

J. R. FOODS LIMITED

NOTE # 1 SIGNIFICANT ACCOUNTING POLICIES:-

1. FIXED ASSETS

Fixed assets are stated at the values, at which they are acquired, less accumulated depreciation. The value at which fixed assets are acquired includes all related expenses up to the date of putting them to use.

Depreciation is provided as specified in SCHEDULE II to the Companies Act, 2013. Depreciation is provided on prorata basis from the day on which the assets have been put to use and up to the day on which assets have been disposed off.

2. INVESTMENTS

There are no Investments

3. INVENTORIES

- a) Inventory of raw materials is valued at Cost of Purchase and include all expenses incurred in bringing the materials to their present location and condition.
- b) Work in progress and finished goods include conversion cost in addition to the landed cost of raw materials.
- c) Finished goods are valued at cost or net realizable value whichever is less on FIFO basis.

4. REVENUE RECOGNITION

- a) The Company recognizes income and expenditure on accrual basis.
Revenue from Sale of Goods is recognized when goods are dispatched. Sales include Excise duty, freight, insurance, etc., recovered and are net of sales returns.
- b) Income from rent is recognized as per the terms and over the period as stated in rental agreements on accrual basis.
- c) Commission and other incomes are recognized on accrual basis.
- d) Interest is recognized using the Time-Proportion method, based on the rates implicit in the transaction.
- e) The revenue and expenditure are accounted on a going concern basis.

5. FOREIGN EXCHANGE TRANSACTIONS

Foreign currency transactions during the year are translated at the exchange rates prevailing on the respective date of inward or outward remittances.

Assets and Liabilities outstanding in foreign currency as on the date of the Balance Sheet are translated at exchange rates prevailing on the last day of the relevant financial year. Differences arising out of such transactions are charged to the respective revenue accounts.

The net gain/loss arising on revenue account during the year in respect of foreign exchange transactions are reckoned in the Statement of Profit and Loss.

6. LEASES

Operating lease rent paid during the year charged to Profit and Loss account, operating lease agreement terminates by one month notice period.

J. R. FOODS LIMITED

7. RETIREMENT BENEFITS

In accordance with the Payment of Gratuity Act, 1972 the Company provides for gratuity, covering all employees. The company estimates its liability on actuarial valuation basis as of each year-end, and is charged to Profit and Loss Account in accordance with AS-15 (revised). As per the policy of the company there are no Long Term Compensated Absences applicable to the employees of the company.

Employees receive benefits from a provident fund, which is defined contribution plan. Both the employee and the company make monthly contributions to the Regional Provident Fund equal to a specified percentage of the covered employee's salary. The company has no further obligations under the plan beyond its monthly contributions.

8. PROVISION FOR TAXATION

Provision for Current Income Tax is made in accordance with the provisions of Income Tax Act, 1961.

Deferred tax assets and liabilities are measured using substantially enacted tax rates as on the Balance Sheet date. Provision for Deferred Tax Liability is provided on timing differences. The effect of deferred tax assets and liabilities of a change in tax rates is recognised in the income statement.

9. CASH FLOW STATEMENTS

The Cash flow statement is prepared under the indirect method as per AS- 3 "Cash Flow Statements"

10. SEGMENT REPORTING

The entire operations of the company relate to one segment viz Extraction of Oil.

11. EARNINGS PER SHARE

The company reports basic and diluted earnings per share in accordance with the AS-20- "Earnings per Share"

12. IMPAIRMENT OF ASSETS

All assets other than inventories and deferred tax asset, are reviewed for impairment, wherever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount.

13. PROVISIONS AND CONTINGENCIES

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made

14. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the profit and loss account. Interests on borrowed funds for the projects are capitalized with the cost of the project as a direct cost.

15. INTANGIBLE ASSETS

There are no intangible assets.

