage & Commision (net)	4.84	6.89
Advertisement & Publicity	0.39	0.99
Selling Expenses	16.26	1.43
Rent	2.78	2.44
Prior Period Items	9.29	17.42
Provision for Doubtful Debts and Advances	189.79	0.04
CSR Expenses	0.11	0.62
Custom Penalty	8.08	-
IRP Expenses	0.63	-
RP Expenses	2.70	-
Loss on Sale of Assets	0.31	-
Freight	1.27	-
Import expenses for Oil	1.53	-
Wages	-	-
Water Charges	0.15	-
Total	**279.13**	**89.49**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

32. EMPLOYEE BENEFITS

A. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination/ resignation is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of completed years of service. The gratuity plan is a funded plan and Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

B. Leave Benefits

Amount of Nil (previous year: Nil) towards leave benefits is recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss. The comapany has not conducted Actuarial Valuation of Leave Benefits for the year ended March 2018 and March 2019.

33.1 PARTIES WHERE CONTROL EXISTS

Name of the Related parties		Principle Place of Business	% Shareholding and Voting Power	
			As at 31st March, 2019	As at 31st March, 2018
JVL Overseas Pte Ltd (Singapore)	Subsidiary	Singapore	100%	100%

33.2 LIST OF RELATED PARTIES WITH SIGNIFICANT INFLUENCE

Name of the Related parties		Principle Place of Business	% Shareholding and Voting Power	
			As at 31st March, 2018	As at 31st March, 2017
JVL Mega Food Park Pvt Ltd	Associate	India	25%	25%
JVL Cement Ltd	Associate	India	20%	20%
JVL Agro (Assam) Pvt Ltd	Associate	India	50%	50%
Adamjee Extraction Pvt Ltd	Associate	Srilanka	25%	25%

33.3 OTHER RELATED PARTIES WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AND/OR PREVIOUS YEAR:

Name of the Related parties	Relationship
Key Management Personnel (KMP)	
D. N. Jhunjhunwala	Chairman
S. N. Jhunjhunwala	Managing Director & CEO
Adarsh Jhunjhunwala	Whole-time Director
R C Garg	Chief Financial Officer
Kartik Agarwal	Company Secretary

33.4 OTHER RELATED PARTIES WITH WHICH DIRECTORS ARE INTERESTED

Name of the Related parties	Relationship
Anju Jhunjhunwala	Wife of Managing Director
Kishori Devi Jhunjhunwala	Mother of Managing Director
S.N.Jhunjhunwala (HUF)	Managing Director is Karta
Juhi Fatehpuria	Daughter of Managing Director
Jhunjhunwala Gases Pvt Ltd	Promoter Group Company
Jhunjhunwala Oils Mills Ltd	Promoter Family Company
Jhunjhunwala Sewa Society	Promoter Society

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

33.5 DISCLOSURE OF RELATED PARTY TRANSACTIONS

Nature of Transactions	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sales of Products and Services	-	1.20
Purchase of Goods and Services	-	0.64
Managerial Remuneration Paid	0.27	0.72
Remuneration paid to KMP other than MD/Manager/WTD	0.16	0.17
Others	0.03	0.08

33.6 BALANCE OUTSTANDING AS AT 31ST MARCH 2019

	For the year ended 31st March, 2019
D N Jhunjhunwala (Director)	0.08
Adarsh Jhunjhunwala (Director)	0.08
Anju Jhunjhunwala	0.01
R C Garg	0.08
Kartik Agarwal	0.08

Terms and conditions of transactions with Related Parties

The Sales to and purchase from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

34. EARNINGS PER SHARE

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Face value per equity share (in ₹)	1.00	1.00
(a) Profit for the year attributable to equity shareholders	(921.51)	67.60
(b) Number of equity shares at the beginning of the year	16.79	16.79
(c) Equity shares issued during the year	-	-
(d) Number of equity shares at the end of the year	16.79	16.79
Earnings Per Share (in ₹):		
- Basic earning per share (a/d)	(54.88)	4.03
- Diluted earning per share (a/d)	(54.88)	4.03

35. As mentioned in Note No.1, the Honourable NCLT has admitted an application to commence corporate insolvency resolution process (CIRP) for the Company under the Insolvency and Bankruptcy Code, 2016. As per the Code, it is required that the Company be managed as a going concern during the CIRP. The company is under CIRP now.

36. CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

Nature of Statute	Brief Description of Contingent Liabilities	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Entry Tax, VAT, CST	Entry Tax, VAT & CST demand under appeal before Hon'ble Supreme Court & appellate authority for different years	91.38	51.48
GST	Demand on GST for different years	9.76	-
Excise Duty	Demand on Excise Duty for different years under appeal at Appellate Tribunal, Custom, Excise & Service Tax, New Delhi/Allahabad/Kolkata	110.82	110.82
Income Tax	Appeal pending before CIT (Appeal) and ITAT for various assessment years	114.96	-
Customs Duty claim	Customs department has filed claim as per Insolvency and Bankruptcy Cod, 2016, disposal of which is subject to the provision of the said code	43.85	-
Sales Tax	Appeal under Section 4A	1.70	-
	Total	**372.47**	**162.30**

