

BALAJI AGRO OILS LIMITED

Regd. Office: 74-2-19, Old Check Post Centre,
Krishna Nagar, Vijayawada – 520007.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 25th Annual General Meeting of the members of M/s. Balaji Agro Oils Limited (L15143AP1994PLC017454) will be held on Monday, the 30th day of September, 2019 at 11.00 AM at the Registered Office of the Company situated at Door. No. 74-2-19, Old Check Post Centre, Krishna Nagar, Vijayawada - 520007, to transact the following Business:

Ordinary Business:

1. To receive, consider and adopt the Audited Statements of Profit & Loss for the year ended 31st March 2019 and the Balance Sheet as on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sri Vallabhaneni Venkatramaiah (DIN No.00227148) who retires by rotation and being eligible offers himself reappointment
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Members of the Company hereby ratifies the appointment of Sri P. Janardhan, Chartered Accountant, Membership No. 26498, as Statutory Auditor of the Company to hold office from the conclusion of this meeting to the rest of the tenure (without further ratification) and upto the Annual General Meeting to be held for the financial year 2021-22 on such remuneration as may be determined by the Board of Directors from time to time.

By Order of the Board
For BALAJI AGRO OILS LIMITED

Place : Vijayawada

Date : 13th August, 2019

V. VENKATARAMAIAH
CHAIRMAN
DIN : 00227148

Notes

1. A Member entitled to attend and vote at a Meeting is entitled to appoint one or more Proxies to attend and vote on a poll on his behalf and such proxy need not be a Member of the Company. A Proxy Form is enclosed. Proxy Form in order to be effective, duly completed, must be received by the Company at the Registered Office not less than 48 hours before the time fixed for the Meeting.
2. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of persons seeking appointment/re-appointment as Directors at the Annual General Meeting is annexed hereto.
3. Members / proxies are requested to bring with them the Attendance slip sent with the Annual Report duly completed and signed and hand it over at the entrance.
4. Pursuant to Sec.91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed for 7 days i.e. from 24.09.2019 to 30.09.2019 (both days inclusive).
5. Non-resident Indian Shareholders are requested to inform us immediately the changes in Residential status on return to India for permanent settlement the particulars of Bank NRE Account, if not furnished earlier.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / XL Softech Systems Ltd.
7. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
8. Members desiring any information on the financial statements at the Annual General Meeting are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
9. Members are requested to quote Folio Number/ Client ID No in all correspondence. Members are requested to update their Email ID with their respective depository participant and with the company's Registrar and Transfer Agents.
10. As the Company's Equity shares are compulsorily traded in demat mode, shareholders holding shares in physical form are requested to dematerialize the same.

11. In accordance with the MCA's "Green Initiative in Corporate Governance" allowing companies to share documents with its shareholders in the electronic mode and related amendments to the Listing Agreement with the Stock Exchanges, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.

12. E-VOTING

Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules of the Act and Regulations 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility the members to exercise their right to vote by electronic means.

The e-voting period will commence at 10:00 a.m. on 27th September, 2019 and will end at 5:00 p.m. on 29th September, 2019. The Company has appointed Mr. Mahesh Grandhi (FCS No. 7120, CP No. 7160), Practicing Company Secretary to act as the Scrutinizer to scrutinize the voting and remote e-voting process (including the ballot form received from the members who do not have access to the e-voting process) in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

The e-voting facility is available at the link:

EVSN (e-voting Sequence Number)	Commencement of e-voting	End of e-voting
190903069	27-09-2019	29-09-2019

Members have an option to vote either through e-voting or through physical ballot form. If a member has opted for e-voting, then he/she should not vote by physical ballot also and vice versa. However, in case members cast their vote both via physical ballot and e-voting then e-voting shall prevail and voting done through physical ballot shall be treated as invalid. The Company has signed an agreement with CDSL for facilitating e-voting.

The Scrutinizer shall, immediately after the conclusion of voting at the Annual General meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than three (3) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman and/or Managing Director or a person authorized by him in writing who shall counter sign the same.

The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL and communicated to Stock Exchange where the shares are listed.

13. The instructions for members for voting electronically are as under:

The voting period begins on Friday, the 27th September, 2019 at 10:00 a.m and ends on Sunday the 29th September, 2019 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted through e-voting prior to the meeting date would not be entitled to vote at the meeting venue.

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (ii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant Balaji Agro Oils Limited on which you choose to vote.
- (v) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (vii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (x) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xi) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from google play store. iphone and windows phone users can download the app from app store and the windows phone store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xii) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

BRIEF PROFILES OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

ITEM NO. 2

To appoint a Director in place of Sri V. Venkatramaih (DIN No. 00227148) who retires by rotation and being eligible and offers himself reappointment

Sri. V.Venkatramaiah 74 years, and having 35 years experience in Rice milling industry and 23 years experience in Solvent Extraction Industry and Pisciculture.

The terms as set out in the resolution and explanatory statement may be treated may be treated as an abstract of the terms and conditions governing the appointment and remuneration and memorandum of interest pursuant to Section 190 of the Companies Act, 2013.

To

The Members,

Your Directors have pleasure in presenting the 25th Annual Report of the Company together with the Audited Statements of Accounts for the Financial Year ended March 31, 2019.

Financial Results:

PARTICULARS	Current Year 2018-19	Previous Year 2017-18
	(Rs. Lakhs)	(Rs. Lakhs)
Total Income	8229.55	6725.63
Profit/(loss) before depreciation	110.63	88.84
Depreciation	45.70	42.57
Profit/(loss) before Tax	64.93	46.27
Provision for Taxation	10.48	7.20
Deferred Tax liability/(Asset)	35.62	11.26
profit (Loss) for the year	18.83	27.81
Balance B/F	959.51	931.7
Add:Shares ferfuted adjusted to capital reserve	31.17	0.00
Add:Adjustment towards depreciation	111.75	-
Profit/(Loss) Balance C/F	1121.26	959.51

Operations:

During the year the company continued the activities of Steel & Solvent extraction and Power generation operations.

It is informed to you that the Company is in the last step of compliance process of Secondary Listing with Metropolitan Stock Exchange Limited, Mumbai. The confirmation on the approval will be intimated to you as and when it is completed.

Solvent Extraction Division:

This division earned an after Tax Profit of Rs.89.41 lakhs as against profit of Rs.74.57 lakhs during the previous year. It processed 27502.836 M.Ts of Rice Bran as against 26674.757 M.Ts of Rice Bran during the previous year.

Power Division:

This division earned an after tax Profit of Rs.(44.47)lakhs as against profit of Rs.44.40 lakhs during the previous year. It has generated 245.39 lakhs of units as against 189.913 lakhs of units during the previous year.

Steel Division:

This division earned an after tax Loss of Rs.9.52.lakhs as against profit of Rs.8.90 lakhs during the previous year. It produced 3513 Mt of Iron Ingots as against 2605.600M.Ts of Iron Ingots during the previous year.

Dividend & Reserves:

To keep the capital base of the company stronger and with a view to make the company cash rich, your Directors are not recommending any Dividend for this year.

Share Capital:

During the year under review, the company has not issued Equity Shares/ shares with differential voting rights/ granted stock options/ sweat equity.

However, the Company was duly forfeited 6,23,405 Equity Shares on failure with regard to the payment of pending due amount from the shareholders after giving due notice to them and complied with the provisions of the Act.

Deposits:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount of principal and interest was outstanding as on 31st March, 2019

Details of Subsidiary/Joint Ventures/Associate Companies:

Information pursuant to sub-section (3) of section 129 of the Act, i.e., the statement containing the salient features of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is not applicable during the year, as there are no Subsidiary/Joint Venture Companies.

Presentation of Financial Statements:

The Financial Statements for the year ended 31st March, 2019 are prepared in due compliance of the Schedule III of the Companies Act, 2013.

Cash Flow Statement:

A Cash Flow Statement for the year 2018-19 is annexed to the Statement of Accounts.

PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**Appointments:**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Sri V. Venkatramaih (DIN No. 00227148) who retires by rotation and being eligible and offers himself for reappointment

The Board of Directors duly constituted and Sri Venkataramaiah Vallabhaneni, Chairman and Sri Suraj Kumar Vallabhaneni, Sri Balaji Vallabhaneni as Joint Managing Directors and Smt Vallabhaneni Sangeetha, Sri Bhanu Prasad Medabalimi, Sri Kandimalla Ravi Varma, Sri Babuji Gottipati and Sri Gottipati Ramesh Babu as Directors of the Company continuing on the Board.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there has been no change in the circumstances which may affect their status as independent director during the year.

The brief particulars of the Directors seeking appointment / re-appointment at this Annual General Meeting are being annexed to the Corporate Governance Report as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forming part of this Annual Report.

Cessation:

During the year, none of the directors have ceased to be directors.

Key Managerial Personnel

During the year, Ms. Alima, Company Secretary resigned from the office of Company Secretary due to pre occupation with effect from 30.03.2019 and the Company has been in the process of identifying the right candidate for the position of the Company Secretary to comply with the provisions of Section 203 of the Companies Act, 2013 read with the

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended thereto.

Board evaluation and assessment

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration committee and Independent Directors with specific focus on the performance and effective functioning of the Board and individual Directors.

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out performance evaluation taking into consideration of various aspects of the Board's functioning, composition of Board, and its Committees, execution, and performance of specific duties, obligations and governance. The Performance of evaluation of Independent Directors was completed. The Performance evaluation of Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with evaluation process.

None of the directors of the company is disqualified under the provisions of the Act or under the Listing Agreement with the Stock Exchanges.

Policy on directors' appointment and remuneration and other details

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy which lays down a framework in relation to selection, appointment and remuneration to directors, key managerial personnel and senior management of the Company. The Company's policy on directors and KMP appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of the directors' report.

Number of board meetings during the year

During the year, 6 (Six) Meetings of the Board, 4 (Four) Meetings of Audit Committee, 4 (Four) Meetings of Investor Services Committee, 1 (One) Meetings of Nomination and Remuneration Committee and 2 (Two) Meetings of CSR Committee were convened and held, the details of which form part of the report on corporate governance.

Particulars of Loans, Guarantees or Investments under Section 186:

The particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 have been disclosed as notes in the financial statements.

Particulars of Contracts or Arrangements with Related Parties:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval, where ever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature.

A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

The details of Related Party Transactions are annexed in Form AOC-2 as Annexure -V.

Material Orders, if any, Passed by the Regulators, Courts Etc.:

There are no orders passed by Regulators/Courts/Tribunals which have impact on the going concern status and Company's operations in future.

Auditors:

The Statutory Auditor of the Company Sri P. Janardhan, Chartered Accountant, Vijayawada, retires at the conclusion of this Annual General Meeting of the company, who has been appointed as auditor of the company for a term of 5 years and who have confirmed their eligibility to be appointed as Auditor. In terms of provisions of section 141 of the Act and as amended, and rule 4 of the rules, be and are hereby confirmed and ratified to hold office of Statutory Auditor of the company from the conclusion of the ensuing Annual General Meeting to the rest of the tenure (without further ratification) and upto the Annual General Meeting to be held for the financial year 2021-22 on such remuneration as may be agreed upon by the Audit committee/ Board of Directors in consultation with the Auditor

There are no qualifications or observations or remarks made by the Auditors in their Report.

Cost Audit Report:

The Cost Audit is not applicable to the company for the year ended 31st March 2019

Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Sri Mahesh Grandhi, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2018-19. The Report of the Secretarial Auditor for Financial Year 2018-19 is annexed herewith as "Annexure-I".

The Board of Directors herewith replies to the observations of Secretarial Auditors that Company is very much keen on taking steps to comply with the provisions as qualified by the Secretarial Auditor.

Apart from this, The Report does not contain any qualification, reservation or adverse remarks.

Internal Audit & Controls:

The company has an effective internal control system in place and this is continually reviewed for effectiveness and is augmented by written policies and guidelines. The company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control procedures.

