

BOARD OF DIRECTORS :

NAME OF THE DIRECTORS	DIN NUMBER	DESIGNATION
Sri MaddiLakshmaiah	00013387	Chairman
Sri Maddi Ramesh	00013394	Managing Director
SriVadlamaniVenkataSubramanya Ravi	00495102	Independent Director
Sri MaddiVenkateswara Rao	00013393	Director
SmtRallabandi Lakshmi Sarada	07140433	Independent Director
Sri LakkarajuShyam Prasad	07151102	Independent Director

CHIEF FINANCIAL OFFICER : CA.Kothuri Satyanarayana

BANKERS : Canara Bank
Chirala – 523 155

STATUTORY AUDITORS : M/s. A. Ramachandra Rao & Co.,
Chartered Accountants,
3-6-369/A/11, 1st Floor,
Street No.1, Himayathnagar,
Hyderabad – 500 029

COST AUDITORS : M/s.Jithendra Kumar & Co.,
Cost Accountants,
389, Iron yard,
Opp Reliance Fresh, HB Colony,
Vijayawada-520012.

SECRETARIAL AUDITORS : M/s.K.Srinivasa Rao & Co.,
Company Secretaries
D.No.6-13-14A, 13/3,
Arundelpet,
Guntur-522002.

REGISTERED OFFICE : 12-B, Skylark Apartments,
BasheerBagh,
Hyderabad – 500 029
Ph:040-23228714

FACTORY ADDRESS : Jandrapet-523 165
Chirala,
Prakasam District
Andhra Pradesh.
Ph: 08594-222684

WEBSITES : www.capol.in & www.mlgroup.com

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41ST ANNUAL GENERAL MEETING NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Forty first Annual General Meeting of the members of M/s. **Coromandel Agro Products and Oils Limited** will be held on **Friday, 11th August, 2017 at 10.30 A.M.** at the Registered Office of the Company at 12-B, Skylark Apartments, Basheerbagh, Hyderabad - 500029 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Maddi Lakshmaiah (DIN- 00013387) who retires by rotation under Article 122 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Maddi Venkateswara Rao (DIN- 00013393) who retires by rotation under Article 122 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.
4. To Appoint Auditors

“RESOLVED THAT, pursuant to sections 139 and 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, pursuant to the proposals of the audit committee of the Board and recommendation of the Board, NATARAJA IYER & CO., Chartered Accountants (FRN:002413S), Hyderabad be and is hereby appointed as the statutory auditors of the Company, to hold office for a period of five consecutive years commencing from the financial year 2017-18, on remuneration that may be determined by the board on recommendation of audit committee in consultation with the auditors.”

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: - (The Cost Auditors' Remuneration)

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration payable to M/s. Jithendra Kumar & Co, Cost Accountants (Firm Registration No. 103347), Vijayawada, appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018.

By Order of the Board of Directors

Place : CHILAKALURIPET
Date : May 29, 2017

Sd/-
(Maddi Lakshmaiah)
Chairman
(DIN:00013387)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, and vote on a poll, instead of himself / herself and such proxy need not be Member. The proxy form is enclosed which should be deposited at the Registered Office of the Company duly completed and signed, not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting
4. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 a.m. and 4:00 p.m. up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting
6. Route-map to the venue of the Meeting is provided at the end of the Notice / Page no.61 of the Annual Report
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 05th August, 2017 to Friday 11th August, 2017 (both days inclusive).
8. The Financial Statements, the reports and all other documents required under the law to be annexed thereto will be available for inspection during working hours at the Registered Office of the Company on any working day prior to the date of the Annual General Meeting.
9. Members desiring to seek any information on the Annual Accounts to be explained at the meeting are requested to send their queries in writing to the Company at the Registered Office of the Company so as to reach at least 7 days before the date of the meeting to provide the required information.
10. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries
11. Members holding shares in physical form are requested to notify/send to the following Company's Registrar and Transfer Agent at: Bigshare Services Private Limited, 306, 3rd Floor, Right Wing, Amrutha Ville, Opp. Yashodha Hospital, Raj Bhavan Road, Somajiguda, Hyderabad – 500082 at the earliest not later than 04th August, 2017.
 - Any change in their address/mandate/Bank details; and
 - Particulars of their Bank Account, in case the same have not been sent earlier.

12. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. In view thereof, members who have not furnished PAN are requested to furnish to the Registrar and Transfer Agents and also to Company Registered office.
13. Shareholders should note that as per statutory provisions, if the dividend amount remains unpaid/unclaimed for a period of 7 years from the due date, the said unpaid/unclaimed amount will be transferred to Investor Education & Protection Fund (IEPF) set up by Central Government. Shareholders who have not received / claimed the said dividend are requested to claim the same before due date. Members, who have not en-cashed their dividend warrants, are requested to write to the Registrars & Share Transfer Agents.
14. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed herewith.
15. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL/NSDL, on the items mentioned in this AGM Notice. The Company has appointed Mr.K. Srinivasa Rao, Partner of M/s. K. Srinivasa Rao & Co., Practicing Company Secretaries (Membership No. FCS. 5599) as scrutinizer for conducting the e-voting process and voting process in a fair and transparent manner. The voting period begins on Tuesday, 8th August 2017 at 09:00 hrs. and will end on Thursday, 10th August, 2017 at 17:00 hrs. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 4th August, 2017, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. The instructions for shareholders voting electronically are given at page no.57 of the Annual Report.
16. The Results shall be declared on or after the Annual General Meeting of the Company and shall be deemed to be passed on the date of Annual General Meeting. The results along with the Scrutinizer's Report shall be placed on the website of the Company www.capol.in within 48 hours of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to Bombay Stock Exchange.

17. Information to shareholders with respect to Item no:2&3 under Regulation 36(3) of SEBI(LODR) Regulations:

S.No	Information particulars	Maddi Lakshmaiah	Maddi Venkateswara Rao
1	Brief resume of the directors	Mr.Maddi Lakshmaiah, aged about 87 years, residing at ML Bungla, Chilakaluri Pet, Guntur Dist. He is an engineering Graduate i.e BE(Mechanical). He is a chairman of ML group companies, he has wide contacts with all multi-national tobacco manufacturers / merchants all over the world. He is also a Member in Federations like FICCI, FIEO, FAPCCI, CII, Indo-German Chamber of Commerce, Indo-Japan Centre, etc.,	Mr.Maddi Venkateswara Rao, aged about 61 years residing at Guntur and having a rich experience of more than 35 years in Exports of Tobacco, Cotton Seed Meal, Linters etc. He did Master degree in Management and Business Administration(MBA)
2	Nature of his expertise in specific functional areas	Having a rich experience in Tobacco, Cotton Seed Meal and Linters industries	Having a rich experience of more than 35 years in Exports of Tobacco, Cotton Seed Meal, Linters etc.,
3	Relationships between directors inter-se	Maddi Lakshmaiah is a father of Mr. Maddi Venkateswara Rao And Mr. Maddi Ramesh who are also directors of the company	Maddi Venkateswara Rao is an elder son of Mr. Maddi Lakshmaiah and elder brother of Maddi Ramesh who are also directors of the company
4	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil	Nil
5	Shareholding of non-executive directors	23,685 equity shares (3%)	23,410 equity shares (2.96%)

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 5 of the 41st AGM Notice.

Item No. 5:

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Jithendra Kumar & Co, Cost Accountants (Firm Registration No. 103347), Vijayawada, to conduct audit of cost records of the Company for the financial year ending 31st March, 2018. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

The Board commends the Ordinary Resolution as set out at Item no. 5 for the approval of Members

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolutions except to the extent of their shareholding in the Company, if any.

Your Directors, therefore, commend the resolutions for your approval

By Order of the Board of Directors

Place : CHILAKALURIPET
Date : May 29, 2017

Sd/-
(Maddi Lakshmaiah)
Chairman
(DIN : 00013387)

**DIRECTORS' REPORT
FOR THE YEAR ENDED MARCH 31, 2017**

Dear Shareholders,

Your Directors have pleasure in presenting the 41st Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2017.

FINANCIAL RESULTS

Summary of Financial performance of the Company for the Financial Year 2016-17 is depicted below:

Particulars	Year Ended 31-03-2017 ₹	Year Ended 31-03-2016 ₹
Revenue from operations	1,02,35,85,134	1,41,17,79,157
Other income	28,23,422	85,23,274
Operating Expenditure	99,93,08,379	1,38,47,36,576
Profit before Interest, Depreciation & Tax	2,71,00,177	3,55,65,855
Depreciation	89,48,265	91,17,199
Interest	1,65,60,170	1,84,52,221
Profit before tax	15,91,742	79,96,435
Provision for income tax		
i) Current year Tax	(26,25,706)	(42,00,000)
ii) Deferred Tax	21,00,598	17,90,893
Profit after tax	10,66,634	55,87,328
Profit/ (Loss) Brought forward from previous years	9,04,95,712	8,60,96,919
Profit/ (Loss) Carry forward to Balance Sheet	9,15,62,346	9,04,95,712
Earnings per share (Basic/ Diluted)	1.35	7.07

STATE OF AFFAIRS OF THE COMPANY AND FUTURE OUTLOOK:

The Company passing through a critical phase during the year under review in view of recession in the country due to demonetization, which resulted to prevail all products of the company like Cotton Seed De-oiled cakes, Hulls, Oils and Linters prices at abnormally low level and no parity between cottonseed prices and its products from November 2016 till May ending. Further, failure of crop also resulted to fall in processing volumes of cotton seed from 64,957 MT to 38,580 MT during the year under review.