Cash outflows for the above are determinable only on receipt of judgement pending with various authorities/ courts/ tribunal

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

37. DETAILS OF PRODUCTS (SALES) ARE AS UNDER

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Manufacturing Products :		
Edible Oil	1,173.36	2,923.13
DOC	0.02	9.98
Rice	11.14	56.00
Others	0.64	96.87
Trading Products :		
Edible Oil	0.92	92.55
Others	1.07	11.68
Total	**1,187.15**	**3,190.21**

38. DETAILS OF AUDITORS' REMUNERATION

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
(a) Statutory Auditors Fees	0.12	-
(b) Tax Audit Fees	0.04	0.15
(c) Secretarial & Cost Audit Fees	0.02	-
Total	**0.18**	**0.15**

39. DETAILS OF TAX EXPENSES

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Applicable Tax Rate	30.90%	30.90%
Profit Before Tax	-	-
Tax Expenses	-	-

40. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Particulars	As at 31st March, 2019	As at 31st March, 2018
FDR's In Banks	-	220.94
Less: 100% Margin deposited in bank to take loan against deposit	-	87.10
Total	**-**	**133.84**

41. GOVERNMENT GRANTS (IND AS 20)

The Company has received Government Grant from State Goverentment being Capital Investment Subsidy. The same as been recognized as income in the Statement of Profit and Loss under "Other Income"

42. ASSETS TAKEN ON OPERATING LEASE AS PER IND AS 17

Lease Prepayments made for leasehold land were classified as Leasehold Land under previous GAAP. However, under Ind AS, prepayments made for leasehold should be classified as lease prepayments under operating lease and the same should be amortized over lease term. According Lease prepayments as on April 1, 2016 are classified from Property, Plant and Equipment into Lease Prepayments as Other Current and Non-Current Assets.

Sl. No	Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Operating Lease Payments recognized in the Statement of Profit & Loss	-	0.09
2	General Description of Leasing Agreements	-	-

Notes to the Consolidated Financial Statements for the year ended 31st March, 2019 (contd.)

(₹ in crores)

43. CORPORATE SOCIAL RESPONSIBILITY

As per Companies Act, 2013, all companies having networth of ₹ 500 crores or more, turnover of ₹ 1,000 crores or more or net profit of ₹ 5 Crores or more during any financial year are required to spend at least 2% of average net profit of the Company's three immediately preceding financial years. Accordingly, the Company was required to spend ₹ Nil towards CSR activities in financial year 2018-19.

44. PREVIOUS YEARS FIGURES

Previous year figures have not been regrouped / reclassified wherever consider necessary.

45. STATEMENT OF NET ASSETS AND PROFIT OR LOSS ATRIBUTABLE TO OWNERS AND MONORITY INTEREST

Name of the entity	Reporting Currency	Net Assets i.e. total assets minus total liabilities	Share in profit or (Loss)		Share in other compressive income		Share in profit or (Loss)	
			As % consolidated profit or loss	Amount (in crore)	As % consolidated other comprehensive income	Amount (in crore)	As % total comprehensive income	Amount (in crore)
JVL Overseas Pte Ltd (Singapore)	USD	0.00%	0.00%	(0.03)	0%	-	0.00%	(0.03)

46. LIST OF ASSOCIATES WHICH HAVE NOT BEEN SONSIDERED AND REASONS FOR CONSOLIDATING

Sl. No.	Name	Reason
1	JVL Mega Food Park Pvt. Ltd.	The Operations of the companies are not significant and hence are immaterial for consolidation.
2	JVL Cement Ltd.	The Operation of the companies are not significant and hence are immaterial for consolidation.
3	JVL Agro (Assam) Pvt. Ltd.	The Operation of the companies are not significant and hence are immaterial for consolidation.
4	Adamjee Extraction Pvt. Ltd.	The Operation of the companies are not significant and hence are immaterial for consolidation.

47. EXCHANGE RATE FOR CONSOLIDATION PURPOSE HAS BEEN TAKEN AS UNDER

Closing rate	69.72
Average rate	68.45

48. JVL Overseas Pte Ltd. has followed calendar year as accounting year therefore standalone audited financial as on 31st December 2018 of JVL Overseas Pte. Ltd. has been considered for consolidation.

As per our Report of even date attached
For **A K Agrawal & Co.**
Chartered Accountants
ICAI Firm's Regn. No. 018282C

Aadesh Kumar Agrawal
Partner
Membership No. 410473
Place: Kolkata
Date: March 16, 2020

For **JVL Agro Industries Limited**
(Company under Corporate Insolvency Resolution Process)

Supriyo Kumar Chaudhuri
Resolution Professional

Ramesh Chandra Garg
Chief Financial Officer

partnership for progress

JVL Agro Industries Limited
CIN: L15140UP1989PLC011396
(Company under Corporate Insolvency Resolution Process)
Registered Office:
Village Tilmapur, Ghazipur Road, Ashapur
Varanasi 221007 (U.P.), India
P: +91-542-2595930/31/32
F: +91-542-2595941
E: rpjvl@bdo.in
W: www.jvlagro.com