

Jocil
Annual Report 2017-2018

Homage



Dr. B. B. Ramaiah
1926 - 2018
Founder Chairman

Jocil Limited

(A Subsidiary of The Andhra Sugars Limited)

CIN : L28990AP1978PLC002260 • GSTIN : 37AAACJ5606L1ZF

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BOARD OF DIRECTORS

P. Narendranath Chowdary

J. Murali Mohan

Mullapudi Thimmaraja

K. Srinivasa Rao

V. S. Raju

M. Gopalakrishna, I.A.S. (Retd.)

Subbarao V. Tipirneni

M. Mrutyumjaya Prasad

P. Venkateswara Rao

Dr. Manjulata Dasari

Chairman

Managing Director

Director

Director

Independent Director

Independent Director

Independent Director

Director

Independent Director

Independent Director

Dy. SECRETARY & AGM (Finance)

K. Raghuram,

F.C.S., F.C.A., F.C.M.A.

STOCK EXCHANGE

National Stock Exchange of India Ltd.,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.

BANKERS

Andhra Bank, Main Branch, Guntur.

State Bank of India,
Commercial Branch, Guntur.

SHARE REGISTRAR & TRANSFER AGENT (RTA)

XL Softech Systems Ltd.,
3, Sagar Society, Road No. 2, Banjara Hills,
Hyderabad - 500 034.
Ph : 040-23545913
E-mail : xlfield@gmail.com

AUDITORS

Chevuturi Associates,
Chartered Accountants,
D.No. 33-25-33B,
Govindarajulunaidu Street,
Suryaraopet, Vijayawada - 520 002.

COST AUDITORS

Narasimha Murthy & Co.,
104, Pavani Estate,
3-6-365, Himayatnagar,
Hyderabad - 500 029.

SECRETARIAL AUDITORS

Nekkanti SRVVS Narayana & Co.,
Flat No. 407 & 408, Malik Chambers,
Hyderguda,
Hyderabad - 500 029.

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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Fortieth Annual General Meeting of the Shareholders of Jocil Limited will be held at the Registered Office of the Company, Dokiparru, Guntur - 522 438, A.P. on Saturday, the 29 September 2018 at 3.30 p.m. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended 31 March 2018 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To declare a Dividend for the year 2017-18.
3. To elect a Director in place of Shri P. Narendranath Chowdary (DIN : 00015764) who retires by rotation and being eligible offers himself for reappointment / re-election.
4. To ratify the appointment of Statutory Auditors M/s. Chevuturi Associates, Chartered Accountants, Vijayawada for the year 2018-19 to hold office from the conclusion of this Annual General Meeting, until the conclusion of 44th Annual General Meeting and to fix their remuneration. The shareholders at the Thirty Ninth Annual General Meeting appointed M/s. Chevuturi Associates for a period of five years, until the conclusion of 44th Annual General Meeting subject to ratification by them each year.

Special Business :

5. To approve the remuneration of the Cost Auditors for the financial year ending 31 March 2019 and in this regard 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 148 and all other applicable provisions of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), M/s.Narasimha Murthy & Co., Hyderabad, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31 March 2019, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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 and the proxy need not be a member of the Company. The proxy form (provided with this report) should reach the Registered Office of the Company duly completed not less than 48 hours before the scheduled time of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, the 08 September 2018 to Tuesday, the 11 September 2018, both days inclusive.

3. Members are requested to notify any change in address immediately to the Company's Registered Office or Registrar and Transfer Agents.
4. Pursuant to Section 124 of the Companies Act, 2013, the unclaimed dividend for the year ended 31 March 2010 has been transferred to the Investor Education and Protection Fund established by the Central Government.
5. Pursuant to Investors Education and Protection Fund (uploading of information regarding Unpaid and Unclaimed Amounts lying with Companies) Rules 2012 the company will provide/ host the required details of unclaimed amounts referred under Section 124(2) of Companies Act, 2013 on its website and also in the website of the Ministry of Corporate Affairs in the relevant form every year.
6. Pursuant to Section 124 of Companies Act, 2013, the unclaimed shares for the year ended 31 March 2010 have been transferred to Investor Education and Protection Fund established by the Central Government. Members who wish to claim shares from IEPF are required to comply with the provisions specified under IEPF (Accounting, Audit, Transfer and Refund) Rules 2017.
7. Information about the Directors seeking reappointment at the 40th Annual General Meeting as required under Listing Regulations is attached.
8. Holders of Shares/Deposits may nominate a person(s) in Form No. SH-13 / SH-14 as the case may be (provided at the end of this report) in whose favour they wish to vest the Shares / Deposits on their death subject to the provisions of Companies Act, 2013 and Rules made thereunder.
9. The Dividend for the year ended 31 March 2018 as recommended by the Board, if sanctioned at the Annual General Meeting, will be payable to those members whose names appear in the Company's Register of Members on 11 September 2018 as per details provided by Share Transfer Agents (RTA). In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the Depositories. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for this purpose as on 7 September 2018 after the close of business hours.
10. The Company is providing facility to the shareholders for voting by electronic means and the business may be transacted through such voting. The process and manner of e-voting, time schedule etc., are at Page No.6.
11. SEBI vide its notification number SEBI/LAD-NRO/GN/2018/24 dated 08 June 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, with reference to mandatory dematerialisation for transfer of shares. This amendment is coming into force with effect from 05 December 2018. Hence, shareholders may please note that after the said date, transfer of shares should compulsorily be in dematerialised form (except in case of transmission or transposition of securities). Shareholders holding shares in physical form are thereby advised to dematerialize their shares with any Depository Participant of their choice for transfer of shares from one person to another.
12. Route map for attending the Annual General Meeting is provided at inside back cover page.

ANNEXURE TO THE NOTICE

A. Explanatory Statement as required under Sec. 102 of the Companies Act, 2013.

Item No. 5 :

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s.Narasimha Murthy & Co., Cost Accountants, Hyderabad as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31 March 2019 on a remuneration of Rs. 1,60,000/- and reimbursement of actual traveling, lodging & boarding and out of pocket expenses for attending the work.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors requires the ratification by the shareholders of the Company.

Accordingly, consent of the members is sought by an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March 2019.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise, in the resolution.

The Board recommends for approval of this Ordinary Resolution by the shareholders.

Hyderabad
03 August 2018.

By Order of the Board of Directors
P. NARENDRANATH CHOWDARY
Chairman.

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- i) The voting period begins on 26 September 2018 at 9.00 a.m. and ends on 28 September 2018 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 22 September 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- iii) Click on Shareholders.
- iv) 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.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) 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.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.

- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN of "JOCIL LIMITED" to vote.
- xii) 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.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) 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.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii) 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.
- xviii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix) Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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.
- xx) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or send an email to helpdesk.evoting@cdslindia.com.

ABBREVIATED RESUME OF THE DIRECTORS SEEKING REAPPOINTMENT

Shri Pendyala Narendranath Chowdary

Shri Pendyala Narendranath Chowdary joined the Board of Directors of the Company on 23 August 1996. He is a graduate in Science and joined the Board of Directors of The Andhra Sugars Limited, the holding company, in the year 1968. Subsequently he was elevated as Wholetime Director and continues to be so since the last 36 years. Shri P. Narendranath Chowdary is presently the Chairman & Managing Director (CMD) of The Andhra Sugars Limited. As CMD of the company, he is in overall charge of the company. During his tenure as Managing Director he initiated and successfully completed various expansion and diversification programmes.

He is the Chairman of Corporate Social Responsibility Committee and Stakeholders Relationship Committee and member of the Nomination and Remuneration Committee constituted by the Board of Directors of the Company. He holds 25,000 equity shares of the Company as on 31 March 2018. Particulars of directorships of other companies and memberships in committees held by him are given below.

Name of the company	Position	Name of the committee	Position
Sree Akkamamba Textiles Limited	Chairman	Stakeholders Grievance/ Relationship Committee	Chairman
The Andhra Farm Chemicals Corpn. Ltd.	Chairman	-	-
Hindustan Allied Chemicals Ltd.	Chairman	-	-
The Andhra Sugars Ltd.	Chairman & Managing Director	Stakeholders Grievance/ Relationship Committee	Member
		Corporate Social Responsibility Committee	Member
The Andhra Petrochemicals Limited	Director	Stakeholders Grievance/ Relationship Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Nomination & Remuneration Committee	Member
Sree Satyanarayana Spinning Mills Ltd.	Director	-	-
Andhra Pradesh Gas Power Corporation Ltd.	Director	-	-
Vibhas Polymers Pvt. Ltd.	Member	-	-

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Fortieth Annual Report together with the Audited Statement of Accounts for the Financial Year ended 31 March 2018.