As the weather forecast given by the experts is very positive in cotton growing areas, which may yield better volumes and improve the availability of cottonseed, your Directors are optimistic in utilizing the full production capacities to ensure better working results in the ensuing years. Further Goods and Services Tax (G.S.T.) is also going to be implemented in our country from the coming month of July, 2017 onwards which will certainly ease the cost of interstate tax burden on purchase of raw material from other state and the cost of purchase will be the same as equal to intra state purchase and the company can enjoy the input tax credit except the logistics cost.

EXPORT AND FOREIGN EXCHANGE EARNINGS:

Your Directors wish to inform that the Company has exported 2492.390 MT of Cotton Linters worth ₹ 1032.90 lakhs during the year under review as against 1,727.875 MT worth ₹ 425.78 lakhs in the previous year

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this Report as Annexure - I and forms an integral part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, as required under regulation 34 of the SEBI (LODR) Regulations 2015, forms part of the Annual Report as ANNEXURE NO:V

CHANGE IN THE COMPOSITION OF THE BOARD:**i. DIRECTORS LIABLE TO RETIRE BY ROTATION IN ENSUING ANNUAL GENERAL MEETING**

Mr. Maddi Lakshmaiah (DIN- 00013387) and Mr. Maddi Venkateswara Rao (DIN- 00013393), retire by rotation under Article 122 of the Articles of Association of the Company and being eligible, offer themselves for reappointment as Directors. The Board recommends their reappointment.

ii. DIRECTORS RE-APPOINTMENTS IN 40TH AGM:

Mr. Maddi Lakshmaiah (DIN- 00013387) and Mr. Maddi Venkateswara Rao (DIN- 00013393), retire by rotation under Article 122 of the Articles of Association of the Company and being eligible, offer themselves for reappointment as Directors. The shareholders approved their re-appointment as directors of the company at 40th Annual General Meeting of the company held on 10.08.2016

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board is required to carry out annual evaluation of its own performance and that of its committees and individual Directors. The Nomination and Remuneration Committee of the Board is also required to carry out evaluation of every Director's performance. Accordingly, your Company has carried out the performance evaluation during the year under review.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

In terms with Section 149 (7) of the Companies Act, 2013, All the Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in status of Independence

NUMBER OF BOARD MEETINGS:

During the Financial Year 2016-17, Four (4) Meetings of the Board of Directors of the Company were held viz 25th May, 2016, 10th August, 2016, 10th November, 2016, and 11th February, 2017, with a gap not exceeding a period of 120 days as prescribed under the Act.

A. Board Meetings

S.No	Date of meeting	Total Number of directors as on the date of meeting	Number of directors attended
1.	25.05.2016	06	4
2.	10.08.2016	06	6
3.	10.11.2016	06	3
4.	11.02.2017	06	5

B. Attendance of Directors

S.No	Name of the Director	No of Meetings which were entitled to attend	No. of Meetings Attended
1.	Sri Maddi Lakshmaiah	04	4
2.	Sri Maddi Ramesh	04	4
3.	SriVadlamani VenkataSubramanya Ravi	04	2
4.	Sri Maddi Venkateswara Rao	04	4
5.	Smt Rallabandi Lakshmi Sarada	04	1
6.	Sri Lakkaraju Shyam Prasad	04	3

GENERAL MEETINGS:

During the Financial Year 2016-17, 40th Annual General Meeting of the Company was held on Wednesday 10th August 2016. Except the 40th Annual General Meeting, no other meetings of the members were held in financial year 2016-17

Type of Meeting	Date of Meeting	Total No. of members entitled to attend	Attendance	
			No. of members attended	% of total shareholding
Annual General Meeting	10.08.2016	309	13	58.41

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, Two meetings of Independent Directors was held on 25.05.2016 and 10.02.2017 in compliance with the requirements of Schedule IV of the Companies Act, 2013. All independent directors were attended to their meeting held on 25.05.2016 and 10.02.2017. The Independent Directors at the meeting, inter alia, reviewed the Performance of Non-Independent Directors and Board as a whole. Performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

DIRECTORS RESPONSIBILITY STATEMENT:

In conformity with the provisions under Section 134 (3) (c) which is introduced by the Companies Act, 2013 your directors confirm that:-

- in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- the Directors have selected sound accounting policies and applied them consistently and made judgements 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 March 31, 2017 and of the profit of the Company for the year ended on that date ;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- the Directors have prepared the annual accounts on a 'going concern' basis
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.