The internal control system of the company is subject matter of Audit Committee's periodical review and suggestions and recommendations, if any, made by the committee will be carried out.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

Corporate Social Responsibility:

◆ The Company's Corporate Social Responsibility (CSR) aims to extend beyond charity and enhance social impact. CSR Committee at its meeting held on **31st October, 2015**, framed a CSR Policy and the same was adopted by the Board. The Company's CSR policy covers the activities as under:

- Uphold and promote the principles of inclusive growth and equitable development.
- Develop Community Development Plans based on needs and priorities of host communities and measure the effectiveness of community development programmes.
- Work actively in areas of preventive health and sanitation, education, skills for employability, livelihoods, income generation, waste resource management and water conservation for host communities for enhancing Human Development Index.
- Collaborate with likeminded bodies like governments, voluntary organizations and academic institutes in pursuit of our goals.
- Any other activity, in compliance of the above, as may be taken up by the Committee from time to time.

◆ The Composition of the CSR Committee: The CSR Committee has been constituted by the Board of Directors on 30.06.2014 and the following are the members of the Committee as of Date:

1. Medabalimi Bhanu Prasad	Chairman
2. Kandimalla Ravi Varma	Member
3. Gottipati Ramesh Babu	Member
4. Vallabhaneni Suraj Kumar	Member

The Committee duly met 2 (two) times during the financial year and discussed about the CSR Policy, which was already framed by the committee.

- ◆ Due to the company's parameters in terms of Turnover, Networth or Profitability were not qualified as specified in section 135 of companies act, 2013, and hence spending of 2% of the Profits towards CSR activity is not required.

Management Discussion & Analysis

Pursuant to the provisions of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis is presented in a separate section and forms part of the Annual Report.

Corporate Governance:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in provisions of SEBI (LODR) Regulations, 2015.

A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. Full details of the various board committees are also provided therein along with Auditors' Certificate regarding compliance of conditions of corporate governance and forms integral part of this Report.

Extract of Annual Return (MGT-9):

Pursuant to section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in form MGT-9 is provided as Annexure- II.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENT:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company (with its inherent weakness) work performed by the internal, statutory and secretarial auditors including the audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the period ended on 31st March, 2019.

RISK MANAGEMENT

The Board of the Company adopted a policy to frame, implement and monitor the risk management policy/plan for the Company and ensuring its effectiveness. The Board oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Particulars of Employees:

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF REMUNERATION

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and Rule 5 (1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive Directors	Ratio to Median remuneration
V.VENKATRAMAIAH	4.29:1
V.BALAJI	4.39:1
V.SURAJ KUMAR	4.39:1

- a) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year: NIL
- b) There is no percentage increase in the median remuneration of employees in the financial year.
- c) The number of permanent employees on the rolls of Company : 114 The explanation on the relationship between average increase in remuneration and Company performance: NIL

- d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: NIL
- e) Comparison of remuneration of the key managerial personnel against the performance of the Company:

(Amount in Lakhs)

Name of person	Remuneration (Rs.in Lakhs)	Total Revenue (Rs.in Lakhs)	Remuneration as a % of total revenue
V.VENKATRAMAIAH	9.82	8229.55	0.119
V.BALAJI	9.82	8229.55	0.119
V.SURAJ KUMAR	12.62	8229.55	0.153

- a) The key parameters for any variable component of remuneration availed by the directors: NIL
- b) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None.
- c) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration paid to Key Managerial Personnel is as per the remuneration policy of the Company.

Declaration by Independent Director(s):

All the Independent Directors have submitted declarations to the Company to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE & VIGIL MECHANISM:

The Audit Committee consists of the following members:

- | | | |
|----|----------------------------|-------------------|
| 1. | Gottipati Bapuji | Chairman |
| 2. | Medabalimi Bhanu Prasad | Member |
| 3. | Kandimalla Ravi Varma | Member |
| 4. | vallabhaneni Suraj Kumar | Member |
| 5. | Representative of Auditors | Permanent Invitee |

The above composition of the Audit Committee consists of three independent Directors.

Vigil Policy

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Company empowered the victimized Employees or Director to approach directly the Chairman of the Audit Committee for a solution to the issue so that the victimized Employee/ Director is rescued.

Risk Management Policy:

Risk Management Policy has been approved by the Board of Directors and the company is taking steps to mitigate and minimize various Business risks which have impact on the operations of the company.

Material Changes and Commitments:

No material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of this report which affecting Financial position of the Company as on 31.03.2019

Prevention of Sexual Harassment of Woman at Work Place:

In order to prevent sexual harassment of woman at work place as per provisions of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company adopted a policy for prevention of Sexual Harassment of Woman at workplace and has set up Committee for implementation of said policy. During the year under review, there were no cases filed against anybody for sexual harassment.

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. During the financial year 2018-19, the Company has not received any complaints on sexual harassment.

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

The details of conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

Environmental protection:

Your company continued its efforts towards Clean and Green this year also. It has been monitoring environment and pollution parameters at its factory at Davuluru. Planting of trees and taking proper care in raring them is being done on regular basis.

Energy conservation:

The information in accordance with the provision of Section 134 of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 2014, particulars with respect to Conservation of Energy is as under:

Energy conservation has been identified as an important source of improving cost effectiveness. Energy conservation and optimization is achieved from the design stage of plant itself and is then maintained and improved in the normal plant operation. Continuous updating of energy conservation efforts is being carried in at all operating levels. The required data with regard to Conservation of Energy as applicable to our industry is furnished below:

<i>Particulars</i>	<i>For the year 2018-2019</i>	<i>For the year 2017-2018</i>
I. Electricity		
i) Purchased (APTRANSCO) Units	--	--
Total Amount (Rs.)	--	--
Rate per Unit (Rs)	--	--
ii) Capitive Generation Units	43,78,300	33,33,700
Total Amount (Rs.)	2,78,34,170	2,00,02,200
Rate per Unit (Rs)	6.36	6.00
iii) Own Generation Units	--	--
Total Amount (Rs.)	--	---
Rate per Unit (Rs)	--	--
II. Steam		
Total Amount (Rs.)	-	-
Consumption per M.T. of Production		
- Electricity (Units)	141.16	113.85
- Steam (Rs.)	-	-
III. Internal Generation (Units)	--	-

Technology Absorption

No expenditure is incurred by the Company attributable to Technology absorption during the year under review.

Foreign Exchange Earnings & Outgo:

Foreign Exchange Earnings : Nil

Foreign Exchange Outgo : Nil

Expenditure on Research and Development

No expenditure is incurred by the Company attributable to Expenditure on Research and Development during the year under review.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, the best of their knowledge and ability confirm that:

(a) in the preparation of the annual accounts for the year ended 31st March 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2019 and of the profit and loss of the company for the year ended on that date;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

(e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPRECIATION:

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry, despite increased competition from several existing and new players.

Acknowledgements:

The Board desires to place on record its sincere appreciation for the support and co-operation that the Company received from the suppliers, customers, strategic partners, Bankers, Auditors, Registrar and Transfer Agents and all others associated with the Company. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be the Company's endeavor to build and nurture strong links with trade based on mutuality, respect and co-operation with each other.

Your Directors would like to thank the HDFC Bank MG Road, SBI Bank, Patamata Branch, Vijayawada and Share Transfer Agents, XL Softech Systems Limited, Hyderabad and also thank the Shareholders, Customers, Suppliers, State and Central Government agencies for the support they have given to the company and confidence which they have reposed in its management.

By Order of the Board

For BALAJI AGRO OILS LIMITED

(V.SURAJ KUMAR)

JT.MANAGING DIRECTOR

DIN : 00227360

(V. BALAJI)

JT. MANAGING DIRECTOR

DIN : 00227309

Place: Vijayawada

Date: 13th August, 2019

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
M/s. Balaji Agro Oils Limited

Corporate Identity Number (CIN) : **L15143AP1994PLC017454**

Authorised Capital : **Rs.14.00 Crores**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Balaji Agro Oils Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. **Balaji Agro Oils Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, explanation declaration and undertaking provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. **Balaji Agro Oils Limited** ("the Company") a **Listed Public Company** for the financial year ended on **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) 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;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g) The Memorandum and Articles of Association.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Chennai and Ahmedabad Stock Exchanges read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, both the Stock Exchanges were not in operation and closed as on date.

Accordingly, the Industry specific major Acts as applicable to the Company are complied.

I further report that the Company has, in my opinion, during the period under review complied with the provisions of the Act and Rules, Regulations, Guidelines, Standards etc., mentioned above except to the extent as mentioned below:

1. The Company has constituted the CSR committee and its constitution was as per the regulations. However, the company is not required to spend any amount as the average profits for the last 3 years was within the specified limits i.e., Rs.5.00 crores.
2. The appointment of woman director was not done as stipulated under the provisions of Companies Act, 2013. However, During the Financial year 2016-17, the Company appointed woman director with effect from 31st October, 2016.
3. The Company has not –
 - a) Formulated any policy on related party transactions.

- a) Appointed Key Managerial Personnel in terms of Section 203 i.e., Chief Financial Officer in view of the provisions of Companies Act, 2013.
4. The Regional Stock Exchanges in which the Company's shares were listed has become inoperative and the company has duly confirmed that the process of listing its shares with Metropolitan Stock Exchange of India Limited is at last leg of compliance.
5. The Ministry of Corporate Affairs (MCA) on 16th February, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of Companies from 1st April, 2016 with transition date of 1st April, 2015. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable to the Company from 1st April, 2017.
- However, the Company has not restated the accounts in IND AS.

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period the company has not entered into / carried out any activity that has major bearing on the company's affairs.

(G. MAHESH)

Company Secretary in Practice

M.No.: F7120

CP No.: 7160

Place: Hyderabad

Dated: 13-08-2019

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

To,

The Members,

M/s. Balaji Agro Oils Limited

Corporate Identity Number (CIN) : L15143AP1994PLC017454

Authorised Capital : Rs.14.00 Crores

My report 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I 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. My examination was limited to the verification of procedures on test basis.
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.

(G. MAHESH)

Company Secretary in Practice

M.No.: F7120

CP No.: 7160

Place: Hyderabad

Dated: 13-08-2019

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1. CIN	L15143AP1994PLC017454
2. Registration Date	02-05-1994
3. Name of the Company	BALAJI AGRO OILS LIMITED
4. Category/Sub-category of the Company	Company Limited by Shares/Indian Non-government Company
5. Address of the Registered office & contact details	74-2-19, Old Check Post Centre Krishna Nagar Vijayawada – 520007 Phone : 0866-2822672 E-mail : balajiagro@rediffmail.com
6. Whether listed company	Listed
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. XL Softech Systems Limited 3, Sagar Society, Road No. 2 Banjara Hills, Hyderabad – 500034. Phone No.040-23545913 E-mail :

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Rice Bran Oil	23040020	71.62%
2	Power Generation	98010013	13.75%
3	Manufacturing of Iron Ingots	72279090	14.63%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary Associate	% Shares	Applicable Section
		NIL			

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity) - Category-wise Share Holding

Category of Shareholders	No. of Shares held at the end of the year[As on 1-April 2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	6151073	0	6151073	54.92	6151073	0	6150073	58.15	-0.02
b) Central Govt	0	0	0	0	0	0	0	0	
c) State Govt (s)	0	0	0	0	0	0	0	0	
d) Bodies Corp.									
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	
f) Any other--	0	0	0	0.00	0	0	0	0.00	
Sub-total (A) (1):-	6151073	0	6151073	54.92	6150073	0	6150073	58.15	-0.02
(2) Foreign									
a) NRIs – Individuals	0	0	0	0.00	0	0	0	0.00	
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	
e) Any Other....	0	0	0	0.00	0	0	0	0.00	
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	
Total shareholding	6151073	0	6151073	54.92	6150073	0	6150073	58.15	-0.02

B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture									
i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1106300	1270000	2376300	21.22	1106300	1270000	2376300	22.47	1.25
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	94200	821200	915400	8.17	98700	535895	634595	6.00	-30.68

ii) Individual shareholders holding nominal share capital in excess of rs.1 lakh	361300	1325327	1686627	15.06	504300	841827	1346127	12.73	-20.19
c) Others: NRI & Clearing	4500	66600	71100	0.64	4500	6500	70000	0.66	-1.57
Sub-total (B)(2):-									
Total Public Shareholding	1566300	3483127	5049427	45.08	1713800	2713222	4427022	41.85	-3.23
C. Shares held by Custodian for GDRs & ADRs									
Grand Total	7717373	3483127	11200500	100.00	7863873	2713222	10577095	100.00	-5.57

B) Shareholding of Promoter-

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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 to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vallabhaneni Venkatramaiah	2656131	23.71	Nil	2655131	25.10	Nil	Nil
2	Vallabhaneni Balaji	1115400	9.96	Nil	1115400	10.54	Nil	Nil
3	Vallabhaneni HemaLatha	320400	2.86	Nil	320400	3.03	Nil	Nil
4	Vallabhaneni Surajkumar	1074142	9.59	Nil	1074142	10.15	Nil	Nil
5	Vallabhaneni Sangeetha	984900	8.79	Nil	984900	9.31	Nil	Nil
6	Vallabhaneni Venkatasubamma	100	0.00	Nil	100	0.00	Nil	Nil
	TOTAL	6151073	54.92		6150073	58.13		

C) Change in Promoters' Shareholding (please specify, if there is no change):

There is no change in the Promoters' shareholding during the Financial Year 2018-19.

Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

There is change in Top Ten Shareholding during the financial year.

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year
---------	---	---

	For Each of the Top 10 Shareholders			% of total shares of the company	
	At the beginning of the year				
1	Sreehitha Refineries Ltd	1650000	14.73	1650000	15.60
2	Rajyalakshmi Poultry Products Limited	490000	4.37	490000	4.63
3	Dandamudi Avanindra Kumar	450000	4.02	450000	4.25
4	R.Prasada Rao	207600	1.85	207600	1.96
5	Netware Infotech Limited	200000	1.79	200000	1.89
6	Dintakurthi Kesava Rao	120000	1.07	136100	1.29
7	P.Srihari	68127	0.61	68127	0.64
8	Daljeet Kaur Arora	67100	0.60	67100	0.63
9	Ruchi Khanna	63100	0.56	63100	0.59
10	Dilawar Singh Arora	45300	0.40	45300	0.42
	Total	3361227	30.00	3377327	31.93

	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus / sweat equity etc.)				
	At the End of the year (or on the date of separation, if separated during the year)				
1	Sreehitha Refineries Ltd	1650000	15.60	1650000	15.60
2	Rajyalakshmi Poultry Products Limited	490000	4.63	490000	4.63
3	Dandamudi Avanindra Kumar	450000	4.25	450000	4.25
4	R.Prasada Rao	207600	1.96	207600	1.96
5	Netware Infotech Limited	200000	1.89	200000	1.89
6	Dintakurthi Kesava Rao	136100	1.29	136100	1.29
7	P.Srihari	68127	0.64	68127	0.64
8	Daljeet Kaur Arora	67100	0.63	67100	0.63
9	Ruchi Khanna	63100	0.59	63100	0.59
10	Dilawar Singh Arora	45300	0.42	45300	0.42
	Total	3377327	31.93	3377327	31.93

Note:1. The shares of the Company are traded on a daily basis on the stock exchanges and hence date wise increase/ decrease in shareholding is not provided.

2. The details of date wise increase/decrease will be provided at the request of shareholder.

E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	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
1	At the beginning of the year	5830573	52.05	5830573	52.05
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
3	At the end of the year	5829573	55.12	5829573	55.12

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	V.VENKATRAMAIAH-DIRECTOR	2656131	23.71	2655131	25.10
2	V.BALAJI-JOINT MANAGING DIRECTOR	1115400	9.96	1115400	10.54
3	V.SURAJ KUMAR-JOINT MANAGING DIRECTOR	1074142	9.59	1074142	10.15
4	M.BHANU PRASAD-DIRECTOR	0	0	0	0
5	K.RAVI VARMA-DIRECTOR	0	0	0	0
6	V.SANGEETHA	984900	8.79	984900	9.31
7	G.BAPUJI	0	0	0	0
8	G.RAMESH BABU	0	0	0	0
	Total	5830573	52.05	5829573	55.12
	Increase / Decrease in Share holding				
1	V.VENKATRAMAIAH-DIRECTOR	0	0	1000	0
2	V.BALAJI-JOINT MANAGING DIRECTOR	0	0	0	0
3	V.SURAJ KUMAR-JOINT MANAGING DIRECTOR	0	0	0	0
4	M.BHANU PRASAD-DIRECTOR	0	0	0	0
5	K.RAVI VARMA	0	0	0	0
6	V.SANGEETHA	0	0	0	0
7	G.BAPUJI	0	0	0	0
8	G.RAMESH BABU	0	0	0	0
	TOTAL	0	0	0	0

V. INDEBTEDNESS –Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Rs.in Crores

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13.29	0.00	Nil	13.29
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	NIL	Nil	Nil	Nil
Total (i+ii+iii)	13.29	0.00	Nil	13.29
Change in Indebtedness during the financial year				
- Addition	Nil	Nil	Nil	Nil
- Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	12.28	0.00	Nil	12.28
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	12.28	0.00	Nil	12.28

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

Remuneration to Managing Director:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		V.Venkatramaiah	V.Balaji	V.Suraj Kumar	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	900000	900000	900000	27,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	107825	107825	315158	530808
	I Profits in lieu of salary under	Nil	Nil	Nil	Nil
2.	Stock Option				
3.	Sweat Equity				
4.	. Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total (A)	1007825	1007825	1215158	3230808
	Ceiling as per the Act (10% of Net Profit)				

Remuneration to other directors: Not Applicable

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act (11% of Net Profits)					lakhs

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 I Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences against the Company, Directors and other Officers in Default during the year ended 31st March 2019

BOARD OF DIRECTORS

CHAIRMAN

Sri Vallabhaneni Venkataramaiah

JOINT MANAGING DIRECTORS

Vallabhaneni Balaji

Vallabhaneni Suraj Kumar

INDEPENDENT NON-EXECUTIVE DIRECTORS

Medabalimi Bhanu Prasad

Kandimalla Ravi Varma

Gottipati Bapuji

Gottipati Ramesh Babu

WOMAN DIRECTOR

Vallabhaneni Sangeetha

BOARD COMMITTEES

AUDIT COMMITTEE

Gottipati Bapuji	Chairman
Medabalimi Bhanu Prasad	Member
Kandimalla Ravi Varmai	Member
Vallabhaneni Suraj Kumar	Member
Representative of Auditors	Permanent Invitee

INVESTOR SERVICES COMMITTEE

Medabalimi Bhanu Prasad	Chairman
Kandimalla Ravi Varma	Member
Gottipati Bapuji	Member
Vallabhaneni Suraj Kumar	Member

NOMINATION AND REMUNERATION COMMITTEE

Medabalimi Bhanu Prasad	Chairman
Kandimalla Ravi Varma	Member
Gottipati Bapuji	Member
Gottipati Ramesh Babu	Member

CSR COMMITTEE

Medabalimi Bhanu Prasad	Chairman
Kandimalla Ravi Varma	Member
Gottipati Ramesh Babu	Member
Vallabhaneni Suraj Kumar	Member

Annexure – III

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The Management Discussion and Analysis sets out the developments in the business environment and the Company's performance since our last report. This analysis supplements the Directors' Report and the Audited Financial Statements forming part of this Annual Report.

Industry and Structure

Solvent Extraction Industry:

Indian vegetable Oil economy is the fourth largest in the world after USA, China and Brazil. Oilseed cultivation is undertaken across the country in 2 seasons, in an area aggregating approximately 26 million hectares. 80% of the India's domestic oil output comes from primary source that is 9 cultivated oilseeds and 2 major oil bearing oil seeds and the secondary source comprises solvent extracted oils, rice bran oil etc.

The company's original business of Solvent Extraction is focused on quality extraction with emphasis on optimum productivity.

Power generation:

India, which accounts for around 85% of South Asian electricity generation, is facing serious power supply problems. Current generation is about 30% below demand, as a consequence, India is faced with the need to invest heavily in new electricity generating capacity. There is been a growing awareness about setting up small power plants at decentralized places based on renewable sources of energy to avoid the ill effects of pollution from the fossil fuel based power plants. All over the world renewable energy movement is taking place due to global warming and adverse effects of climatic change. The renewable source of energy consists of biomass, wind, small hydro and solar.

The company has ventured into power generation as part of the integration process to utilize the internal resources in a best manner.

Steel Industry:

Manufacturing of "Iron Ingots" taking available surplus power being produced at the Power plant.

Company Infrastructure

Your company operates from its registered office at Vijayawada. The company's unit, comprising of Solvent Extraction, Power Generation Plant and Steel Plant is located at Davuluru (V), Kankipadu Mandal, Krishna District, about 17 KM from the registered office at Vijayawada.

Internal Control Systems

The company has an effective internal control system in place and this is continually reviewed for effectiveness and is augmented by written policies and guidelines. The company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control procedures.

The internal control system of the company is subject matter of Audit Committee's periodical review and suggestions and recommendations, if any, made by the committee will be carried out.

Opportunities and Threats

With the invitation of more participation by the private sector, the power generation industry is set to result in major opportunities for the company, which has ventured into the foray of power generation.. By utilizing the excess captive power, the company started steel division and existing solvent division make use of available power.

Risks and Concerns

The company's current and Fixed assets are adequately insured against various risks. The company constantly strives to adequately protect itself from various business risks and concerns and takes appropriate measures to address the same.

Segment wise Performance

The company's operations are divided into three segments viz., Solvent Division, Power Division and Steel Division. A brief overview of the performance of the company – division wise is as follows

(Rs. In lakhs)

Particulars	Solvent	Power	Steel	Inter-segment	Total
Sales/Income	5893.93	1409.70	1204.25	(278.34)	8229.54
Profit	97.67	(44.480)	11.74	--	64.93
Assets	2147.41	1567.17	329.35	(451.78)	3592.15
Liabilities	1218.69	213.02	262.51	(451.78)	1242.44
Capital Employed	928.72	1354.15	66.84	--	2349.71

Operational Performance

Analysis of profitability is given below

(Rs. In lakhs)

Particulars	2018-2019	2017-2018
Net Sales	8229.55	6725.63
Other Income	5.38	0.81
Total Income	8234.92	6726.44
PBDIT	192.32	155.23
Finance Charges	81.69	66.39
Depreciation	45.70	42.57
Profit Before Tax	64.93	46.27
Provision for Tax	10.48	7.20
Deferred Tax Liability/(Asset)	35.62	11.26
Profit After Tax	18.83	27.81
EPS – Basic and Diluted	0.17	0.26

Sales Turnover

Your company manufactures Rice Bran Oil in its Solvent Unit along with the by-product i.e. De-Oiled Rice Bran. Power was being produced in the Power Plant during the entire period of 12 months. Your company is manufacturing iron ingots in its Steel Division. After inter-segment eliminations your company achieved a turnover of Rs.8229.55 lakhs.

Other Income

Other income mainly Insurance claim from Machinery break down policy .

Expenses

The company has achieved cost efficiency due to overall control on overheads. The units of solvent extraction, power, steel ingots have performed well.

Finance Charges

Interest on loans during the year was Rs.81.69 as against Rs.66.39 lakhs for the year 2017-2018.

Profit Before Depreciation, Interest And Taxes (PBDIT)

PBDIT was Rs.192.32 lakhs as against Rs 155.23 lakhs for the year ending 31st March 2018. The increase in PBDIT was profit increase in Solvent division due to Sales increase

Profit After Tax (PAT)

Profit after tax was Rs.18.83 lakhs for the year 2018-2019 as against Rs.27.81 lakhs for the year 2017-2018.

Earnings Per Share (EPS)

EPS has been decreased from Rs 0.17 to Rs.0.26 for the year under review.

Fixed Assets

Addition to the Fixed Assets of the Solvent Extraction Unit amounted to Rs29.50 lakhs

Inventories

Major items of inventories as on 31st March 2019 are as

Particulars	31/03/2019(Rs.in lakhs)	31/03/2018(Rs.in lakhs)
Raw Materials	492.24	703.62
Finished Goods	406.78	578.68

Receivables

Receivables as on 31/03/2019 amounted to Rs1592.88 lakhs as against Rs.1394.90 lakhs as on 31/03/2018

Cautionary Statement:

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, etc., may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections, etc., whether expressed or implied.

Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, Government Regulations and taxation, natural calamities etc., over which the Company does not have any control.

Annexure – IV

CORPORATE GOVERNANCE

The Directors present the company's Report on Corporate Governance.

Balaji Agro Oils Limited (hereinafter called as BAOL) is one of the fore runners in the industry to have forwarded a formalized system of Corporate Governance.

The Company's Governance Philosophy

BAOL observes corporate governance as crystallized philosophy by which companies are lead and controlled to enhance their value creating capabilities. Since the corporate bodies are engaging vast quantum of resources, BAOL believes and observes the governance philosophy to ensure that these resources are utilized to gear up to the aspirations of associates, shareholders and society at large.

BAOL's corporate Governance structure and processes are based on pillars of:

- Ensuring adequate control systems to enable the Board effectively discharge its responsibilities to all the stakeholders of the Company.
- Ensuring that the decision making process is fair and as transparent as possible, given the intricacies of its business.
- Ensuring fullest commitment of the Management and the Board to maximize shareholder value.

The Governance Structure

The practice of Corporate Governance in BAOL is at two interlinked levels:

1. Strategic supervision and management – Board of Directors
2. Executive Management – by the Divisional Executives

Board of Directors

The primary role of the Board is that of trusteeship and ensuring the company is set clearly on goals to enhance shareholder value constantly. They set strategic goals, provide direction

for accomplishment and seek accountability. Thus they manage the company and periodically review their own functioning.

Composition of the Board

The following is the composition of the Board as on 31st March 2019

Category	No. of Directors	Percentage of Total No. of Directors.
Promoter Executive Directors	3	37.50%
Promoter - Woman - Non Executive Director	1	12.50%
Non – executive Independent Directors	4	50%
Total	8	100 %

As on 31st March 2019, the Company's Board consists of Eight members. The Chairman of the board is an Executive Director. The Company has an optimum combination of Executive and Non-Executive Directors in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Board has Three Executive Directors, Four Non-Executive Independent Directors and One Woman Director. The details of the composition are as follows:

Sl. No	Name of the Director	Category of Director	No. of Directorships in other companies		Committee Memberships	
			Chairman	Member	Chairman	Member
01	V.Venkataramaiah	Promoter	--	1	--	--
02	V.Balaji	Promoter	--	1	--	--
03	V.Suraj Kumar	Promoter	--	1	--	3
04	V. Sangeetha	Woman Director	--	1	--	--
05	K.Ravi Varma	Independent	--	--	0	4
06	M.Bhanu Prasad	Independent	--	--	3	1
07	G Bapuji	Independent	--	1	1	3
08	G. Ramesh Babu	Independent	--	1	--	4

Number of Board Meetings held in Financial Year 2018-2019 with dates and attendance of Directors

Six Board Meetings were held during the Financial Year 2018-2019 on 30th May, 2018, 26th July, 2018, 13th August, 2018, , 29th October, 2018, 31st January, 2019 and 25th February 2019

The attendance record of each director was as under:

Sl.No	Name of the Director	No. of Board Meetings attended	Attendance at last AGM
01	V.Venkataramaiah	6	YES
02	V.Balaji	6	YES
03	V.Suraj Kumar	6	YES
04	K.Ravi Varma	4	No
05	M.Bhanu Prasad	6	YES
06	V. Sangeetha	6	YES
07	G. Bapuji	6	YES
08	G. Ramesh Babu	6	YES

Code of Business Conduct and Ethics

The Company is in compliance with the requirements of the revised guidelines on Code of Corporate Governance enunciated in provisions of SEBI (LODR) Regulations, 2015 and has adopted Code of Business Ethics and Conduct applicable to the Directors and all the senior management personnel of the Company. It is responsibility of the Directors and all the senior management personnel to familiarize themselves with this Code and comply with its standards.

Committees of the Board

The Three committees of the Board are - the Audit Committee, the Investor Services Committee and the Remuneration Committee. The respective chairman convenes the committees. The composition of the committees and the related attendance are provided below. Since there is no Company Secretary in employment with the company, Chairman of the respective committee is acting as Secretary also.

Audit Committee

The Audit Committee of the company provides reassurance to the Board on the existence of an effective internal control environment in the company. It also is empowered to investigate on the terms of reference by the Board and oversee the company's financial reporting and compliances with statutes are a few to list. The constitution of the committee is also in compliance with Section 292A of the Companies Act, 1956.

Composition

The Audit Committee consists of the following members:

- | | | |
|----|----------------------------|-------------------|
| 1. | Gottipati Bapuji | Chairman |
| 2. | Medabalimi Bhanu Prasad | Member |
| 3. | Kandimalla Ravi varma | Member |
| 4. | Vallabhaneni Suraj Kumar | Member |
| 5. | Gottipati Ramesh Babu | Member |
| 6. | Representative of Auditors | Permanent Invitee |

The above composition of the Audit Committee consists of four independent Directors

Attendance

Details of the meetings held during the year.

<i>Sl.No.</i>	<i>Date</i>	<i>Committee Strength</i>	<i>No. of Members Present</i>
01	30/05/2018	5	4
02	19/11/2018	5	5
03	26-11-2018	5	5
04	10-12-2018	5	5

Terms of Reference

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board, focusing primarily on any changes in accounting policies and practices.
- Major accounting entries based on exercise of judgment by management.
- Significant adjustments arising out of audit.
- The going concern assumption.
- Compliance with accounting standards.
- To hold periodic discussions with the Statutory Auditors of the Company concerning the accounts of the Company, internal control systems and observations of the Auditors.
- To review the un-audited financial statements before submission to the Board.
- To have full access to information contained in the records of the Company.
- The recommendations of the Audit committee on any matter relating to financial management including the audit report shall be binding on the Board.
- To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit report.
- Reviewing with the management, external and the adequacy of internal control systems.
- Discussion with external auditors before the audit commences nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

Investor Services Committee

The Investor Services Committee under the nomenclature of Investor Grievance Committee oversees redresses of shareholder and investor grievances, and approves sub-division / transmission of shares, issue of duplicate share certificate, etc.

Composition

The Investor Services Committee consists of the following members:

- | | |
|--------------------------|----------|
| Medabalimi Bhanu Prasad | Chairman |
| Kandimalla Ravi Varma | Member |
| Gottipati Bapuji | Member |
| Gottipati Ramesh Babui | Member |
| Vallabhaneni Suraj Kumar | Member |

The above composition of the Investor Services Committee consists of four independent Directors

Attendance

Details of the meetings held during the year

Sl.No.	Date	Committee Strength	No. of Members Present
01	30/05/2018	5	5
02	19/11/2018	5	4
03	26-11-2018	5	4
04	10-12-2018	5	4

Shareholder Complaints

During the year under review, the Company received one complaint and the same has been disposed off by sending clarification letter to the Authority with the requisite proofs

Nature of Complaints

Non Receipt of Annual Report

Remuneration Committee

The Remuneration Committee oversees review the remuneration to the executive directors.

Composition

The Remuneration Committee consists of the following members:

Medabalimi Bhanu Prasad	Chairman
Kandimalla Ravi Varma	Member
Gottipati Bapuji	Member
Gottipati Ramesh Babu	Member

Attendance

Details of the meetings held during the year.

Sl.No.	Date	Committee Strength	No. of Members Present
01	30/05/2018	4	4

1. The company does not have any stock option scheme.
2. As such the company currently does not pay any remuneration including sitting fees to its Non – Executive Directors.

1. Details of the remuneration to Directors

Name	Salary	Perquisites	Total
V.Venkataramaiah	9,00,000	82,372	9,82,372
V.Balaji	9,00,000	82,519	9,82,519
V.Suraj Kumar	9,00,000	3,62,788	12,62,788
K.Ravi Varma	--	--	--
M.Bhanu Prasad	--	--	--
V. Sangeetha	--	--	--
G. Bapuji	--	--	--
G. Ramesh Babu	--	--	--
TOTAL	27,00,000	5,27,679	32,27,679

Disclosures

Company does not have any materially significant related party transactions, which may have potential conflict with the interests of the Company. Other related party transactions have been reported at Sl.No..26 of Notes on Accounts.

Whistle Blower Mechanism

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

Details of compliance with mandatory requirements and adoption of the non- mandatory requirements

Your Company has complied with all the mandatory requirements of the Code of Corporate Governance enunciated in provisions of SEBI (LODR) Regulations, 2015. The details of these compliances have been given in relevant sections of this report. The status of compliance with the non – mandatory requirements is given at the end of this report.

Core Skill/Expertise/Competencies

As stipulated under Schedule V of the SEBI Listing Regulations, core skills / expertise / competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

Chart/Matrix of such core skills/expertise/competencies is given in the Table below:

List of Core Skills/Expertise/Competencies identified by the Board of Directors

S.No.	Name of the Director	Core Skills/Expertise/Competencies
1.	Sri.V.Venkataramaiah	Experience in Rice Milling,Pisciculture
2.	Sri.V.Balaji	Experience in Rice Milling& Solvent extraction
3.	Sri..V.Suraj Kumar	Entire Production & financial aspects of whole company
4.	Smt.V.Sangeetha	Experience in Solvent extraction and rice milling
5.	Sri.M.Bhanu Prasad	Experience in power & solvent extraction plants
6	Sri,K.Ravi Varma	Experience in Solvent& Refinery plants
7	Sri.G.Bapuji	Audit and Risk Management
8	Sri G.Ramesh Babu	Sales,Marketing

Non-Disqualification of Directors

Sri Mahesh Grandhi, Company Secretary in practice has certified that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Fees Paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all the entities in the network firm/network entity of which the statutory auditor is a part, are as follows:

Type of Service	Financial Year ended 31/03/2019
Audit Fees	1,00,000
Tax Fees	50,000
Others	50,000
TOTAL	2,00,000

Disclosure on Accounting Treatment

In the preparation of financial statements for the financial year 2018-19 there is no treatment of any transaction different from that prescribed in Accounting Standards.

Management discussion and analysis

This annual report has a detailed chapter on management discussion and analysis.

General Body Meetings

Annual General Meeting

The Annual General Meetings of the shareholders of the company for the last three years were held as under:

Year	Venue	Date	Time
2015-2016	Registered Office of the Company	30-09-2016	11:00AM
2016-2017	Registered Office of the Company	29-09-2017	11:00AM
2017-2018\	Registered Office of the Company	29-09-2018	11:00AM

No special resolutions were put through postal ballot last year. Presently, the company does not have any proposal for postal ballot.

Extra Ordinary General Meeting

No Extra Ordinary General Meeting of the shareholders of the company was held during the year.

Cases of Non-Compliance

There has been no instance of Non-compliance by the company on any matter related to capital markets during the last three years. Hence, the question of penalties or strictures being imposed by SEBI or the stock exchange does not arise.

Means of Communication

- Quarterly, half yearly and annual financial results of the company were not communicated as the regional stocks exchanges in which the company is listed were inoperative. However, the same were duly considered and approved by the Board and were published in prominent English and Telugu News papers.
- As the equity shares of the company are listed with Stock Exchanges, the annual results have been published as per listing agreements in prominent English and Telugu News papers.
- Management Discussion and Analysis forms part of this Annual Report.

CEO/ CFO Certification

In line with the requirements of Regulation 17 of the Listing Regulations, Sri V. Suraj Kumar, Joint Managing Director have submitted a certificate to the Board, certifying inter-alia, that the Financial Statements and the Cash Flow Statement for the year ended March 31, 2019 were reviewed to the best of their knowledge and belief, that they do not contain any material untrue statement, do not omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with the applicable laws and regulations. The certificate further confirms that the transactions entered into by the Company for establishing internal control, financial reporting, evaluation of the internal control systems and making of necessary disclosures to the Auditors and the Audit Committee have been complied with.

General Shareholder Information

A. Annual General Meeting

Date and Time : 30th September 2019 at 11.00 A.M.
Venue : D.No.74-2-19, Old Check Post Center, Krishna Nagar , Vijayawada.

B. Financial Year 2019-2020

First Quarter Results : July/ August 2019
Second Quarter Results : October/ November 2019
Third Quarter Results : January / February 2020
Annual Results : May 2020.