(Rs. in Lakhs)

	2017-18	2016-17
1. FINANCIAL RESULTS		
Gross Sales	34782.37	40745.21
Less : Excise Duty	698.59*	3557.68
Net Sales	34083.89	37187.53
Processing Charges	63.31	391.14
Other Income	214.73	341.76
Total Income	34361.82	37920.43
Profit for the year before Interest and Depreciation	1276.88	1885.43
Interest	(128.64)	(160.01)
Depreciation	(653.38)	(706.81)
Profit Before Tax	494.86	1018.61
Provision for Current Tax	(130.00)	(255.00)
Deferred Tax / (credit)	45.59	57.19
Profit After Tax	410.45	820.80

* w.e.f. 01 July 2017 GST was introduced and it is not to be included in the gross sales. Hence, Excise Duty up to 30 June 2017 only has been deducted from gross sales.

The turnover of the company for the year at Rs. 348.45 crores is down by 15.29% over the figure of Rs. 411.36 crores of the previous year. During the year the sales volume of fatty acids has marginally increased by 1.64% whereas sales volume of soap noodles dropped by about 32% as compared to the previous year. Increase in prices of raw materials and sales at reduced margins resulted in decline in Profit Before Interest and Depreciation to Rs. 1276.88 lakhs from Rs. 1885.43 lakhs in the previous year. The volume of toilet soap and soap products has come down due to intense price competition in the market. The Profit Before Tax (PBT) has come down to Rs. 4.95 crores as compared to Rs. 10.19 crores in the previous year.

The appropriations from the profit are as detailed below.

(Rs. in Lakhs)

	2017-18	2016-17
Profit after Tax (including comprehensive income)	709.68	955.68
Balance brought forward from previous year	2407.87	1652.19
Profit for appropriations	3117.55	2607.87

APPROPRIATIONS

Dividend (accounted in the year of payment)*	266.43	-
Provision for Tax on distributed profits @ 20.35765% on dividend (accounted in the year of payment)	54.24	-
Transfer to General Reserve	-	200.00
Balance carried forward	2796.88	2407.87
TOTAL	3117.55	2607.87
Authorized Capital	1000.00	1000.00
Paid-up Capital	888.16	888.16
Reserves & Surplus	16320.29	15931.29

* In accordance with the requirements of Ind AS, dividend is to be accounted in the year of payment. Hence, dividend paid during the year is given instead of dividend declared during the year.

2. DIVIDEND

The Board of Directors are pleased to recommend for the approval of the shareholders of the Company for payment of dividend for the year ended 31-03-2018, at Rs. 2.00 per equity share of Rs. 10 each, which aggregates to Rs.1,77,62,300 (excluding Dividend Distribution Tax) on the 88,81,150 equity shares of the Company. In the previous year, the Company paid dividend at Rs.3.00 per equity share of Rs.10 each on 88,81,150 shares amounting to Rs.2,66,43,450 (excluding Dividend Distribution Tax).

3. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to reserves.

4. OPERATIONS

	2017-18 MT	2016-17 MT
Production (including processed on jobwork)		
a) Fatty Acids	45483	52134
b) Toilet Soap & Soap Products	15908	26260
c) Biomass Power-kwh	24914266	29562238
d) Wind Power-kwh	14851184	14022372
Sales		
a) Fatty Acids	35392	34822
b) Toilet Soap & Soap Products	14703	21583
c) Biomass Power-kwh	9603400	13959000
d) Wind Power-kwh	14851184	14022372

5. OUTLOOK

Fatty Acids and Soap

The sales of fatty acids have improved marginally during the year whereas soap noodles sales have been declining year after year due to availability of noodles at lower price in tax exempted areas. The margins have narrowed down due to intense price competition in the market. Indigenous market of soap noodles is also affected by cheaper imported soap noodles due to inverted duty structure. This market condition of soap noodles is also affecting sales of fatty acids as majority of fatty acids produced is used for soap noodles production. Even after introduction of GST, tax exemptions are continuing to be available for units located in exempted areas. As a result, manufacturers in non-exempt areas, doing jobwork are still finding it difficult to market their capacities.

Palm stearin and PFAD are the major raw materials for manufacture of fatty acids and soap. These are the by-products derived from the refining of crude palm oil. With the increase in import duties on crude palm oil, local raw material suppliers are not in a position to supply Palm Stearin and PFAD at competitive prices. Accordingly, we are having to import Crude Palm Stearin and PFAD directly. Also, in order to meet the requirements of Roundtable on Sustainable Palm Oil (RSPO) Guidelines regarding processing of Mass Balanced (MB) Palm Stearin, we are having to import MB Palm Stearin from Malaysia and Indonesia as it is not available locally.

Cost of raw materials is a major component in total cost of production and the fluctuation in raw material prices is a serious cause of concern to the company particularly when the customers demand long term forward contracts while the same is not possible with the raw material suppliers.

There is stiff competition from manufacturers particularly from those having backward integration which gives them a cost advantage.

To safeguard against fluctuations in raw material prices, the company tries to enter into contracts for doing job-work both for fatty acids and soap wherein the customers themselves supply/cover raw materials required for the total process and we receive processing charges for the manufacture of final products. Presently, the market situation has improved and the Company is getting export orders for DFA and indigenous orders for Soap Noodles and Toilet Soap from the major customers.

Biomass Power Plant

During the year under review, the performance of the Biomass Power Plant has declined. The generation from the plant during the year is lower by 46.48 lakh units, a 15% decline from the previous year. Export of power to APSPDCL was stopped from 29 August 2017 to 20 October 2017 due to non availability of fuels. Other technical problems resulted in decline in performance. However, after the overhaul, the plant performance has improved.

Wind Energy Generators (WEG)

Power generation during the year from the four Wind Energy Generators (WEGs) of 6.3 MW capacity has marginally increased as compared to the previous year. During the year, the power generation from all the four WEGs is 148.51 lakh units as compared to 140.22 lakh units in the previous year. Due to sustained efforts of the Indian Wind Power Association in seeking "must run" status to WEGs to reduce back down

time, the back down of WEGs for want of evacuation facilities has come down during the year from 8.58% of machine available hours to 5%.

6. FINANCE AND STATUTORY COMPLIANCES

The Company availed working capital facilities under consortium arrangement with Andhra Bank and State Bank of India and the accounts are in order. During the year under review, working capital limits increased by Rs. 10 crores to cater to the increased volume of procurements for export orders obtained from major customers. The company complied with all the legal requirements and there are no outstanding statutory dues as on 31 March 2018.

During the year there have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. CREDIT RATING

During the year the Credit Rating Agency CARE revised the credit rating for various facilities as detailed hereunder when compared to previous year.

Nature of facilities	Rating Assigned	
	2017-18	2016-17
1. Working Capital facilities		
i) Long Term facilities	CARE A – (adequate degree of safety regarding timely servicing of financial obligations)	CARE A + (adequate degree of safety regarding timely servicing of financial obligations)
ii) Short Term facilities	CARE A 2 (Strong degree of safety regarding timely payment of financial obligations)	CARE A 1 (Very strong degree of safety regarding timely payment of financial obligations)
2. Fixed Deposits	CARE A2 (FD) (Strong degree of safety regarding timely payment of financial obligations)	CARE A1 (FD) (Very strong degree of safety regarding timely payment of financial obligations)

8. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year the Company has not received any complaints on sexual harassment of women at the workplace.

9. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established vigil mechanism as required under Sec. 177 of the Companies Act, 2013 for directors and employees to report genuine concerns as prescribed in the policy. The policy provides adequate

safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

- a) In accordance with the provisions of the Companies Act 2013 and Articles of Association of the Company, at the ensuing Annual General Meeting, Shri P. Narendranath Chowdary, Chairman retires by rotation and being eligible offers himself for re-election.
- b) The Company held four Board Meetings during the year. Board Meeting dates and attendance particulars are available in the report on Corporate Governance.
- c) The Company has received declarations from all the five Independent Directors confirming that he / she meets the criteria of independence as provided under sub-section 6 of Sec. 149 of the Companies Act, 2013 at the first meeting of the Board in which he / she participated as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his / her status as an Independent Director.
- d) The Audit Committee consists of 3 Non-Executive Directors of which 2 are Independent Directors. Shri V.S. Raju, Independent Director is the Chairman of the Audit Committee. The remaining 2 members are Shri Mullapudi Thimmaraja, Non-Executive Director and Shri Subbarao V. Tipirneni, Independent Director. The Board accepted all the recommendations of the Audit Committee during the year.
- e) Shri P. Kesavulu Reddy, President & Secretary who was appointed as Key Managerial Personnel demitted office on the completion of his term of employment on 30 November 2017. Shri K. Raghuram, Dy. Secretary & AGM (Finance) was appointed as Key Managerial Personnel under Sec. 203 of the Companies Act, 2013 w.e.f. 01 December 2017.
- f) During the year under review, the Company is having the following persons as Key Managerial Personnel under Sec. 203 of the Companies Act, 2013.