J. R. FOODS LIMITED

CIN: L15142PY1993PLC000911

Annexures to the Balance Sheet

Particulars	As at	As at		
	31st Mar 2018	31st Mar 2017		
	Rs.	Rs.		
NOTE # 2				
Share Capital				
Authorised Capital				
14,000,000 Equity Shares of Rs.10/- each	140000000	140000000		
Issued, Subscribed and Paid up				
9,500,000 Equity Shares of Rs.10/- each	95000000	95000000		
	95000000	95000000		
a. Reconciliation of Shares outstanding at the beginning and end of the Reporting period				
	Nos.	Nos.		
At the beginning of the Period	9500000	9500000		
Issued during the period	Nil	Nil		
Outstanding at the end of the period	9500000	9500000		
b. Shares held by the Holding Co.	Nil	Nil		
c. Shares held by each shareholder holding more than 5% of shares				
Name of the Shareholder	Nos.	%	Nos.	%
J. K. Kothari		Nil	863400	9.09
Kamala J Kothari	866900	9.13		Nil
Pondiherry Extraction Industries Pvt Ltd.,	4577300	48.18	4577300	48.18
NOTE # 3				
Reserves and Surplus				
(a) Surplus				
As per last Balance Sheet	(27065051)	(38929059)		
Addition during the year from Statement of Profit & Loss	15118158	11864008		
Allocations & Appropriations	-	-		
Transfer to Reserves	-	-		
	(11946893)	(27065051)		

Particulars	As at	As at
	31st Mar 2018	31st Mar 2017
	Rs.	Rs.
NOTE # 4		
Long-Term Borrowings		
Term Loans		
- From Banks: Vijaya Bank		
Term Loan (Secured)	22986333	15731460
Less: Current Maturities		23212446
(with in twelve months)	7254873	
(Hypothecation of Stock and		
Fixed Assets) Guaranteed by Directors		
- From Others		
Deposits		
Loans and advances from		
Directors & Related Parties (Unsecured)	65904663	60004315
Other Loans and Advances	8158841	
	<hr/>	<hr/>
	89794964	83216761
NOTE # 5		
Long-Term Provisions		
Provision for Employee Benefits - Gratuity	1301160	1066062
	<hr/>	<hr/>
	1301160	1066062
NOTE # 6		
Other Long term Liabilities		
Rent Advance Received (Unsecured)	2932500	1997050
	<hr/>	<hr/>
	2932500	1997050
NOTE # 7		
Short-Term Borrowings		
Cash Credit Facilities		
Vijaya Bank- CCH A/c (Secured)	68290301	74452379
	<hr/>	<hr/>
	68290301	74452379
NOTE # 8		
Other Current Liabilities		
Current Maturities of Long-Term Debt	7254873	7398891
Other Payables		
Other Liabilities for Expenses	445934	285548
Statutory Liabilities	680775	1176649
Advance Received from Customers	2427841	2842311
	<hr/>	<hr/>
	10809423	11703399
NOTE # 9		
Short-Term Provisions		
Others (specify nature)		
Provision for Income Tax	4010000	2794000
	<hr/>	<hr/>
	4010000	2794000

NOTE # 10 Tangible Assets as on 31st March 2018.

S. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		COST AS ON 01.04.2017	ADDITIONS DURING THE YEAR	DELETIONS	TOTAL AS ON 31.03.2018	UPTO 01.04.2017	FOR THE YEAR	UPTO 31.03.2018	NET CARRYING AMOUNT AS ON 31.03.2018	NET CARRYING AMOUNT AS ON 31.03.2017
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	LAND & SITE DEVELOPMENT	2578354	0	0	2578354	0	0	0	2578354	2578354
2	FACTORY BUILDING	44487583	0	0	44487583	29084331	1404564	30488895	13998688	15403252
3	OFFICE BUILDING	566918	0	0	566918	129465	9034	138499	428419	437453
4	PLANT AND MACHINERY	166532434	973896	0	167506330	85953675	3537878	89491553	78014777	80578759
5	ELECTRICAL INSTALLATION	2935661	0	0	2935661	2788878	0	2788878	146783	146783
6	GENERATOR	1574170	0	0	1574170	1495461	0	1495461	78709	78709
7	TOOLS	252102	0	0	252102	228023	2024	230047	22055	24079
8	LAB EQUIPMENTS	375188	0	0	375188	342750	4560	347310	27878	32438
9	OFFICE EQUIPMENTS	791825	195403	0	987228	685323	81373	766696	220532	106502
10	FURNITURE AND FITTINGS	241910	0	0	241910	229814	0	229814	12096	12096
11	PACKING MACHINE	1622246	1780691	0	3402937	975998	602826	1578824	1824113	646248
12	ELECTRONIC SCALE & KITS	104094	91880	0	195974	92861	8520	101381	94593	11233
13	VEHICLES	10235259	0	0	10235259	6498371	587867	7086238	3149021	3736888
	TOTAL	232297744	3041870	0	235339614	128504950	6238646	134743596	100596018	103792794
	PREVIOUS YEAR (2016-17)	197771440	34526304	0	232297744	123961119	4543831	128504950	103792794	73810321