C. Dates of Book Closure : 24th September to 30th September 2019 (both days inclusive).

D. Dividend Payment Date : N.A.

E. Listing on Stock Exchanges : The company's shares are listed at Hyderabad, Chennai, Ahmedabad and Delhi Exchanges.

F. Stock Code : Not Available

G. Stock Price Data : The company's stock is not quoted during the last financial year on any of the stock exchanges listed above.

H. Stock Performance : The company's stock is not quoted during the last financial year on any of the stock exchanges listed above.

I. Registrars and Share Transfer Agents:

The company's equity shares being in compulsory demat list are transferable through the depository system for which the company has established connectivity through M/s XL Softech Systems Limited, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad and they are the Registrars and Share Transfer Agents (Both Physical and Depository).

J. Share Transfer System

The Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days. With a view to expedite the process of share transfers, the Board has appropriately delegated the powers of approval of share transfers. The work of Registrars and Share Transfer Agents is being monitored and reviewed. The dematerializations of shares are directly transferred to the beneficiaries by the Depositories.

K. Reconciliation of Share Capital Audit:

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

L. Share Holding Pattern

Range	No. of Shareholders	% of Total Shareholders	No. of shares held	% of shareholding
1-5000	197	35.82	73900	0.70
5,001-10,000	163	29.64	145600	1.38
10,001-20,000	73	13.27	116100	1.10
20,001-30,000	16	2.91	41100	0.39
30,001-40,000	24	4.36	83100	0.78
40,001-50,000	12	2.18	58600	0.55
50,001-1,00,000	26	4.73	181695	1.72
1,00,001- and above	39	7.09	9877000	93.38
TOTAL	550	100.00	10577095	100.00

M. Dematerialization of Shares and Liquidity

The Equity shares of the company which are in compulsory demat list with effect from 26 June 2000 are available for trading under NSDL and CDSL. The ISIN allotted to the company's equity shares is INE049E01011. All requests for dematerialization of shares are processed within the time frame of 7 days.

N. Plant Location

Balaji Agro Oils Limited
Davuluru Village,
Kankipadu Mandal,
Krishna District, Andhra Pradesh.

O. Address for Correspondence

1. For both physical and electronic form and any unresolved complaints

M/s XL Softech Systems Limited
3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad.

2. Further unresolved complaints

THE JOINT MANAGING DIRECTOR,
Balaji Agro Oils Limited
D.No.74-2-19, Old Check Post Centre,
Krishna Nagar, Vijayawada – 520 007.

Depository Services:

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd Trade World, 4 th Floor, Kamala Mills Compound, Lower Parel, Mumbai – 400 013 Tel : 091-022-24972964-70 Fax : 091-022-24972993 / 24976351 Email : info@nsdl.co.in	Central Depository Services (India) Ltd PhirozeJeejeebhoy Towers, 17 th Floor, Dalal Street, Mumbai – 400 023 Tel : 091-022-22723333/22723224 Fax: 091-022-22723199 Email : investors@cdslindia.com
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Company's Policy on prevention of insider trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in continuation with your Company's efforts to enhance the standards of corporate governance in the Company and to strictly monitor and prevent insider trading within the company, your company has in place a Code of Conduct which is approved by the Board.

On December 31, 2018, Securities and Exchange Board of India amended the Prohibition of Insider Trading Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, your Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information.

Independent Auditor's certificate on corporate governance

To The Members of Balaji Agro Oils Limited

1. I, Polavarapu Janardhan, Chartered Accountant, the Statutory Auditor of Balaji Agro Oils Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. My responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. I have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that I comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. I have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on my examination of the relevant records and according to the information and explanations provided to me and the representation provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019.

8. I 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.

Place: Vijayawada

Date : 29th May, 2019

Polavarapu Janardhan
Chartered Accountant
ICAI M.No: 26498

Annexure – V

FORM NO. AOC -2

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

3. Details of contracts or arrangements or transactions not at Arm's length basis : NIL

SL. No.	Particulars	Details
i)	Name (s) of the related party & nature of relationship	NA
j)	Nature of contracts/arrangements/transaction	NA
k)	Duration of the contracts/arrangements/transaction	NA
l)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
m)	Justification for entering into such contracts or arrangements or transactions'	NA
n)	Date of approval by the Board	NA
o)	Amount paid as advances, if any	NA
p)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

4. Details of contracts or arrangements or transactions at Arm's length basis.

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

SL. No.	Particulars	Details
h)	Name (s) of the related party & nature of relationship	Sreehitha Refineries Limited
i)	Nature of contracts/arrangements/transaction	Purchase and Sale of Rice Bran Oil
j)	Duration of the contracts /arrangements / transaction	5 years
k)	Salient terms of the contracts or arrangements or transaction including the value, if any	In the Normal Business Practises
l)	Date of approval by the Board	30-05-2018
m)	Amount paid as advances, if any	NIL
n)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

INDEPENDENT AUDITOR'S REPORT

To

The Members of
Balaji Agro Oils Limited

Report on the Audit of the Financial Statements

I have audited the financial statements of **Balaji Agro Oils Limited** ("the Company"), which comprise the balance Sheet as at 31st March 2019, the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations to us, the aforesaid financial statements give the information required by Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, its profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statement* section of my report. I am independent of the Company in accordance with the *Code of Ethics* issued by Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors 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 Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance, conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my 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 SA's I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, I report that:
 - (a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - (b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure A".
- (g) 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 my opinion and to the best of my information and according to the explanations given to us:
 - i) The Company does not have any pending litigations, which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, I give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Vijayawada

Date : 29th May, 2019

Polavarapu Janardhan

Chartered Accountant

ICAI M.No: 26498

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

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')

I have audited the internal financial controls over financial reporting of **Balaji Agro Oils Limited** ('the Company') as of March 31, 2019 in conjunction with my audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 Act.

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with the 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In my opinion, to the best of my information and according to the explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Place: Vijayawada

Date: 29th May, 2019

Polavarapu Janardhan
Chartered Accountant
ICAI M.No: 26498

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of my report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of Balaji Agro Oils Limited ('the Company')

1. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in my opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to me, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to me and the records examined by me and based on the examination of the conveyance deed provided to me, I report that, the title deeds, comprising all the immovable properties of lands which are freehold, are held in the name of the Company as at the balance sheet date.
2. The inventories of the company have been physically verified by the Management during the year at reasonable intervals. The Company has maintained proper records of inventories and the discrepancies noticed on physical verification of stocks as compared to book records, which in my opinion were not material, have been properly dealt with in the books of account.
3. The Company has not 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 Act.
4. The provisions of paragraph 3(iv) of the Order are not applicable to the company as the Company has not granted any loans as specified in Section 185 of the Act or has not made any investments as specified in Section 186 of the Act.
5. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
6. I have broadly reviewed the books of account maintained by the company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under Sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained and are being made up. I have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

7. According to the information and explanations given to me, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Income Tax, Goods & Service Tax and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income Tax and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) According to the records of the Company and as per the information and explanations given to us, there are no dues of income tax, duty of excise, value added tax, service tax or cess which has not been deposited on account of dispute as on 31.03.2019, except value added tax and central sales tax the details of which are as given below:

Name of the Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
CST	Non consideration of F Form & C Form	3,97,957	2003-2004	Appellate Tribunal
VAT	DOB Stock transfer to Fish division-input restrict	5,86,960	2005-2006	Appellate Tribunal
CST	Non consideration of 'F' Forms submitted	3,65,022	2007-2008	Appellate Tribunal
VAT	Input Tax Disallowed	121,095	01-01-2009 to 31-03-2011	Appellate Tribunal
VAT	Input Tax Disallowed	1,04,415	01-04-2011 to 31-10-2013	Appellate Tribunal

8. In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of loans or borrowings to banks or financial institutions. The Company does not have any loans or borrowings from government and has not issued any debentures.
9. During the year, the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). In my opinion and according to the information and explanations given to us the funds raised by the company through term loans were utilized for the purpose for which they were raised.
10. To the best of my knowledge and according to the information and explanations given to me, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In my opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
13. In my opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In my opinion and according to the information and explanations given to me, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.
16. The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934 and hence the clause is not applicable to the company.

Place: Vijayawada

Date: 29th May, 2019

Polavarapu Janardhan
Chartered Accountant
ICAI M.No: 26498

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Balance Sheet as at 31 March 2019

(Amount in Rs.)

	Notes	31 March 2019	31 March 2018
Equity and liabilities			
Shareholders' funds			
Share capital	2	105,770,950	108,857,475
Reserves and surplus	3	112,126,022	95,951,273
Share application money pending allotment		-	-
Non-current liabilities			
Long-term borrowings	4	11,603,137	13,076,549
Deferred Tax Liabilities (Net)		2,556,634	-
Long-term provisions		-	-
Current liabilities			
Short-term borrowings	5	116,984,880	127,012,924
Trade Payables	6	1,100,144	295,083
Other current liabilities	7	8,026,068	13,050,174
Short-term provisions	8	1,249,182	881,704
Total		359,417,017	359,125,182
Assets			
Non-current assets			
Tangible fixed assets	9	56,875,393	47,320,724
Non-current investments	10	535,500	535,500
Long-term loans and advances	11	133,810	133,810
Deferred tax assets (net)	12	-	1,005,409
Other non-current assets		-	-
Current assets			
Current Investments		-	-
Inventories	13	110,242,248	144,613,621
Trade Receivables	14	159,287,985	139,490,224
Cash and cash equivalents	15	4,018,507	2,404,052
Short-term Loans & Advances	16	8,683,265	7,961,992
Other Current Assets	17	19,640,309	15,659,850
Total		359,417,017	359,125,182

The accompanying notes are an integral part of the financial statements.

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AS PER REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

(V.VENKATRAMAIAH)
Chairman

POLAVARAPU JANARDHAN
Chartered Accountant
Place: Vijayawada
Date: 29th May, 2019

(V.BALAJI)
Jt Managing Director

(V.SURAJ KUMAR)
Jt Managing Director

**BALAJI AGRO OILS LIMITED
VIJAYAWADA**

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

(Amount in Rs.)				
Particulars	Notes	31 March 2019	31 March 2018	
Income				
I. Revenue from operations	18	822,954,790	672,563,468	
II. Other income	19	537,656	81,343	
III. Total revenue (I + II)		823,492,446	672,644,811	
IV. Expenses				
Cost of materials consumed	20	699,582,933	551,733,792	
Purchases of Stock-in-Trade	21	-	2,898,960	
Changes in inventories of finished goods, WIP and Stock-in-trade	22	16,895,558	20,841,455	
Employee benefit expense	23	24,872,962	24,226,746	
Finance costs	24	8,169,315	6,638,729	
Depreciation and amortization expense	9	4,570,495	4,257,147	
Other expenses	25	62,908,543	57,420,829	
Total expenses		816,999,806	668,017,658	
V. Profit before exceptional and extraordinary items and tax (III-IV)		6,492,640	4,627,153	
VI. Exceptional items		-	-	
VII. Profit before extraordinary items and tax (V-VI)		6,492,640	4,627,153	
VIII. Extraordinary Items		-	-	
XI Profit before tax		6,492,640	4,627,153	
X Tax expense				
-Current tax		1,249,182	881,704	
-Deferred tax liability/(Asset)		3,562,043	1,125,966	
-MAT Credit Entitlement		(201,624)	(161,190)	
Net Profit for the Year		1,883,039	2,780,673	
XI Earnings per equity share [EPES]				
Weighted Average Number of Equity Shares		10,860,227	10,885,748	
Basic EPS		0.17	0.26	
Diluted EPS		0.17	0.26	
Nominal value per equity share		10	10	

The accompanying notes are an integral part of the financial statements.