Name of the Official	DIN / Membership No.	Designation
Shri J. Murali Mohan	00114341	Managing Director
Shri P. Kesavulu Reddy (upto 30 November 2017)	FCS - 6052	President & Secretary
Shri K. Raghuram (From 01 December 2017)	FCS - 6712	Dy. Secretary & Asst. General Manager (Finance)

11. MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors as required under the Schedule IV of the Companies Act, 2013 was held on 24 May 2018, without presence of Executive Directors and Promoter Directors. This meeting was conducted to review and evaluate (a) the performance of Non-Independent Directors and the Board as a whole, (b) the performance of the Chairperson of the company, taking into account the views of Executive Directors and Non-Executive Directors and (c) assess 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. The Independent Directors expressed their satisfaction with the performance of Non-Independent Directors and the Board as a whole and Shri V. S. Raju one of the Independent Directors briefed the outcome of the meeting to the Board.

12. AUDITORS

M/s. Chevuturi Associates, Chartered Accountants, Vijayawada were appointed as Auditors for a period of 5 years at the 39th Annual General Meeting held on 28 September 2017 till the year 2021-22. There are no qualifications, reservations or adverse remarks in the audit report issued by them for the financial year ended 31 March 2018.

13. COST RECORDS AND COST AUDITORS

Company is maintaining cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013. M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad are conducting the cost audit for applicable products during the year. They are eligible for re-appointment as Cost Auditors for the year 2018-19. There are no qualifications, reservations or adverse remarks in the audit report issued by them for the financial year ended 31 March 2018.

14. SECRETARIAL AUDIT

M/s.Nekkanti S.R.V.V.S. Narayana & Co., Company Secretaries, Hyderabad were appointed as Auditors for secretarial audit for the year 2017-18 under Sec. 204 of the Companies Act, 2013 and they have submitted their report. There are no qualifications, reservations or adverse remarks in the audit report issued by them for the financial year ended 31 March 2018.

15. The information required to be included in the Board of Directors Report under the Companies Act, 2013 and Rules made thereunder is annexed and forms part of this report detailed as follows.

Sl.No.	Particulars	Section	Rule	Annexure No.
1	Extract of the Annual Return – Form MGT-9. Companies (Management and Administration) Rules, 2014	134 (3) (a) & 92 (3)	12 (1)	1
2	Company policy on Directors appointment and remuneration etc. provided under sub-sections (3) and (4) of Section 178	134 (3) (e)		2
3	Particulars of loans, guarantees or investments under Section 186	134 (3) (g)		3
4	Particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in Form AOC -2. Companies (Accounts) Rules, 2014	134 (3) (h)	8(2)	4
5	Conservation of energy, technology absorption and Foreign Exchange earnings and outgo. Companies (Accounts) Rules, 2014	134 (3) (m)	8 (3) (A), (B) &(C)	5
6	Risk management policy for the company including identification therein of elements of risk if any.	134 (3) (n)		6

Sl.No.	Particulars	Section	Rule	Annexure No.
7	Corporate Social Responsibility policy and initiatives taken during the year . Companies (Corporate Social Responsibility policy) Rules, 2014	134 (3) (o)	8 (1)	7
8	Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and Individual Directors. Companies (Accounts) Rules, 2014	134 (3) (p)	8 (4)	8
9	Financial summary or highlights. Companies (Accounts) Rules, 2014	134 (3) (q)	8 (5) (i)	9
10	Details relating to deposits covered under Chapter V of the Act. Companies (Accounts) Rules, 2014	134 (3) (q)	8 (5) (v) & (vi)	10
11	Ratio of the remuneration of each Director to the median employee.s remuneration and such other details. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	197 (12)	5 (1)	11
12	Particulars of employees in receipt of remuneration not less than Rs. 8,50,000 per month or Rs. 1,02,00,000 per year etc. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	197 (12)	5 (2)	12
13	Secretarial Audit Report in Form MR-3. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	204 (1)	9 (1)	13

16. INFORMATION UNDER LISTING REGULATIONS

The Company is committed to maintain the standards of Corporate Governance prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations). The information required to be included in the Annual Report under Schedule V of the Listing Regulations are as follows.

Sl.No.	Particulars	Para	Annexure No.
1	Related Party Disclosures	A	14
2	Management Discussion and Analysis Report	B	15
3	Report on Corporate Governance	C	16
4	Declaration by the Managing Director that all Board Members and Senior Management Personnel affirmed their compliance to the Code of Conduct.	D	17
5	Compliance Certificate from Auditors on Corporate Governance	E	18
6	Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account	F	19
7	Details of shares transferred to IEPF	G	20

The Company is having a policy to deal with Related Party Transactions and the same may be viewed in the Company's website www.jocil.in. Please see Note No.34 on Accounts for disclosures in compliance with the Accounting Standards on "Related Party Disclosures".

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that

- a) in the preparation of the annual accounts, 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 at the end of the financial year and of the profit and loss of the company for that period ;
- 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 had 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

Explanation : For the purpose of this clause, the term "internal financial controls" means the policies and procedures adopted by the company 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.

- 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.

18. PERSONNEL

The Directors wish to place on record their appreciation to all the employees of the Company for their sustained efforts and valuable contribution to the performance of the Company during the year.

19. ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the wholehearted and sincere cooperation the Company received from various departments of Central and State Governments, Bankers, Auditors, Dealers and Suppliers of the Company. The Directors also would like to express their grateful appreciation for the guidance and cooperation received from the Holding Company, M/s. The Andhra Sugars Limited, Tanuku.

For and on behalf of the Board of Directors

Hyderabad
03 August 2018

P. NARENDRANATH CHOWDARY
Chairman

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN:-	L28990AP1978PLC002260
ii. Registration Date	20 February 1978
iii. Name of the Company	Jocil Limited
iv. Category / Sub-Category of the Company	Limited by Shares
v. Address of the Registered office and contact details	Dokiparru, Medikondur Mandal, Guntur District, Andhra Pradesh, Pin : 522 438 Ph : 0863-2290190 Fax : 0863-2290090 Email : jocil@jocil.net
vi. Whether listed company Yes / No	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s.XL Softech Systems Ltd., Sagar Society, Road No.2, Banjara Hills, HYDERABAD – 500 034. Tel : 040-23545913 / 914 / 915 Fax : 040-23553214 Email : xlfield@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
1	Fatty Acids	304.4	63.24
2	Soap Products	305.2	26.35

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	The Andhra Sugars Limited	L15420AP1947PLC000326	HOLDING	55.02	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	4886500	-	4886500	55.02	4886500	-	4886500	55.02	-
e) Banks / FI									
f) Any Other....									
Sub-total (A1):-	4886500	-	4886500	55.02	4886500	-	4886500	55.02	-
2) Foreign									
a. NRIs - Individuals									
b. Other - Individuals									
c. Bodies Corp.									
d. Banks / FI									
e. Any Other....									
Sub-total (A2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter									
(A) =(A1)+(A2)	4886500	-	4886500	55.02	4886500	-	4886500	55.02	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	-	-	-	-	50	-	50	-	-
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B1):-	-	-	-	-	50	-	50	-	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a. Bodies Corp.									
i) Indian	127499	24008	151507	1.71	187152	10008	197160	2.22	0.51
ii) Overseas									
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	1480344	908122	2388466	26.89	1527572	813206	2340778	26.36	(0.53)
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	1183978	231674	1415652	15.94	1169648	231674	1401322	15.78	(0.16)
c. Others	-	-	-	-	-	-	-	-	-
i) Bodies (Clearing Mem.)	8335	-	8335	0.09	6309	-	6309	0.07	(0.02)
ii) NRIs'	30690	-	30690	0.36	49031	-	49031	0.55	0.20
Sub-total (B2):-	2830846	1163804	3994650	44.98	2939712	1054888	3994600	44.98	-
Total Public Shareholding									
(B)=(B1)+(B2)	2830846	1163804	3994650	44.98	2939762	1054888	3994650	44.98	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	7717346	1163804	8881150	100.00	7826262	1054888	8881150	100.00	-

ii. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	The Andhra Sugars Limited	4886500	55.02	-	4886500	55.02	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

	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	4886500	55.02	4886500	55.02
During the year	No change	No change	No change	No change
At the end of the year	4886500	55.02	4886500	55.02