Particulars	As at 31st Mar 2018 Rs.	As at 31st Mar 2017 Rs.
NOTE # 11		
Long-Term Loans and Advances		
Security Deposits - Unsecured Considered Good	801684	1093653
	801684	1093653
NOTE # 12		
Inventories (valued at lower of cost or net realizable value)		
Raw Materials	188038794	18599784
Finished Goods	289099902	309185333
Stores and Spares	1303794	1080973
Packing Materials	941333	1377703
	479383822	330243793
NOTE # 13		
Trade Receivables		
Unsecured, Considered Good		
- Outstanding for a period not exceeding six months	25067524	24562325
- Others - for a period exceeding six months		
- Debts due by Related parties		
	25067524	24562325
NOTE # 14		
Cash and Cash Equivalents		
Balance with Banks	6425589	1321876
Fixed Deposits	35357006	61130300
Cash on Hand	1319301	831105
	43101896	63283282
NOTE # 15		
Short-Term Loans and Advances		
Others (specify nature)		
Travelling & Staff Advances - Unsecured Considered Good	1378087	1119959
	1378087	1119959
NOTE # 16		
Other Current Assets (Residual Head)		
Prepaid Expenses	264624	312291
Accrued Interest	446338	690022
Balance with Govt. Departments	14837098	2500253
Advance to Suppliers	31054109	14556759
Tax Deducted at Source	2209813	2003732
	48811981	20063057

Annexures to the Profit & Loss Statement

Particulars	Year Ended 31st Mar 2018	Year Ended 31st Mar 2017
	Rs.	Rs.
NOTE # 17		
Revenue From Operations		
Sale of Products (Net of Excise Duty)	1756458703	1306789259
Other Operating Revenues		
Rent Received	9825387	4822160
Processing Charges Received	0	6829498
	1766284090	1318440917
NOTE # 18		
Other Incomes		
Interest Income	2703046	3943199
Other Non-Operating Income		
Profit on Forex Fluctuation	7049156	603131
Discount Received	3980509	0
Quantity Quality Rebate	25198	0
	13757909	4546330
NOTE # 19		
Cost of Materials Consumed		
Opening Stock		
Raw Materials	18599784	36617326
Consumables	1080973	1745012
Packing Materials	1377703	1810243
	21058460	40172580
Add : Purchases during the year :		
Raw Materials - Imported	1413103003	1190661495
- Indegeneous	194473141	60200564
Consumables & Husk	2479300	1113748
Customs Duty, Freight & Import Expenses	232415391	86329128
Packing Materials	6667458	11187982
	1870196753	1389665497
Less : Closing Stock		
Raw Materials	188038794	18599784
Consumables	1303794	1080973
Packing Materials	941333	1377703
	1679912833	1368607037
NOTE # 20		
Employee Benefit Expenses		
Salaries and Wages	4586358	3439082
Staff Welfare	31262	13686
Contribution to PF and Other Funds	305452	154958
Ex-Gratia	150350	89569
Gratuity	235098	186274
	5308520	3883569

Particulars	Year Ended	Year Ended
	31st Mar 2018	31st Mar 2017
	Rs.	Rs.
NOTE # 21		
Other Administrative and Selling Expenses .		
Advertisement Expenses	42475	48227
Audit Fees	53000	57500
Bank Charges	4363527	1560560
Boiler Maintenance	1880	187077
Brokerage	1394252	168907
Computer Maintenance	2600	17739
Consultancy Charges	280560	391518
Donation	3450	0
Electrical Maintenance	72345	48096
Factory Maintenance	221947	123530
Fumigation Expenses	8050	0
Filing Fees	14725	327591
Insurance Charges	1573498	992773
Internal Audit Fee	45000	45000
Lab Maintenance	7048	4500
LC Charges	5792315	7373159
Legal Fees	30700	320500
Licence Fees, Rates & Taxes	834554	660928
Listing Fees	353987	235761
Office Maintenance	95812	13012
Packing Charges	0	250
Pooja Expenses	4780	12627
Plant Maintenance	314000	251516
Postage & Telegram	140656	126329
Printing & Stationery	95327	226416
Quantity & Quality Rebate	0	664914
Storage Tank Rent	7778825	5396489
Share Transfer Expenses	88754	213600
Telephone Expenses	113314	107520
Travelling & Conveyance	479189	276331
Vehicle Maintenance	2477357	2252417
Weighing Scale Maintenance	4375	27600
	26688303	22132388
NOTE # 22		
Finance Costs		
Interest Expenses	14165215	13141521
	14165215	13141521