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AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

(V.VENKATRAMAIAH)
Chairman

POLAVARAPU JANARDHAN
Chartered Accountant
PLACE : VIJAYAWADA
Date: 29th May, 2019

(V.BALAJI)
Jt Managing Director

(V.SURAJ KUMAR)
Jt Managing Director

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31TH MARCH, 2019

	Year ended 31st March, 2019 Rs.	Year ended 31st March, 2018 Rs.	
A) Cash flow arising from Operating Activities			
Net Profit before tax as per Profit and Loss Account	6,492,640	4,627,153	
Add/(Less):			
Profit on sale of assets	-	-	
Interest Income	(17,947)	(65,419)	
Loss on sale of Investment in Joint Venture	-	-	
Provision for doubtful debts	-	-	
Depreciation	4,570,495	4,257,147	
Interest and finance Charges (Net)	8,026,815	6,638,729	
	12,579,363	10,830,457	
Operating Cash Profit Before Working Capital changes	19,072,003	15,457,610	
Changes in working capital			
(Increase)/Decrease in Inventories	34,371,373	(13,068,206)	
(Increase)/Decrease in Trade Receivables	(19,797,761)	(11,965,740)	
(Increase)/Decrease in Other current assets	(3,980,459)	(472,438)	
(Increase)/Decrease in Loans and Advances	(721,273)	(1,153,587)	
(Increase)/(Decrease in Trade and other payables)	(4,219,045)	4,037,023	
	5,652,835	(22,622,948)	
Less: Direct Taxes paid (Net of Refund)	(680,081)	(664,749)	
Net Cash inflow in the course of operating activities (A)	24,044,757	(7,830,087)	
B. Cash flow arising from Investing Activities			
Inflow			
Sale of Fixed Assets	-	-	
Interest income	17,947	65,419	
	17,947	65,419	
Outflow			
Investment in Joint venture	-	-	
Sale of Investment in Joint Venture	-	-	
Purchase of fixed assets	(2,950,478)	(16,801,476)	
	(2,950,478)	(16,801,476)	
Net Cash outflow in the course of investing activities (B)	(2,932,531)	(16,736,057)	
C. Cash flow from Financing Activities			
Inflow			
Receipt of allotment money	30,500	-	
Long Term Borrowings	-	(2,305,301)	
Increase in Working Capital Loan from a Bank	(10,028,044)	29,937,870	
	(9,997,544)	27,632,569	
Outflow			
Repayment of Term Loan	(1,473,412)	-	
Interest paid	(8,026,815)	(6,638,729)	
	(9,500,227)	(6,638,729)	
Net cash outflow in the course of Financing activities (C)	(19,497,771)	20,993,840	
Net Increase/(Decrease) in Cash/Cash equivalents (A+B+C)	1,614,455	(3,572,304)	
Add: Balance at the beginning of the year	2,404,052	5,976,356	
Cash/Cash equivalent at the close of the year	4,018,507	2,404,052	

AS PER OUR REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

(V.VENKATRAMAIAH)
Chairman

POLAVARAPU JANARDHAN
Chartered Accountant
PLACE : VIJAYAWADA
DATE : 29th May, 2019

(V.BALAJI)
Jt. Managing Director

(V.SURAJ KUMAR)
Jt. Managing Director

Notes: 1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation & Use of Estimates:

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The preparation of the financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the year and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

1.2 Income recognition:

- (a) Revenue is recognized on completion of sale of goods.
- b) All other income is recognized on accrual basis.

1.3 Fixed Assets and Depreciation / Amortization:

Fixed Assets are stated at historical cost less accumulated depreciation. Historical cost is inclusive of freight, duties and installation expenses and expenditure during construction where applicable and net of Input GST availed against Tax or cess paid on such items. Depreciation is provided on straight line basis so as to write off the depreciable amount of the asset over the useful lives specified in Schedule II of the Act.

1.4 Investments:

Long-term investments comprising Mutual Funds of SBI and National Savings Certificates are valued at Cost.

1.5 Foreign Currency Transactions:

There were no foreign currency transactions during the year under review.

1.6 Valuation of Inventories:

Inventories are valued as follows:

Raw Material	: Lower of the Cost and Net Realizable Value
Finished Goods	: Net Realizable Value.

Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares is determined on FIFO basis. Cost of Finished Goods is determined on absorption costing

1.7 Employee Benefits:

The provisions of Provident Fund Act are applicable to the company and the company is generally regular in depositing the dues with the appropriate authorities.

The provisions of ESI Act are applicable to the company from 1st September 2016 and the company is generally regular in depositing the dues with the appropriate authorities.

Provisions of Payment of Bonus Act are applicable to the company and paying bonus @8.33%.

The provisions of Payment of Gratuity Act are applicable to the company. As per provisions of Accounting Standard – 15 'Accounting for Employee Benefits', the company has taken a policy with LIC of India to meet the liability for payment of gratuity and accordingly contributions were being made.

1.8 Taxation:

Current tax is provided on the taxable income for the year.

Deferred tax liabilities arising from timing differences have been fully provided. Deferred tax assets are recognized on the consideration of prudence.

1.9 Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the net selling price of the assets and their value in use.

1.10 Provisions:

Provisions are recognized when the Company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

BALAJI AGRO OILS LIMITED
VIJAYAWADA

Notes to the financial statements

2 Share capital

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Authorized				
Equity shares of Rs.10/- each	14,000,000	140,000,000	14,000,000	140,000,000
	<u>14,000,000</u>	<u>140,000,000</u>	<u>14,000,000</u>	<u>140,000,000</u>
Issued, subscribed and fully paid up				
Equity shares of Rs.10/- each	11,200,500	112,005,000	11,200,500	112,005,000
LESS: Calls in arrears		3,117,025		3,147,525
LESS: Forfeited Shares	623,405	3,117,025		
	<u>10,577,095</u>	<u>105,770,950</u>	<u>11,200,500</u>	<u>108,857,475</u>

Rights, preferences and restrictions attached to :

Equity Shares:- The Company has only one class of equity share having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share. In the Event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

(a) Reconciliation of share capital

	31 March 2019		31 March 2018	
	Number	Amount	Number	Amount
Balance at the beginning of the year	11,200,500	112,005,000	11,200,500	112,005,000
Add: Allotted during the year	-	-	-	-
Less: Forfeited during the year				
	<u>623,405</u>	<u>6,234,050</u>	<u>-</u>	<u>-</u>
Balance at the end of the year	<u>10,577,095</u>	<u>105,770,950</u>	<u>11,200,500</u>	<u>112,005,000</u>

(b) Shareholders holding more than 5% of paid up share capital

Name of the shareholder	31 March 2019		31 March 2018	
	Number	% holding	Number	% holding
Equity shares of Rs.10/- each				
Vlabhaneni Venkatramaiah	2,655,131	25.10%	2,655,131	23.71%
Vallabhaneni Balaji	1,115,400	10.55%	1,115,400	9.96%
Vallabhaneni Hemalatha	320,400	3.03%	320,400	2.86%
Vallabhaneni Suraj Kumar	1,074,142	10.16%	1,074,142	9.59%
Vallabhaneni Sangeetha	984,900	9.31%	984,900	8.79%
Sreehitha Refineries Limited	1,650,000	15.60%	1,650,000	14.73%

3 Reserves and surplus

Capital Reserve				
Opening Balance		-		-
Add: Additions/(Adjustments) during the year			3,117,025	-
Closing Balance			<u>3,117,025</u>	<u>-</u>
General Reserve				
			-	-
Surplus in the statement of profit or loss				
Opening Balance		95,951,273		93,170,600
Add: Adjustment towards depreciation		11,174,686		-
		<u>107,125,959</u>		<u>93,170,600</u>
Add: Profit for the Year		1,883,039		2,780,673
Less: Appropriations		-		-
Closing Balance		<u>109,008,997</u>		<u>95,951,273</u>
TOTAL		<u>112,126,022</u>		<u>95,951,273</u>

BALAJI AGRO OILS LIMITED
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Notes to the financial statements

	31st March 2019	31st March 2018
4 Long-term Borrowings		
Secured:		
Car Loan with HDFC Ltd - 44341345	-	342,585
Car Loan with HDFC Ltd - 50652865	2,059,899	3,654,750
Muthoot Money Pvt Ltd	1,197,508	-
Unsecured:		
Sales Tax Defferment	8,345,730	9,079,214
	<u>11,603,137</u>	<u>13,076,549</u>

*** Nature of Security, terms of repayment for Long Term secured borrowings:**

Nature of Security	Terms of Repayment
Car Loan from HDFC Bank Ltd is secured by hypothecation of car purchased out of loan proceeds	Repayable in 36 Monthly instalments commencing from 07/10/2017 and last instalment due on 07/12/2019.
Car Loan from HDFC Bank Ltd is secured by hypothecation of car purchased out of loan proceeds	Repayable in 48 Monthly instalments commencing from 07/01/2017 and last instalment due on 07/09/2021.
Vehicle (Loader) Loan from Muthoot Money Private Limited is secured by hypothecation of vehicle purchased out of loan proceeds	Repayable in 23 Monthly instalments commencing from 02/05/2019 and last instalment due on 02/03/2021.

5 Short-term Borrowings

Secured		
Loans repayable on Demand from Bank*	116,984,880	127,012,924
	<u>116,984,880</u>	<u>127,012,924</u>

* Secured by hypothecation of Stocks of Rawmaterials, Finished Goods and Book Debts outstanding for a period not exceeding 180 days.

6 Trade Payables

Due to Micro, Small & Medium Enterprises:	-	-
Due to Others:		
Trade Creditors	896,695	-
Other Creditors	203,449	295,083
	<u>1,100,144</u>	<u>295,083</u>

Based on information available with the Company, as at 31st March 2019, there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

7 Other Current Liabilities

Current Maturities of Long-Term Debt		
- HDFC Bank Ltd -44341345	329,541	1,461,900
- HDFC Bank Ltd -50652865	1,242,556	456,780
Muthoot Money Pvt Limited	1,002,492	-
- Sales Tax Defferment	339,771	5,372,176
Statutory Liabilities		
- TDS Payable	398,099	435,055
-GST Payable	118,366	388,856
Others		
- Employee related payables	4,313,103	3,891,367
- Audit Fee	180,000	180,000
- Others	102,140	864,040
	<u>8,026,068</u>	<u>13,050,174</u>

Note: 9 : Tangible Fixed Assets

S.L NO	NAME OF THE ASSET	GROSS BLOCK			DEPRECIATION BLOCK				NET BLOCK			
		As on 1st April 2018	Additions during the year	Deletions during the year	As on 31st March 2019	As on 1st April 2018	Adjustments	For the year	Deletions	Total as on 31st March 2019	As on 31st March 2018	
1	LAND	2,903,284	-	-	2,903,284	-	-	-	-	-	2,903,284	2,903,284
2	FACTORY BUILDING	44,072,653	-	-	44,072,653	25,814,635	147,628	1,368,078	-	27,330,341	16,742,312	18,258,018
3	OFFICE BUILDING	1,102,137	731,618	-	1,833,755	628,349	7,242	42,137	-	678,328	1,155,427	473,788
4	PLANT & MACHINERY	253,772,248	-	-	253,772,248	242,617,461	(11,007,764)	804,307	-	232,414,204	21,338,044	11,154,787
5	LAB EQUIPMENT	307,602	-	-	307,602	290,019	(7,378)	1,188	-	283,828	23,774	17,583
6	ELECTRICAL FITTINGS	5,774,530	-	-	5,774,530	5,598,048	(143,322)	5,371	-	5,460,097	314,433	176,482
7	FURNITURE & FITTINGS	415,654	-	-	415,654	409,719	(27,591)	779	-	382,906	32,748	5,935
8	VEHICLES	29,619,850	2,199,761	-	31,819,611	15,594,125	(108,279)	2,280,916	-	17,766,762	14,052,849	14,023,725
9	COMPUTER	906,011	-	-	906,011	859,862	(39,727)	13,819	-	833,954	72,057	46,149
10	OFFICE EQUIPMENT	1,672,781	19,099	-	1,691,880	1,424,000	4,705	52,079	-	1,480,780	211,100	248,783
11	PUMPSET	78,216	-	-	78,216	68,026	-	823	-	68,851	9,365	10,190
	TOTAL	340,624,966	2,950,478	-	343,575,444	293,304,244	(11,174,686)	4,570,495	-	286,700,051	56,875,393	47,320,724
	Previous Year	323,842,740	16,801,476	19,250	340,624,966	289,047,095	-	4,257,147	-	293,304,242	47,320,724	34,795,645

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Notes to the financial statements