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	Name of the Shareholder	Shareholding				Cumulative Shareholding during the year	
		Date	Reason for change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
A. 1	As on 31.03.2018 Mohan Gupta During the year	31/03/2018		280000	3.15	280000	3.15
		03/11/2017	Purchase	2000	0.02	280000	3.15
		01/09/2017	Purchase	8000	0.09	278000	3.13
		28/07/2017	Purchase	1872	0.02	270000	3.04
		21/07/2017	Purchase	3128	0.04	268128	3.02
		14/07/2017	Purchase	5000	0.06	265000	2.98
		07/07/2017	Purchase	11000	0.12	260000	2.93
		16/06/2017	Purchase	49000	0.55	249000	2.80
		01/04/2017		200000	2.25	200000	2.25
2	Geetha Kandimalla During the year	31/03/2018		191090	2.15	191090	2.15
		01/04/2017	No transactions	191090	2.15	191090	2.15
3	Lakshmi Samrajyam Kandimalla During the year	31/03/2018		77998	0.88	77998	0.88
		01/04/2017	No transactions	77998	0.88	77998	0.88
4	Vinodchandra Mansukhlal Parekh During the year	31/03/2018		38214	0.43	38214	0.43
		01/04/2017	No transactions	38214	0.43	38214	0.43
5	Panguluri Dhanalakshmi During the year	31/03/2018		35000	0.39	35000	0.39
		01/04/2017	No transactions	35000	0.39	35000	0.39

Sl No.	Name of the Shareholder	Shareholding				Cumulative Shareholding during the year	
		Date	Reason for change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Rama Devi Bolla During the year	31/03/2018	No transactions	33750	0.38	33750	0.38
		01/04/2017		33750	0.38	33750	0.38
7	JM Financial Services Limited During the year	31/03/2018		32365	0.36	32365	0.36
		31/03/2018	Purchase	100	0.00	32365	0.36
		22/12/2017	Purchase	1452	0.02	32265	0.36
		10/11/2017	Sale	(38)	0.00	30813	0.35
		03/11/2017	Sale	(562)	0.01	30851	0.35
		20/10/2017	Sale	(100)	0.00	31413	0.35
		22/09/2017	Purchase	32	0.00	31513	0.35
		15/09/2017	Purchase	600	0.01	31481	0.35
		25/08/2017	Sale	(9035)	0.10	30881	0.35
		04/08/2017	Sale	(1384)	0.02	39916	0.45
		01/04/2017		41300	0.47	41300	0.47
8	B. Sumathi R Kamath During the year	31/03/2018		30000	0.34	30000	0.34
		30/03/2018	Purchase	29	0.00	30000	0.34
		23/03/2018	Purchase	1714	0.02	29971	0.34
		16/03/2018	Purchase	5685	0.06	28257	0.32
		09/03/2018	Purchase	2572	0.03	22572	0.25
		02/02/2018	Purchase	5000	0.06	20000	0.23
		26/01/2018	Purchase	5000	0.06	15000	0.17
		24/11/2017	Purchase	2368	0.03	10000	0.11
		17/11/2017	Purchase	6632	0.07	7632	0.08
		12/05/2017	Purchase	1000	0.01	1000	0.01
		01/04/2017		0	0.00	0	0.00
9	B. Raghurama Kamath During the year	31/03/2018		30000	0.34	30000	0.34
		02/02/2018	Purchase	3000	0.03	30000	0.34
		26/01/2018	Purchase	1000	0.01	27000	0.30
		19/01/2018	Purchase	9000	0.10	26000	0.29
		12/01/2018	Purchase	1000	0.01	17000	0.19
		05/01/2018	Purchase	1000	0.01	16000	0.18
		01/12/2017	Purchase	5000	0.06	15000	0.17
		24/11/2017	Purchase	5000	0.06	10000	0.11
		10/11/2017	Purchase	3414	0.04	5000	0.06
		03/11/2017	Purchase	586	0.00	1586	0.02
		22/09/2017	Purchase	1000	0.01	1000	0.01
		01/04/2017		0		0	

Sl No.	Name of the Shareholder	Shareholding				Cumulative Shareholding during the year	
		Date	Reason for change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10	B. Sudhir Kamath	31/03/2018		29561	0.33	29561	0.33
	During the year	30/03/2018	Purchase	4652	0.05	29561	0.33
		23/03/2018	Purchase	1499	0.02	24909	0.28
		23/02/2018	Purchase	2000	0.02	23410	0.26
		09/02/2018	Purchase	2400	0.03	21410	0.24
		02/02/2018	Purchase	4010	0.04	19010	0.21
		05/01/2018	Purchase	1122	0.01	15000	0.17
		29/12/2017	Purchase	8878	0.10	13878	0.16
		24/11/2017	Purchase	1000	0.01	5000	0.06
		03/11/2017	Purchase	2000	0.02	4000	0.04
		22/09/2017	Purchase	1000	0.01	2000	0.02
		01/04/2017		1000	0.01	1000	0.01
		The following have ceased to be Top Ten Shareholders due to Sale of their shareholding during the year 2017-18.					
11	Anita Gupta	31/03/2018		0	0.00	0	0.00
	During the year	22/12/2017	Sale	(20000)	0.23	0	0.00
		15/12/2017	Sale	(10000)	0.11	20000	0.23
		24/11/2017	Sale	(1600)	0.02	30000	0.34
		17/11/2017	Sale	(18400)	0.21	31600	0.35
		10/11/2017	Sale	(10000)	0.11	50000	0.56
		03/11/2017	Sale	(15000)	0.17	60000	0.67
		01/04/2017		75000	0.84	75000	0.84
12	Sharmin Nasser	31/03/2018		0	0.00	0	0.00
	During the year	15/09/2017	Sale	(40000)	0.45	0	0.00
		08/09/2017	Sale	(10000)	0.11	40000	0.45
		01/04/2017		50000	0.56	50000	0.56
13	Rangappa N	31/03/2018		0	0.00	0	0.00
	During the year	16/06/2017	Sale	(11500)	0.13	0	0.00
		09/06/2017	Sale	(6500)	0.07	11500	0.13
		02/06/2017	Sale	(6000)	0.07	18000	0.20
		26/05/2017	Sale	(6200)	0.07	24000	0.27
		19/05/2017	Sale	(5000)	0.06	30200	0.34
		12/05/2017	Sale	(4800)	0.05	35200	0.41
		05/05/2017	Sale	(2000)	0.02	40000	0.46

Sl No.	Name of the Shareholder	Shareholding				Cumulative Shareholding during the year	
		Date	Reason for change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		28/04/2017	Sale	(300)	0.00	42000	0.48
		21/04/2017	Sale	(900)	0.01	42300	0.48
		14/04/2017	Sale	(1800)	0.02	43200	0.49
		01/04/2017		45000	0.51	45000	0.51
14	Dyan Bipin Savla	31/03/2017		0	0.00	0	0.00
		16/06/2017	Sale	(35950)	0.41	0	0.0
	During the year	09/06/2017	Sale	(50)	0.00	35950	0.41
		01/04/2017		36000	0.41	36000	0.41

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year				Cumulative Shareholding during the year	
		Date	Reason for change	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	P. Narendranath Chowdary, Chairman	01.04.2017		25000	0.28	25000	0.28
	During the year	No change		-	-	-	-
	At the End of the year	31.03.2018		25000	0.28	25000	0.28
2	J. Murali Mohan, Managing Director	01.04.2017		20100	0.23	20100	0.23
	During the year	No change		-	-	-	-
	At the End of the year	31.03.2018		20100	0.23	20100	0.23
3	M. Thimmaraja, Director	01.04.2017		4500	0.05	4500	0.05
	During the year	No change		-	-	-	-
	At the End of the year	31.03.2018		4500	0.05	4500	0.05
4	K. Srinivasa Rao, Director	01.04.2017		325092	3.66	325092	3.66
	During the year	No change		-	-	-	-
	At the End of the year	31.03.2018		325092	3.66	325092	3.66
5	M. Mrutyumjaya Prasad, Director	01.04.2017		2250	-	2250	-
	During the year	No change		-	-	-	-
	At the End of the year	31.03.2018		2250	-	2250	-
6	Dr. Manjulata Dasari, Director	01.04.2017		1006	-	1006	-
	During the year	No change		-	-	-	-
	At the End of the year	31.03.2018		1006	-	1006	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits Rs.	Unsecured Loans Rs.	Deposits Rs.	Total Indebtedness Rs.
Indebtedness at the beginning of the financial year				
i. Principal Amount	12,10,12,761	11,76,12,686	4,55,60,652	28,41,86,099
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	18,71,779	2,64,809	21,36,588
Total (i + ii + iii)	12,10,12,761	11,94,84,465	4,58,25,461	28,63,22,687
Change in Indebtedness during the financial year				
-Addition	-	-	1,13,78,812	1,13,78,812
-Reduction	11,98,61,005	10,83,63,725	-	22,82,24,730
Net Change	11,98,61,005	10,83,63,725	1,13,78,812	21,68,45,918
Indebtedness at the end of the financial year				
i. Principal Amount	11,51,756	1,05,32,305	5,48,64,699	6,65,48,760
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	5,88,436	23,39,574	29,28,010
Total (i + ii + iii)	11,51,756	1,11,20,741	5,72,04,273	6,94,76,770