J. R. FOODS LIMITED

CIN: L15142PY1993PLC000911

Annexures to the Balance Sheet

NOTE # 23

1) RELATED PARTY DISCLOSURES

a) Key Management Personnel

Name of the related Party	Nature of relationship	Directorship
1. Sri. Dinesh Kothari	Director	PEIPL / JKS The Banyaan p Ltd.,
2. Smt.Kamala J. Kothari	Director	PEIPL / JKS The Banyaan p Ltd.,

b) List of Related Parties

1. Pondicherry Extraction Industries Limited- (PEIPL)
2. Smt. Jasodabai Kothari (Individual) (Mother of Sri J K Kothari & Mother in Law of Smt. Kamala J Kothari)
3. Sri. Chetan Kothari (Individual) (Son of Sri J. K. Kothari)
4. Sri. Dinesh Kothari (Individual) (Son of Sri J. K. Kothari)
5. Sri. Raman Lal Kothari (Father of J.K. Kothari & Father in Law of Smt. Kamala J Kothari)

c) Loan Taken from Directors' relatives

Name of the Person	Dr.	Cr.	Opening Balance as on 01/04/2017	Closing Balance as on 31/03/2018
Sri. Raman Lal Kothari	-	-	1,00,000/-	1,00,000/-
Smt.Jasodabai Kothari	2,62,900/-	-	30,00,000/-	27,37,100/-
Sri. Chetan Kothari	-	-	96,828/-	96,828/-
Sri. Dinesh Kothari	2,97,322/-	22,93,285/-	4,01,03,208/-	4,20,99,171/-
Sri. Kamala J Kothari	1,32,715/-	-	1,67,04,279/-	1,65,71,564/-
JKS the Banyaan Private Limited	-	10,00,000/-	-	10,00,000/-
Pondicherry Extraction Industries Limited	-	33,00,000/-	-	33,00,000/-

2. Contingent Liabilities: Out of the sanctioned FLC limit of Rs.35.00 Crores FLC opened and outstanding to the extent of Rs.34.62 Crores as on the last date of the financial year. Out of the sanctioned Bank Guarantee Limit of Rs.0.75 Crores, utilized and Bank Guarantee outstanding is Rs.54 Lakhs.
3. Dues to Small Scale Industrial undertakings which are over Rupees one lakh and outstanding for more than 30 days is Rs. Nil

J. R. FOODS LIMITED

4. Smt. Kamala J. Kothari, Shri. Dinesh Kothari, Shri. G. Ashokkumar and Shri. D.Gopi, Directors, have waived sitting fees due to them for the year
5. Directors' Remuneration:
 - a. Sri. Dinesh Kothari, Whole time Director – Salary Paid Rs.6,00,000/-
6. Confirmation of balances from debtors and creditors has not been received in some cases.
7. Provision for Income Tax has been made for Rs.40,10,000/- for the year. The net deferred tax asset as on 31.03.2018 of timing differences on account of Income Tax Losses has not been considered as a prudent accounting policy as per AS-22.

8. Earnings per Share	2017-18	2016-17
a. Net Profit/(Loss) as per Profit & Loss A/c	Rs.1,51,18,158	Rs.1,18,64,008
b. No. of Equity Shares	95,00,000	95,00,000
c. Basic earnings per share (a/b)	Rs. 1.59	Rs.1.25
d. Diluted earnings per share (a/b)	Rs. 1.59	Rs.1.25

9. Figures of the previous year have been regrouped/reclassified wherever necessary to conform to current year's classification.

As per our Report Annexed
for **BALAJI & GOPALAN**
CHARTERED ACCOUNTANTS
Firm Registration No: 008874S

K MAHALAKSHMI
Company Secretary
Mem. No.12056

KAMALA J. KOTHARI
Director
DIN:00005321

DINESH KOTHARI
Director
DIN:00850924

S. MADANAGOPALAN
Partner
Membership No: 025239

Place: Puducherry
Date: 30th May 2018

M.VELMURUGAN
Chief Financial Officer