	31st March 2019	31st March 2018
8 Short-term Provisions		
Provision for Income Tax	1,249,182	881,704
	1,249,182	881,704
10 Non Current Investments		
<u>Trade Investments</u>	-	-
SBI Mutual Fund	500,000	500,000
<u>Other Investments</u>		
National Savings Certificates	35,500	35,500
Less: Provision for diminution in value of investments	-	-
	535,500	535,500
11 Long-term Loans and advances		
Unsecured, considered good		
Loans and advances due by directors or other officers, etc.	-	-
Loans and advances to related parties	-	-
<u>Others</u>		
Security deposits-Telephone & Gas Deposit	133,810	133,810
	133,810	133,810
12 Deffered Taxes		
Opening Balance	1,005,409	2,131,375
Add/(Less): Adjustments during the year	(3,562,043)	(1,125,966)
	(2,556,634)	1,005,409
13 Inventories		
Rawmaterials	49,224,049	70,361,721
Finished Goods	40,673,189	57,568,747
Stores & Spares	20,345,010	16,683,153
	110,242,248	144,613,621
14 Trade Receivables		
Unsecured and Considered Good		
Outstanding for a period exceeding Six Months	24,523,676	46,886,018
Others	134,764,309	92,604,206
	159,287,985	139,490,224

BALAJI AGRO OILS LIMITED
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Notes to the financial statements

15 Cash & Cash Equivalents	31st March 2019	31st March 2018
Balance with Banks		
- In Current Accounts	943,504	1,028,256
- In Deposit Account	282,683	266,532
Cash in Hand	2,792,320	1,109,264
	<u>4,018,507</u>	<u>2,404,052</u>
16 Short-term Loans & Advances		
Loans & Advances to Related Parties	-	-
Others		
Unsecured and Considered Good		
Staff Advances	527,684	617,349
Advances for Supplies	8,155,581	7,344,643
	<u>8,683,265</u>	<u>7,961,992</u>
17 Other Current Assets		
Prepaid Insurance & Interest & expenses	5,466,283	3,396,013
Insurance claim receivable	1,754,435	-
Advance Tax	1,500,000	1,500,000
TDS	27,650	73,520
MAT Credit Entitlement	10,891,941	10,690,317
	<u>19,640,309</u>	<u>15,659,850</u>
18 Revenue From Operations		
<u>Sale of Products</u>		
Rice Bran Oil	286,262,130	253,190,684
Palm oil	-	1,129,550
Deoiled Bran	303,042,808	253,664,817
Power	112,472,619	79,455,887
Gunnies & Ash&Scrap	751,943	447,317
Iron Ingots	120,425,290	88,632,446
Less: Excise Duty	-	(3,957,233)
	<u>822,954,790</u>	<u>672,563,468</u>

BALAJI AGRO OILS LIMITED
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Notes to the financial statements

	31st March 2019	31st March 2018
19 Other Income		
Interest on short-term FDR s	17,947	65,419
Insurance Claim from Machinery break down policy	264,619	-
Others	46,528	15,924
Dividend	-	-
Enhanced Compensation received on Compulsory Acquisition of Land	208,562	-
	<u>537,656</u>	<u>81,343</u>
20 Cost of Material Consumed		
<u>Solvent Extraction Unit</u>		
A. Opening Stocks		
Rawmaterials		
Bran	20,270,671	13,376,310
	<u>20,270,671</u>	<u>13,376,310</u>
B. Purchases		
Rawmaterials		
Bran	495,770,041	427,435,473
Inward Freights	-	126,570
Comission	2,374,129	1,707,934
	<u>498,144,170</u>	<u>429,269,977</u>
C. Closing stocks		
Rawmaterial	20,786,644	20,270,671
	<u>497,628,197</u>	<u>422,375,616</u>
TOTAL = A+B-C		
	<u>497,628,197</u>	<u>422,375,616</u>
<u>Power Generation Unit</u>		
A. Opening Stocks		
Raw materials		
Hush	23,509,722	9,646,581
Coal	16,339,352	8,654,560
Corn Hay	100,760	495,196
Coconut Hay	1,112,531	23,500
Palm Hay	197,710	93,700
	<u>41,260,075</u>	<u>18,913,537</u>
B. Purchases		
Raw Materials		
Husk	73,323,307	54,873,282
Coal	13,728,623	20,722,100
Corn Hay	338,540	6,132,138
Chilli Hay	484,100	1,185,877
Coconut Hay	826,759	2,967,915
Palm Hay	-	717,890
Jamoiil Wast	-	15,816
Jamoiil Wast	50,844	-
Pulses Hay	-	283,608
	<u>88,752,173</u>	<u>86,898,626</u>
Less:Fire Loss	1,754,435	-
Net	86,997,738	86,898,626
Inward Freight	9,247,925	16,816,821
	<u>96,245,663</u>	<u>103,715,447</u>
C. Closing Stock of Raw Material		
Husk	14,515,995	23,509,722
Coal	3,268,921	16,339,352
Corn Hay	-	100,760
Palm Hay	-	197,710
Coconut Hay	-	1,112,531
	<u>17,784,916</u>	<u>41,260,075</u>
TOTAL(A+B-C)		
	<u>119,720,822</u>	<u>81,368,909</u>

BALAJI AGRO OILS LIMITED
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Notes to the financial statements

	31st March 2019	31st March 2018
Steel Ingots Unit		
A. Opening Stocks		
Raw materials		
Scrap Iron	4,617,159	763,874
Pig Iron	910,155	1,920,655
Sponge Iron	3,303,661	2,127,061
	<u>8,830,975</u>	<u>4,811,590</u>
B. Purchases		
Raw Materials		
Scrap Iron	38,336,928	25,346,281
Sponge Iron	38,868,894	25,003,753
Pig Iron	4,304,642	-
	<u>81,510,464</u>	<u>50,350,034</u>
Inward Freights	2,544,964	1,658,618
	<u>84,055,428</u>	<u>52,008,652</u>
C. Closing Stock of Raw Material		
Scrap Iron	5,574,021	4,617,159
Pig Iron	1,620,556	910,155
Sponge Iron	3,457,912	3,303,661
	<u>10,652,489</u>	<u>8,830,975</u>
TOTAL(A+B-C)	<u>82,233,914</u>	<u>47,989,267</u>
Solven Extraction Unit	497,628,197	422,375,616
Power Generation Unit	119,720,822	81,368,909
Steel Ingots Unit	82,233,914	47,989,267
	<u>699,582,933</u>	<u>551,733,792</u>
21 Purchases of Stock-in-Trade		
Rice Bran & Palm Oil	-	2,898,960
GRAND TOTAL = A+B	<u>-</u>	<u>2,898,960</u>
22 Changes in Inventories of Finished Goods, WIP & Stock-in-Trade		
Opening Stock of Finished Goods	57,568,747	78,410,202
Less: Closing Stock of Finished Goods	40,673,189	57,568,747
	<u>16,895,558</u>	<u>20,841,455</u>
23 Employee Benefit Expense		
Salaries, Wages, Bonus & Gratuity	19,413,681	18,483,164
Remuneration to Directors	3,227,679	3,230,809
Staff welfare & Compensation expenses	23,495	411,500
Contribution to EPF&ESI	2,208,107	2,101,273
	<u>24,872,962</u>	<u>24,226,746</u>

BALAJI AGRO OILS LIMITED
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Notes to the financial statements

	31st March 2019	31st March 2018
24 Finance costs		
Interest on Working Capital	7,660,321	6,094,254
Interest on Vehicle Loan	366,494	278,811
Bank charges	142,500	265,664
	<u>8,169,315</u>	<u>6,638,729</u>
25 Other expenses		
Plant Maintenance	14,307,805	11,614,533
Stores & Spares Consumed	26,029,106	16,999,478
Generator Maintenance	-	194,184
Power Charges	3,115,265	4,726,617
Vehicle Maintenance	2,663,627	2,358,904
Repair and Service	741,250	1,647,156
Muta Wages & Maintenance	1,337,540	1,148,060
Printing and Stationery	108,581	72,749
Postage and Telephone charges	351,709	374,556
Travelling and conveyance	1,157,592	1,288,454
Service Tax	-	129,642
Office Maintenance	451,615	497,751
Computer Maintenance	103,600	104,850
Insurance	1,663,634	1,876,405
Income Tax	3,636	2,274
Professional charges	83,000	617,000
Miscellaneous expenses	449,461	195,504
Repairs and maintenance-Service Charges	90,149	140,741
Taxes and Licenses fee paid	623,474	1,312,931
Comission on Sales	1,124,912	965,634
Vehicle Maintenance	1,054,601	807,979
Sales promotion expenses	8,895	12,480
Outward Freight Charges	5,350,600	5,828,902
Auditors Remuneration	200,000	200,000
Advertisemet Expenses	103,848	86,754
Security Maintenance	589,214	542,427
Bad Debts written off	15,429	55,154
Donations	200,000	375,000
Road Repair Charges	980,000	3,244,710
	<u>62,908,543</u>	<u>57,420,829</u>

Notes: 26: Notes forming part of Financial Statements:**1. Details of Secured Loans and Security****a) Cash Credit from HDFC Bank**

Cash Credit from HDFC Bank to the extent of Rs.1500.00 Lacs (Including a seasonal limit of Rs.300.00 lakhs) is secured by hypothecation of Stocks of Raw materials, Stores & Spares, Finished Goods, Book Debts both present and future.

Car Loans from HDFC Bank Limited are secured by hypothecation of Cars purchased out of loan proceeds.

Term Loan from Muthoot Money Pvt Ltd is secured by hypothecation of Loader purchased out of loan proceeds.

2. The presentation of the Balance Sheet, Profit and Loss Statement and Notes to the Accounts is in terms of the Schedule III to the Companies Act, 2013. The assets and liabilities have been classified as current and non-current based on a twelve month operating cycle. Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's presentation.

3. Borrowing Costs as per Accounting Standard – 16:

Borrowing costs include interest on CC Limit and term loans with banks/financial institutions and other borrowing costs are charged to profit & loss account on accrual basis.

4. Segment Reporting:

The board of directors of the company is of the opinion that there are three separate reportable segments as per Accounting Standard – 17 and the details are given hereunder.

Particulars	31.03.2019 (Rs.in Lakhs)	31.03.2018 (Rs.in Lakhs)
a) Segment Revenue (Net Sales/Income from each Segment)		
i) Solvent Extraction Division	5893.93	5080.72
ii) Power Division	1409.70	998.18
iii) Steel Division	1204.25	846.75
TOTAL:	8507.88	6925.65
Less: Inter Segment Revenue	278.34	200.02
Net Sales/Income from Operations	8229.54	6725.63
b) Segment Results (Profit(+)/Loss(-) before tax from each segment)		
i) Solvent Extraction Division	97.67	80.38
ii) Power Division	(44.48)	(44.40)
iii) Steel Division	11.74	10.29
TOTAL:	64.93	46.27
Less: Other Unallocable Expenditure net off/Unallocable Income	--	--
Profit Before Tax	64.93	46.27
c) Capital Employed Segment Assets:		
i) Solvent Extraction Division	2147.41	2259.54
ii) Power Division	1567.17	1469.62
iii) Steel Division	329.35	302.30
TOTAL:	4043.93	4031.46
Less: Inter Segment Assets	451.78	451.35
Net Segmental Assets	3592.15	3580.11
Segment Liabilities:		
i) Solvent Extraction Division	1218.69	1586.22
ii) Power Division	213.02	162.35
iii) Steel Division	262.51	244.85
TOTAL:	1694.22	1993.42
Less: Inter Segment Liabilities	451.78	451.35
Net Segmental Liabilities	1242.44	1542.07
Capital Employed (Segmental Assets – Segmental Liabilities)		
i) Solvent Extraction Division	928.72	673.32
ii) Power Division	1354.15	1307.27
iii) Steel Division	66.84	57.45
TOTAL:	2349.71	2038.04

5. Related Parties Disclosures:

Related party disclosures, as stipulated by Accounting Standard – 18 – 'Related Party Disclosures', are given below:

a) Related Parties and their relationships

- (1) Associates:
Sreehitha Refineries Limited
Srinivasa Raw & Par Boiled Rice Mill
- (2) Key Managerial Personnel
V.Venkataramaiah
V.Suraj Kumar
V.Balaji

b) Related Party Transactions for the Year Ended 31st March 2019

The nature and volume of transactions of the Company during the year, with the above related parties are as follows.