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Total Amount Rs.
	J.Murali Mohan, Managing Director	
1.	Gross salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	89,30,000
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18,55,069
	c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	12,11,509
	- as % of profit	
	- others, specify...	
5.	Others, please specify	
	Total	1,19,96,578
	(Minimum remuneration under Schedule V of the Companies Act, 2013)	
	Ceiling as per the Act	2,40,00,000

B. Remuneration to other directors:**Independent Directors**

Sl. no.	Particulars of Remuneration	Name of the Independent Directors					Total Amount Rs.
		Sri V.S.Raju	Sri M.Gopala-krishna	Sri Subbarao V.Tipirneni	Sri P. Venkateswara Rao	Dr.Manjulata Dasari	
1.	Fee for attending Board / Committee meetings	1,30,000	45,000	1,30,000	80,000	60,000	4,45,000
2.	Commission	–	–	–	–	–	–
3.	Others (incidental & daily allowance)	22,000	15,000	22,000	22,000	22,000	1,03,000
	Total (a)	1,52,000	60,000	1,52,000	1,02,000	82,000	5,48,000

Other Non-Executive Directors

Sl. no.	Particulars of Remuneration	Name of the Other Non-Executive Directors				Total Amount Rs.
		Sri P.Narendranath Chowdary	Sri M.Thimmaraja	Sri K.Srinivasa Rao	Sri M.Mrutyumjaya Prasad	
1.	Fee for attending Board / Committee meetings	1,15,000	1,90,000	60,000	50,000	4,15,000
2.	Commission	–	–	–	–	–
3.	Others (incidental & daily allowance)	21,000	28,000	26,000	14,000	89,000
	Total (b)	1,36,000	2,18,000	86,000	64,000	5,04,000
	Total (B)=(a + b)					10,52,000
	Total Managerial Remuneration(A+B)					1,30,48,578

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

Sl. no.	Particulars of Remuneration	Total Amount Rs.
1.	P. Kesavulu Reddy, President & Secretary (01 April 2017 to 30 November 2017)	
	Gross salary	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	25,43,300
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission	—
	- as % of profit	
	- others, specify...	
5.	Others, please specify	—
	Total	25,43,300

Sl. no.	Particulars of Remuneration	Total Amount Rs.
1.	Sri K. Raghuram, Dy. Secretary & AGM (Finance) (01 December 2017 to 31 March 2018)	
	Gross salary	4,86,800
	(a) 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	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (including arrears)	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
	- as % of profit	
	- others, specify...	
5.	Others, please specify	-
	Total	4,86,800

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding		Nil			
B. DIRECTORS Penalty Punishment Compounding		Nil			
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding		Nil			

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

(Sec. 134(3)(e) and Sec. 178 (3 & 4) of Companies Act, 2013)

The Board of Directors constituted Nomination and Remuneration Committee consisting of four directors of which two are independent directors. The Nomination and Remuneration Committee formulated a criteria for determining qualifications, positive attributes and independence of a director and a policy on remuneration for the Directors, Key Managerial Personnel (KMP) and other employees as detailed below and recommended to the Board and the Board approved the same.

Criteria for appointment :

- a) The appointee should possess adequate qualification, expertise and experience for the position they considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is appropriate for the concerned position.
- b) Managing Director or Executive Director can be appointed for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.
- c) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- d) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- e) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.
- f) The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel periodically.
- g) The Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the rules and regulations.
- h) The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to utilize the services of KMP, Senior Management Personnel even after attaining the retirement age, for the benefit of the Company.

Policy on remuneration :

- a) The remuneration/compensation/commission etc., to the Managing Director / Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc., shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, as may be required by any Statute.
- b) The remuneration and commission to be paid to the Managing Director/ Whole-time Director shall be in accordance with the percentage/conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the Rules made thereunder.
- c) The Managing Director/Whole-time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee.
- d) If, in any financial year, the Company has no profits or its profits are inadequate and if it is not able to comply, the Company shall pay remuneration to its Managing Director/ Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 with such provisions, with the previous approval of the Central Government.
- e) The Non-Executive/Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the amount prescribed under Articles of Association of the Company. In addition to the remuneration payable as sitting fees they shall be paid traveling / hotel and other expenses as determined by the Board from time to time for attending and returning from, meetings of the Board of Directors or any committee thereof or in connection with the business of the Company.
- f) An Independent Director shall not be entitled to any stock option of the Company.

Annexure - 3**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS DURING THE YEAR**

Section 134(3)(g) and Sec 186(4) of the Companies Act, 2013

Para A(2) of Schedule V to Listing Regulations

Sl.No.	Name of the Company	Amount Rs.	Remarks
1.	Particulars of loans given - Sree Akkamamba Textiles Limited, Venkatarayapuram, Tanuku	1,00,01,541 (Repaid during the year)	To meet working capital requirements

During the year the Company has not made any investments, not given any guarantees and not provided any security to any person or other body corporate.

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)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : Nil
 - a. Name(s) of the related party and nature of relationship
 - b. Nature of contracts/arrangements/transactions
 - c. Duration of the contracts / arrangements / transactions
 - d. Salient terms of the contracts or arrangements or transactions including the value if any
 - e. Justification for entering into such contracts or arrangements or transactions
 - f. Date(s) of approval by Board
 - g. Amount paid as advances, if any
 - h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis : Nil
 - a. Name(s) of the related party and nature of relationship
 - b. Nature of contracts/arrangements/transactions
 - c. Duration of the contracts / arrangements / transactions
 - d. Salient terms of the contracts or arrangements or transactions including the value if any
 - e. Date(s) of approval by the Board, if any
 - f. Amount paid as advances, if any

For Jocil Limited

Hyderabad
3rd August, 2018.

P. NARENDRANATH CHOWDARY
Chairman

Annexure - 5

**REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Section 134 (3) (m) of the Companies Act, 2013 & Rule 8 (3) of Companies (Accounts) Rules, 2014]

A) Conservation of energy –

- | | | | |
|------|---|---|--|
| i) | The steps taken or impact on conservation of energy | : | 1. Feed Water temperature going to Deaerator of Boiler is increased by recovering the heat from condensate, thus reducing steam consumption at deaerator.

2. Thermo Dynamic steam traps are replaced with more efficient modular steam traps on main steam line to reduce steam losses.

3. Sweet Water temperature is increased in Storage Tank by recovering heat from condensate thus reducing steam consumption in Treatment Plant. |
| ii) | The steps taken by the company for utilising alternate sources of energy; | : | Nil |
| iii) | The capital investment on energy conservation equipments; | : | Nil |

B) Technology absorption –

- | | | | |
|------|---|---|--|
| i) | Efforts made towards technology absorption | : | The indigenous technology available is being utilised and upgraded continuously. |
| ii) | Benefits derived like product improvement, cost reduction, product development or import substitution | : | The company is able to improve the customer acceptability of the products. |
| iii) | in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | : | Nil |
| | (a) the details of technology imported; | | |
| | (b) the year of import | | |
| | (c) whether the technology been fully absorbed | | |
| | (d) if not fully absorbed, areas, where absorption has not taken place and the reasons thereof; | | |
| iv) | The expenditure incurred on Research and Development (Rs.in lakhs) | : | Nil |

C) Foreign exchange earnings and Outgo-

- | | | | |
|-----|--|---|------------------|
| i) | The Foreign Exchange earned in terms of actual inflows during the year and | : | Rs. 28,95,34,372 |
| ii) | the Foreign Exchange outgo during the year in terms of actual outflows | : | Rs. 21,64,32,788 |

RISK MANAGEMENT POLICY

(Sec. 134(3)(n) of Companies Act, 2013)

The Company formulated Risk Management Policy on the recommendations of the Audit Committee of the Board of Directors. The Policy provides for review of the operations of the organization, identification of potential threats to the organization, estimating the likelihood of their occurrence and then taking appropriate actions to address the most likely threats. The Policy also provides for periodical placement of such a report before the Board for its review and to ensure that management controls risk through means of a properly defined frame work.

The Board is of the opinion that the risk of fire to plant & machinery and current assets, fluctuations in raw material prices and changes in Government Policies are the elements of risk that may threaten the existence of the Company.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FOR THE YEAR 2017-18

(Section 134 (3)(o) of Companies Act, 2013 and Rule 8 (1) of Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Participation of business enterprises in building economic, social and environmental capital will enhance social sustainability. Design and implement CSR programs for sustainable development in the areas of health, safety, environment, poverty eradication, skill development, resource enhancing etc.,

The company has undertaken to extend Rs.One crore financial assistance to Acharya Nagarjuna University, Guntur for construction of a building for the Department of International Business in the premises of the University. Out of this, Rs.80 lakhs was paid till 31 March 2018 and the balance will be released depending on the progress in construction of the building. The Company is extending financial assistance to hospitals and medical and educational trusts for promotion of health care to poor irrespective of religion, caste etc.

Web link '<http://jocil.in/CSR-POLICY%20.pdf>' to the CSR policy and projects or programs of the company.

2. The Composition of the CSR Committee

Director	Position
P. Narendranath Chowdary	Chairman - Non-Executive Director
J. Murali Mohan	Member - Executive Director
Mullapudi Thimmaraja	Member - Non-Executive Director
P. Venkateswara Rao	Member - Independent Non-Executive Director

3. Average net profit of the company for last three financial years

Year	Net Profit during the year u/s.198 (Adjusted) Rs.
2016-17	10,18,60,896
2015-16	27,13,91,307
2014-15	19,67,90,985
Total for 3 years	57,00,43,188
Average profit per year	19,00,14,396

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : Rs.38,00,287
5. Details of CSR spent during the financial year;
 - (a) Total amount to be spent for the financial year; Rs.38,00,287
 - (b) Amount unspent, if any; NIL

(c) Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or program wise Rs.	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads : Rs.	Cumulative expenditure up to the reporting period Rs.	Amount spent: Direct or through implementing agency
1	2	3	4	5	6	7	8
1	Promotion of health care in the field of cardiology to sick, poor, disabled and handicapped.	Promoting health care including preventive health care	Venkatarayapuram, TANUKU-534215, West Godavari District, Andhra Pradesh	18,00,287	18,01,000	18,01,000	Through implementing agency- M/s. Mullapudi Kamala Devi Cardio Vascular Centre, Venkatarayapuram, Tanuku., W.G. Dist.
2	Construction of a building for the 'Department of International Business' in Acharya Nagarjuna University	Promoting Education	Local Area - Acharya Nagarjuna University Campus, Guntur District, Andhra Pradesh	1,00,00,000	20,00,000	80,00,000	Through implementing agency- Acharya Nagarjuna University, Nagarjuna Nagar, Guntur Dist.

* Give details of implementing agency :

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. - Not applicable –
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the company.
 - CSR committee confirms that the CSR activities undertaken, implementation and monitoring are in compliance with the CSR objective and policy of the company.

Chief Executive Officer /
Managing Director

Chairman
CSR Committee

STATEMENT ON EVALUATION OF BOARD, IT'S COMMITTEES AND INDIVIDUAL DIRECTORS

(Sec. 134 (3)(p) of Companies Act 2013 and Rule 8(4) of Corporate (Accounts) Rules, 2014)

The Company is having Nomination and Remuneration Policy formulated by Nomination and Remuneration Committee and approved by the Board of Directors under Section 178 of the Companies Act, 2013. The Policy contains criteria for evaluation of the Board of its own performance during the year and that of its Committees and Individual Directors.

In accordance with the criteria for evaluation contained in the policy of the Company the Board of Directors carried out evaluation of its own performance during the year and that of its four Committees – Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The performance evaluation of the Individual Directors was also carried out as per the evaluation criteria contained in the policy.

Annexure - 9

FINANCIAL SUMMARY

(U/s. 134 (3) (q) of the Companies Act, 2013 and Rule 8 (5) (i) of Companies (Accounts) Rules, 2014

(Rs. in Lakhs)

	Year ending 31 March									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
OPERATING RESULTS										
Gross Sales & Other Income	21660	32694	42226	43634	46088	42201	37014	43543	41478	35060
Operating Profit	2078	3773	3790	3090	3677	2819	2730	3631	1885	1277
Depreciation	523	511	682	888	1001	1026	667	804	706	653
Interest	34	55	263	342	382	163	95	113	160	129
Profit before Tax	1521	3207	2845	1860	2294	1630	1968	2714	1019	495
Profit after Tax	969	2137	1943	1250	1462	1133	1311	1794	821	410
Dividend paid	355	444	355	444	533	444	533	622	266	178
Dividend rate (%)	80	100	80	50	60	50	60	70	30	20
Retained Earnings	554	1619	1530	734	838	614	670	1045	501	196
Earning per Share (Rs.)	21.82	48.12	21.87	14.08	16.46	12.75	14.76	20.20	9.24	4.62
Return on Net worth(%)	9.73	18.49	14.75	8.98	9.92	7.45	8.31	10.73	4.66	2.28
Debt Equity Ratio	0.06	0.10	0.35	0.22	0.24	0.08	0.07	0.05	0.16	0.04
Book Value (Rs.)	224.36	260.00	296.67	156.72	165.95	171.25	177.58	188.20	198.23	202.10
SOURCES OF FUNDS										
Equity Capital	444	444	444	888	888	888	888	888	888	888
Reserves	9519	11114	12730	13030	13850	14320	14883	15826	16717	17060
Borrowings	608	1130	4623	3008	3569	1211	1051	904	2842	665
Net Capital Employed	10571	12688	17797	16926	18307	16419	16822	17618	20447	18613
APPLICATION OF FUNDS										
Gross Fixed Assets	11090	12846	15211	16324	17391	17433	17502	7183	7609	7689
Depreciation	6105	6594	7263	8141	9037	10011	10705	804	1511	2163
Net Fixed Assets	4985	6252	7948	8183	8354	7422	6797	6379	6098	5526
Net Current Assets & Investments	5586	6436	9849	8743	9953	8997	10025	11239	14379	13087
Net Assets Employed	10571	12688	17797	16926	18307	16419	16822	17618	20477	18613
TO EXCHEQUER										
Excise Duty & Service Tax	3430	2876	4566	4986	5320	4576	4866	4430	3995	1023
Sales Tax and Other Taxes	620	824	1139	1156	961	741	604	629	566	220
GST	-	-	-	-	-	-	-	-	-	3658
Income Tax	504	1100	830	600	850	650	700	1025	255	130
Total Taxes & Duties	4554	4800	6535	6742	7131	5967	6170	6084	4816	5031

REPORT ON FIXED DEPOSITS

[Section 134(3) (q) of the Companies Act, 2013 and Rule 8(5) (v) & (vi) of the Companies (Accounts) Rules, 2014]

- i. The details, relating to deposits covered under Chapter V of the Companies Act, 2013
- | | Rs. |
|--|---|
| a. Deposits accepted during the year | : 6,53,97,004 |
| b. Remained unpaid or unclaimed as at the end of the year | : NIL |
| c. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- | : No defaults in repayment of deposits or payment of interest thereon |
| i. At the beginning of the year | : NIL |
| ii. Maximum during the year | : NIL |
| iii. At the end of the year | : NIL |
- ii. The details of deposits which are not in compliance with the requirement of Chapter V of the Act
- | | |
|--|-------|
| | : NIL |
|--|-------|

RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND SUCH OTHER DETAILS

(Section 197(12) of Companies Act, 2013 and Rule 5 (1) of the Companies (Appointment & Remuneration) Rules, 2014)

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year
- | | |
|---|----------|
| Shri J. Murali Mohan – Managing Director | : 78 : 1 |
| (all the other directors are non-executive directors) | |
- ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year
- | | |
|--|---|
| Shri J. Murali Mohan, Managing Director | : 0.48% |
| (Commission was restricted due to inadequacy of profits) | |
| Shri P. Kesavulu Reddy, President & Secretary | Not Applicable – since he demitted office on 30 November 2017 |
| Shri K. Raghuram, Dy. Secretary & AGM (Finance) | Not Applicable – since he was appointed w.e.f. 01 December 2017 |
- iii) The percentage increase in the median remuneration of employees in the financial year
- | | |
|--|---------|
| | : 4.69% |
|--|---------|
- iv) The number of permanent employees on the rolls of company
- | | |
|--|-------|
| | : 732 |
|--|-------|
- v) Affirmation that the remuneration is as per the remuneration policy of the company
- | | |
|--|-------|
| | : Yes |
|--|-------|