Nature of Transactions	Transactions During the Year (Rs)	Closing Balance (Rs)
Remuneration to Key Managerial Personnel	32,27,679	Nil
Purchase of Rice Bran from Srinivasa Raw & Par Boiled Rice Mill	3,09,39,731	Nil
Purchase of Husk from Srinivasa Raw & Par Boiled Rice Mill	Nil	Nil
Sale of R.B oil to Sreehitha Refineries Limited	9,79,49,261	Nil

6. There are no amounts due to Small Scale Industries in terms of "The Micro, Small and Medium Enterprises Development Act, 2006". Based on information available with the Company, as at 31st March 2019, there are no suppliers who are registered as micro and small enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

7. Balance of Sundry Creditors and other loans and advances have been taken at values as stated in the books of account and have not been confirmed by parties.

8. Current Assets and Loans and Advances are the values stated as if realised in the ordinary course of business.

9. Managerial Remuneration:

Particulars	2018-19 (Rs)	2017-18 (Rs)
V.Venkataramaiah	9,82,372	10,07,825
V.Balaji	9,82,519	10,07,825
V.Suraj Kumar	12,62,788	12,15,158

10. Auditors Remuneration includes the following:

Statutory Audit Fee	Rs.1,00,000/-
Tax Audit Fee	Rs. 50,000/-
Other Services	Rs. 50,000/-

11. Contingent Liabilities not provided for:

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Sales Tax liability against which company has preferred appeals	15,75,449/-	15,75,499/-

12. The company does not have operating leased assets and hence no information has been provided as required by the Accounting Standard - 19 'Accounting for Leases'.

13. Earnings Per Share as per Accounting Standard-20

Particulars	2018-2019 (Rs)	2017-2018 (Rs)
Profit attributable to Equity Shareholders (A)	18,83,039/-	27,80,673/-
Basic/weighted average number of equity shares outstanding during the year (Nos) (B)	1,08,60,227	1,08,85,748
Nominal Value of Equity Share(Rs)	10/-	10/-
Earnings Per Share (Basic & Diluted) (Rs.10/- paid up)	0.17	0.26

14. Accounting for taxes on income as per Accounting Standard-22

The deferred tax liability for the year 2018-19 due to timing differences between financial statements and taxation statements as per the applicable rate of taxation, estimated as Rs.35,62,043/- and the same has been debited to Profit & Loss Account as per the procedure prescribed in Accounting Standard – 22 "Accounting for Taxes on Income" issued by the ICAI.

The movement of provision for Deferred Taxes for the year ended 31-03-2019 is as given below:

Particulars	(Liability) /Asset as at 1-4-2018	(Charges) /Credit for the year	(Liability) /Asset as at 31-3-2019
Timing differences on Account of			
Depreciation on Assets	10,05,409	(35,62,043)	(25,56,634)
Total	10,05,409	(35,62,043)	(25,56,634)

15. Accounting for Effects of Changes in Foreign Exchange Rates:

There were no foreign currency transactions during the year under review.

16. Details of Capacities and Production :

- A) Licensed Capacity : Not Applicable.
- B) Installed Capacity : 200 M.Ts. per day.(SOLVENT EXTRACION)
4.5 M.W (POWER DIVISION)
(As certified by the management but not verified by Auditors being a technical matter.)
- C) Actual : 27502.836 M.T (SOLVENT EXTRACTION)
2,45,39,800 UNITS (POWER)
3,513 M.T(STEEL)

Details of Turnover, Raw Material Consumption, Opening and Closing Stocks:

Particulars	2018-19		2017-18	
	Qty in MTs	Value (Rs.in lakhs)	Qty in MTs	Value (Rs.in lakhs)
TURNOVER				
Rice Bran Oil	5228.780	2862.62	5205.460	2536.65
Palm Oil	0.00	0.00	19.515	11.30
De-Oiled Rice Bran (Including gunnies Quantity & Value)	24216.040	3030.42	22021.575	2531.90
Power (Units)	17692900	1124.73	13513900	794.56
Captive Consumption(Units)	4378300	278.34	3333700	200.02
Utilized in Auxiliaries	2468600	0.00	2143700	0.00
Iron Ingots	3582.810	1204.25	3001.140	846.75
Others – Gummies, Ash ,Scrap		7.52		4.47
Raw Material Consumed				
Rice Bran	27502.836	4976.28	26674.757	4223.76
Husk	30293.290	838.63	17982.385	443.82
Coal	12222.000	328.49	8269.00	226.80
Corn Hay	225.970	3.39	4528.755	81.17
Pam Hay	232.600	0.20	634.320	6.14
Coconut Hay	2526.030	21.15	4022.570	40.90
Black Gram	0.000	0.00	0.00	0.00
Baggasse	0.000	0.00	0.00	0.00
Chilli Hay	349.990	4.84	844.570	11.86
Jamoil Wast	42.370	0.51	13.180	0.16
Pulses Hay	0.00	0.00	157.560	2.83
Scrap & Sponge & Pig Iron	4229.40	822.33	3163.460	479.89
Purchase of Raw Material				
	Qty in MTs	(Rs.in.lakhs)	Qty in MTs	(Rs.in lakhs)
Rice Bran	27531.566	4981.44	27029.163	4292.70
Husk	27233.085	748.70	22032.055	582.45
Coal	6844.560	197.79	11543.480	303.65
Corn Hay	175.590	2.38	4281.720	77.23
Chilli Hay	349.990	4.84	844.570	11.85
Coconut Hay	1523.150	10.03	5001.950	51.79
Pulses Hay	0.0	0.00	157.560	2.84
Baggasse	0.000	0.00	0.000	0.00
Palm Hay	0.00	0.00	766.920	7.18
Jamoil Wast	42.370	051	13.180	0.16
Scrap & Sponge & Pig Iron and Pet Coke	4266.99	840.55	3355.435	520.08

Opening Stock of Raw Material				
Rice Bran	1589.409	202.70	1235.003	133.76
Husk	8643.280	235.10	4593.610	96.46
Coal	6642.013	163.39	3367.533	86.55
Corn Hay	50.380	1.00	297.415	4.95
Coconut Hay	1002.28	11.13	23.500	0.23
Palm Hay	232.600	1.98	100.00	0.94
Black Gram	0.00	0.00	0.00	0.00
Baggasse	0.000	0.00	0.00	0.00
Scrap& Sponge Iron	468.364	88.31	276.389	48.11
Closing Stock of Raw Material				
Rice Bran	1618.139	207.86	1589.409	202.70
Husk	5583.075	145.16	8643.280	235.10
Coal	1264.573	32.69	6642.013	163.39
Corn Hay	0.00	0.00	50.380	1.00
Coconut Hay	0.00	0.00	1002.28	11.13
Palm Hay	0.00	0.00	232.600	1.98
Scrap & Sponge and Pig Iron	505.954	106.52	468.364	88.31
Opening Stock of Finished Goods				
Rice Bran Oil	437.350	189.37	550.090	234.89
De-Oiled Rice Bran	2811.572	289.59	3348.683	352.95
Iron Ingots	293.100	96.72	688.640	196.26
Closing Stock of Finished Goods				
	2018-19		2017-18	
Rice Bran Oil	526.270	244.71	437.350	189.37
Deoiled Rice Bran	793.334	91.23	2811.572	289.59
Iron Ingots	223.290	70.78	293.100	96.72
Inflow of Foreign Exchange		Nil		NIL
Outflow of Foreign Exchange		Nil		Nil

Signatures to Schedules 1 To 26

As per our Report of even date

For and on behalf of the Board

Polavarapu Janardhan
Chartered Accountant

(V. VENKATRAMAIAH)
Chairman

Place: Vijayawada
Date :29th May 2019

(V. BALAJI) (V. SURAJ KUMAR)
Jt.Managing Director Jt.Managing Director

BALAJI AGRO OILS LIMITED

CIN : L15143AP1994PLC017454

Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007

Andhra Pradesh, India

Email : info@baol.in

Form No.MGT-10

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Balaji Agro Oils Limited.

I hereby record my presence at the 25th Annual General Meeting of the shareholders of Balaji Agro Oils Limited on Monday, the 30th Day of September, 2019 at 11:00 A.M at the Registered office of the Company situated at 74-2-19, Old Check Post Centre, Patamata, Vijayawada - 520007, Andhra Pradesh.

1.	Name & registered address of the sole/ first named shareholder	
2.	Name (s) of the Joint Shareholder(s), if any	
3.	Registered Folio No./DP ID/ Client ID	
4.	Number of shares held	

Signature of Shareholder/Proxy/Representative

Subject – E-voting

In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to members holding shares as on 20th September, 2019 (end of day) being the cut-off date i.e. record date for the purpose of Rule20(3)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central depository Services Limited (CDSL).

The e-voting particulars are set out below:

EVSN (e-voting Sequence Number)	User id	Password
190903069	Please refer notes about e-voting instructions in the Notice.	

The e-voting period commences from 10:00 a.m. on 27th September, 2019 and ends on 29th September, 2019 by 5:00 p.m. The members of the Company, holding shares either in physical or demat form, as on the cut-off date of 23rd September, 2019, may cast their vote electronically.

For instructions on e-voting, please read attached Notice of Annual General Meeting. This communication forms an integral part of the Notice for convening the Annual General Meeting of the Company to be held on 30th September, 2019

BALAJI AGRO OILS LIMITED

CIN : L15143AP1994PLC017454

Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007

Andhra Pradesh, India

Email : info@baol.in

FormNo.11

PROXY FORM

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

CIN	L15143AP1994PLC017454
Name of the Company	Balaji Agro Oils Limited
Registered Office	Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007
Corporate Office	Registered Office : 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007
Name of the member(s)	
Registered Address	
Email id	
Folio No.	

Board of Directors

Sri VALLABHANENI VENKATRAMAIAH

Chairman

Sri VALLABHANENI BALAJI

Jt. Managing Director

Sri VALLABHANENI SURAJ KUMAR

Jt. Managing Director

Smt VALLABHANENI SANGEETHA

Women Director

Sri M. BHANU PRASAD

Director

Sri G.BAPUJI

Director

Sri K. RAVI VARAMA

Director

Sri G. RAMESH BABU

Director

Bankers

HDFC Bank, Benz Circle, M.G.Road, Vijayawada

Auditors

Polavarapu Janardhan

Chartered Accountant

29-4-54K, Upstairs of IOB, CSI Complex,

Ramachandra Rao Road, Governorpet, Vijayawada - 520 002

Share Transfer Agent

M/s. XL Softech Systems Limited.,

3, Sagar Society, Road No. 2

Banjara Hills, Hyderabad. Ph : 040-23545913

Registered Office

D.No. 74-2-19, Old Check Post Centre,

Vijayawada - 520 007.

Factory At

Davuluru

Kankipadu Mandal, Krishana District. Ph : 0866-2822672

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

1.	Name, Address, Email id Or failing him	
2.	Name, Address, Email id Or failing him	
3.	Name, Address, Email id Or failing him	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Monday, the 30th day of September, 2019 at 11:00 A.M. at the Registered Office of the Company at 74-2-19, Old Check Post Centre, Patamata Vijayawada – 520007, Andhra Pradesh and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution	For	Against
Ordinary Business:		
1. To receive, consider and adopt the audited financial statements of the company for the financial year ended 31 st March, 2019 together with the reports of the Board of Directors and the Auditors thereon.		
2. To appoint a Director in place of Sri Vallabhaneni Venkataramaiah (DIN : 00227148), who retires by rotation and offers himself for re-appointment.		
3. To ratify the re appointment of Statutory Auditors and fix their remuneration		

Signed this _____ day of _____ 2019.

Signature of Shareholder: _____

Signature of Proxy holder(s): _____

Affix
Revenue
stamp

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

Printed Matter
Register Post

To,

if undelivered please return to : _____



BALAJI AGRO OILS LIMITED

Reg. Office : 74-2-19, Old Check Post Center,
Patamata, VIJAYAWADA - 520 007

BALAJI AGRO OILS LIMITED



25th Annual Report

2018 - 2019