Annexure - 12

**PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5(2) OF
THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014**

i) Name	: Sri J. Murali Mohan
ii) Designation	: Managing Director
iii) Remuneration received	: Rs.1,19,96,578
iv) Nature of employment, whether contractual or otherwise;	: Contractual for a period of three years
v) Qualifications	: B.Tech (Chem. Engg.) & MBA
vi) Experience	: 39 Years
vii) Date of commencement of employment	: 16 February 1990
viii) Age	: 68 Years
ix) Last employment held before joining the company	: Marketing Manager, ITC Ltd.(ILTD Division)
x) The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) Rule (5)	: Not applicable
xi) Whether relative of any director or manager of the company and if so, name of such director or manager;	: -No-

Annexure - 13

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

To
The Members,
Jocil Limited, Dokiparru – 522 438,
Medikondur Mandal, Guntur District,
Andhra Pradesh.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jocil Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of Jocil Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2018 ('Audit Period') 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2018 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 (Not applicable to the Company during the Audit Period);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 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 (Not applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
- ii) Listing Agreements entered into by the Company with the National Stock Exchange.
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a) The Hazardous Wastes (Management, Handling and Transboundary Movement) Rule, 2008
- b) Drugs & Cosmetics Act, 2002 and rules made there under
- c) Legal Metrology Act, 2009 and rules made there under

We 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that, as per the explanations given to us and the representations made by the Management and relied upon by us, 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.

We further report that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines etc. having major bearing on the Company's affairs.

For NEKKANTI S.R.V.V.S. NARAYANA & CO.

Company Secretaries

NEKKANTI S.R.V.V.S. NARAYANA

Proprietor

M.No.F7157, C.PNo.7839

Date : 31 May 2018

Place : Hyderabad

Note:

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

ANNEXURE – A

To
The Members,
Jocil Limited, Dokiparru,
Medikondur Mandal, Guntur District,
Andhra Pradesh.

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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.

For NEKKANTI S.R.V.V.S. NARAYANA & CO.

Company Secretaries

NEKKANTI S.R.V.V.S. NARAYANA

Proprietor

M.No.F7157, C.PNo.7839

Date : 31 May 2018

Place : Hyderabad

Annexure - 14

RELATED PARTY DISCLOSURE UNDER PARA A OF SCHEDULE V TO LISTING REGULATIONS

(Amount in Rs.)

S. No.	Name of the Company / Firm in which the Directors are interested	Amount of loans / advances / investments / outstanding as on 31 March 2018	Max. amount of loans / advances / investments outstanding during the year 2017-18
1.	Sree Akkamamba Textiles Limited, Tanuku	–	1,00,01,541

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a. Industry Structure and Developments :

The Company is engaged in the manufacture of Stearic Acid, Fatty Acids, Refined Glycerine, Soap Noodles, Toilet Soap, Industrial Oxygen and in the generation of Power from biomass and wind. Nonedible vegetable oils and fatty acid distillates, both indigenous and imported, are used as raw materials for manufacturing the finished products. The products manufactured are marketed directly from the factory as well as through Depots and C&F Agents located in major cities across the country. The Company also undertakes to manufacture Soap Noodles and Toilet Soap on jobwork for reputed customers.

The Company is having 6 MW Biomass Cogeneration Captive Power Plant located within the factory premises and the surplus power is sold to APSPDCL. It is also having four Wind Energy Generators (WEGs) of total 6.30 MW set up in Tamil Nadu and the power generated from these plants is sold to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO).

Majority of the Fatty Acids produced in the industry are consumed as raw material in Soap industry for making Toilet Soap. Hence performance of toilet soap industry will also have its impact on the demand for fatty acids. Stearic Acid is a chemical used in rubber, plastic, metal polish and number of other industries and any changes in demand by the major user industries may lead to fluctuations in demand. Glycerine and Industrial Oxygen are by-products.

The country is short of both edible and non-edible vegetable oils. However, in India, refineries with huge capacities have been set up for processing Crude Vegetable Oils like Palm Oil imported from Malaysia and Indonesia. By-products generated from these refineries viz., RBD Palm Stearine, Palm Fatty Acid Distillate, Crude Palm Stearine are the raw materials to the Company. As a result, the Company indirectly depends on imports for its raw material supplies. Consequently the supply and demand position in the international market for vegetable oils influence the indigenous market.

The Malaysian and Indonesian Governments impose export duty varying from time to time on crude oil to encourage value addition prior to exports. This turns out as additional cost to consumers in India. Further, fluctuation in crude oil (fossil) prices also have impact on edible and non edible oils due to their usage in production of biofuels.

Inverted duty structure for imports (higher duty for raw materials and lower duty for finished products) is a major problem for manufacturers of soap noodles. There is no customs duty on soap noodles imported whereas lauric acid one of the major raw materials in the manufacture of soap noodles attracts customs duty at 7.5%. As a result indigenous manufacturers are placed at a disadvantage in competing with import of soap noodles.

The fuels intended for running the biomass power plant are Rice Husk, firewood like Cotton Stalk, Chili Stalk, English Thumma etc., available in the surrounding areas. Their availability is seasonal and also depends on availability of labour and farm works during the season. Transportation and storage of biomass fuels are the other problems due to low bulk density. They are also fire hazardous. The capacity utilization of the power plant during the year is marginally low as compared to previous year. Steam and power requirements of Process Plants are met from the Biomass Power Plant. The Company is constructing a Reservoir by spending about Rs.3.50 crores for storing water to meet part of its requirements during off season to save on cost and

to reduce dependence on outside sources. This construction is expected to be completed by end August, 2018.

Continuous development efforts are being made to absorb the latest technologies and practices. Quality Management Systems (QMS) Standard ISO 9001:2015 obtained from a renowned certification agency, TUV SUD South Asia Pvt. Ltd., Mumbai is being followed by the Company, Det Norske Veritas (DNV) also confirmed ISO 22716:2007 on the Company for following GMP Guidelines of Standard in the manufacture of Glycerine.

The Company has implemented SAP, an Enterprise Resource Planning (ERP), effective from 01 July 2017. With this, day-to-day reports, required data for filing GST returns etc., could be accurately and easily generated by the company. However, the Company is facing some normal teething problems which arise at the time of implementation of the new system and the same are being sorted out to ensure the smooth operations of the system.

b. Opportunities and Threats :

Raw material cost is a major component in the cost of production of fatty acids and soap products. International market prices of edible oils and non edible oils highly influence the raw material prices. During the year the market witnessed very wide fluctuations in raw material prices. Competitors having backward integration have an edge over the Company because of cheaper and secured source of raw materials. Volatility of raw material prices and demand by bulk consumers of fatty acids and soap products for contracts of large quantities for future delivery is a big challenge to the Company when similar facility for advance coverage of raw materials is not available to hedge the risks. Retention of high volume customers is considered very important and hence very competitive rates are having to be quoted with hidden risks.

Even after introduction of GST, tax exemptions are still continuing in some units located in exempted areas. Manufacturers in non-exempt areas, doing job work are still finding it difficult to market their capacities.

Toilet Soap market is dominated by a few well established brands and manufacturers. Toilet Soap being a consumer product requires extensive market network, brand image, advertisement etc., for successful marketing. Since the Company is not having its own brands it depends on brand owners for utilizing the capacity. Most of these brand owners are having their own facilities in exempted areas and approach the Company only when their requirements exceed their own plant capacities or when they find logistical advantage. As a result very little of the soap plant capacity has been utilised during the year. However, the present market situation has improved and the Company is getting export orders for DFA and indigenous orders for Soap Noodles and Toilet Soap from the major customers.

Export of Power generated from biomass to APSPDCL was stopped from 29 August 2017 to 20 October 2017 due to non availability of fuels. Other technical problems affected the production during the year and at present it is operating satisfactorily.

The generation of power from WEGs has improved marginally to 148.51 lakh units as against 140.22 lakh units in the previous year. As a result revenue from sale of power from Wind Energy Generators increased to Rs. 423.22 lakhs from Rs. 400.77 lakhs. It is mainly due to drop in loss of hours due to grid failure from 8.58% to 5% of machine available time. The Company continues to receive payments from TANGEDCO delayed by about 10 months after the due date.

c. Segment-wise or Product-wise performance :

Segment-wise performance of the Company is at Note No. 31 to the Accounts.

d. Outlook :

The Company expects the Government to recognize the inverted duty structure for soap noodles and correct the anomaly to enable the industry to face the competition from import of soap noodles effectively. The technical upgradation and increase in plant capacities of fatty acid, soap and glycerine plants under expansion cum modernization programme in the earlier years is expected to help to improve the operations of the Company.

e. Risks and Concerns:

The wide fluctuations in raw material prices in the international market affect the prices of final products which may result in conditions sometimes favourable or at other times unfavourable to the Company, inspite of taking precautions to avoid risks in price fluctuations.

Generation of power by Biomass Power Plant depends on availability of biomass, its cost and willingness of AP TRANSCO to accept exports. Generation of power by wind mills depends on wind velocity and the policy of TANGEDCO to prioritize evacuation over the other sources of energy available to it. The profitability of Biomass Power Plant and Wind Energy Generators largely depends upon the purchase price fixed by the Governments for purchase of energy from renewable sources of energy as a promotional measure.

f. Internal Control System and their adequacy:

The Company has proper and adequate internal control procedures commensurate with its size and nature of business. These internal control procedures ensure protection to the resources of the Company and compliance with the policies, procedures and statutes.

The internal controls are supplemented by internal audits M/s. Mastanaiah & Co., Chartered Accountants, Guntur. The internal controls and internal audit ensure that appropriate financial records are available for preparing financial statements and other data for maintaining accountability of assets. The Report of the Auditors on Internal Financial Controls under Sec.143(3)(i) of the Act is provided as Annexure – B to the Independent Auditors' Report.

g. Discussion on Financial Performance with respect to Operational Performance:

The financial performance of the Company with respect to operational performance in 2017-18 is less satisfactory as compared to 2016-17. While the operations have gone down by about 9%, the Profit Before Interest and Depreciation dropped by 32% due to competition and unfavourable market conditions.

h. Material developments in Human Resources / Industrial Relations front, including number of people employed:

The Company employed 732 persons as on 31 March 2018 both in the factory and office. The Management of the Company maintains good relations with the employees. There have been no labour problems since the inception of the Company in 1980.

REPORT ON CORPORATE GOVERNANCE

(Para C of Schedule V to the Listing Regulations)

1. Company's Philosophy on code of Corporate Governance:

The Company's Governance philosophy is based on trusteeship, transparency, professionalism, accountability, honesty and integrity in its functions and conduct of business with due respect to laws and regulations. It always believes that healthy Corporate Governance leads to operations and actions that serve the underlying goal of continuously enhancing the value that the Company can create for the stake-holders viz., Shareholders, Employees, Customers, Suppliers, Lenders, Government and other parties having association with the company.

The Company's governance framework is based on the following principles :

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains.
- Availability of information to the members of the Board and its Committees to enable them to discharge their fiduciary duties.
- Timely disclosure of material operational and financial information to the stakeholders.
- Systems and process in place for internal control.
- The Management is the trustee of the shareholders' capital and not the owner.

2. Board of Directors :**a) Composition –**

The present strength of the Board of Directors is ten of which nine are Non-Executive Directors including five Independent Directors.

b) In the Financial Year 2017-18, the Board met four times. The meetings were held on -

24 May 2017, 12 August 2017, 14 November 2017 and 09 February 2018

c) Familiarization programmes for Board Members

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and its committee meetings on business and performance updates of the Company and business strategy. Detailed presentations on the Company's business segments were made at the meetings of the Directors held during the year. Site visit to plant is organized for the Directors to enable them to understand the operations of the company. Details of familiarization programmes imparted to Independent Directors are disclosed at the website www.jocil.in

d) The details of the composition of the existing Board of Directors, their shareholding, attendance of each Director at the Board Meetings and at the last Annual General Meeting, number of other Directorships and Membership in Committees of other Companies held are as follows:

Name of the Director & Designation	Shares held in the company by Non-Executive Director as on 31 March 2018	Status*	No. of other Directorships & Chairmanships held			Memberships & Chairmanships in committees of other companies held		No. of Board Meetings attended	Attendance at last AGM held Y / N	Relation with other Directors
			Public	Private	Chairman	Member	Chairman			
P. Narendranath Chowdary, Chairman	25,000	NE	7	-	3	3	2	3	Y	
J. Murali Mohan, Managing Director	Not Applicable	E	1	-	-	1	1	4	Y	
Mullapudi Thimmaraja, Director	4,500	NE	2	-	-	3	-	4	N	Father of Sri Mullapudi Mrutyumjaya Prasad
K. Srinivasa Rao, Director	3,25,092	NE	-	6	-	-	-	4	N	
V.S. Raju, Director	Nil	INE	3	-	-	2	-	4	Y	
M. Gopalakrishna, Director	Nil	INE	7	1	-	6	1	3	N	
Subbarao V. Tipirneni, Director	Nil	INE	-	3	-	-	-	4	N	
Mullapudi Mrutyumjaya Prasad, Director	2,250	NE	-	1	-	-	-	2	Y	Son of Sri Mullapudi Thimmaraja
P. Venkateswara Rao, Director	Nil	INE	-	-	-	-	-	4	N	
Dr. Manjulata Dasari, Director	1,006	INE	2	1	-	1	-	4	N	

Chairmanships / Memberships of Committees only includes Audit Committee and Stakeholders Relationship Committee in public limited Companies other than Jocil Limited.

*E – Executive; NE – Non-Executive; INE – Independent & Non-Executive

3. Audit Committee :

The Audit Committee comprises of three members and the Chairman is an Independent Director. All the members including the Chairman of the Committee are Non-Executive Directors.

The composition of the Audit Committee and the details of meetings held and attended are as follows:

Director	Position	Meetings held	Meetings attended
V.S. Raju	Chairman -INED	4	4
Mullapudi Thimmaraja	Member - NED	4	4
Subbarao V. Tipirneni	Member -INED	4	4

INED – Independent Non-Executive Director; NED – Non-Executive Director

During the period under review, four meetings of the Committee were held on 24 May 2017, 12 August 2017, 14 November 2017 and 09 February 2018.

Managing Director, Internal Auditors, Statutory Auditors and Cost Auditors attended the Audit Committee Meetings to answer the queries raised by the Committee members.

Dy. Secretary & AGM (Finance) acts as a Secretary to the Committee.

Board terms of reference of the Audit Committee include -

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company. Approval of payment for any other service by the auditors.
- Oversight of financial reporting process and the disclosure of financial information
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statements and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.
- Investigation of any activity within its terms of reference.
- Compliance with listing and other legal requirements relating to financial statements.
- Review of the functioning of Whistle Blower Mechanism.
- Appointment of internal auditors and review of internal audit reports.

4. Nomination and Remuneration Committee :

The Nomination and Remuneration Committee comprises of four members and two of them are Independent Directors. All the members are Non Executive Directors. The composition of the Nomination and Remuneration Committee and the details of meetings held and attended are as follows :

Director	Position attended	Meetings held	Meetings attended
V.S. Raju	Chairman – INED	3	3
P. Narendranath Chowdary	Member – NED	3	2
Mullapudi Thimmaraja	Member – NED	3	3
Subbarao V. Tipirneni	Member – INED	3	3

INED – Independent Non-Executive Director

NED – Non-Executive Director

During the period under review, 3 meetings of the Committee were held on 24 May 2017, 12 August 2017 and 14 November 2017. The Managing Director attended the meetings to answer the queries raised by the Committee members. Dy. Secretary & AGM (Finance) acts as a Secretary to the Committee.

Terms of reference in brief as specified by the Board of Directors –

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board for their appointment and removal.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.

- To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Company is having Nomination and Remuneration Policy formulated by Nomination and Remuneration Committee and approved by the Board of Directors. The policy contains criteria for performance evaluation of Independent Directors. The criteria, among others - exercise of objective independent judgment in the best interests of the Company, ability to contribute and monitor corporate governance practices, adherence to code of conduct, willingness to devote time, contribution in development of strategy, ability to present his/her views convincingly in diplomatic way, listens and takes on Board the views of other members etc.

5. Remuneration of Directors.

- a) Sitting fees is paid to Non Executive Directors in accordance with the provisions of the Companies Act, 2013.

Name of the Director	Sitting fees paid for attending meetings of the Board of Directors/Committees of Directors Rs.
P. Narendranath Chowdary	1,15,000
Mullapudi Thimmaraja	1,90,000
K. Srinivasa Rao	60,000
V.S. Raju	1,30,000
M. Gopalakrishna	45,000
Subbarao V. Tipirneni	1,30,000
Mullapudi Mrutyumjaya Prasad	50,000
P. Venkateswara Rao	80,000
Dr. Manjulata Dasari	60,000

- b) Non Executive Directors do not have any pecuniary relationship with the Company except for the payment of sitting fee payable to them.
- c) Shri J. Murali Mohan, Managing Director has been paid the following remuneration during the year in accordance with the provisions of the Companies Act, 2013 read with Schedule V therein :

Salary	: Rs. 56,40,000
House Rent Allowance	: Rs. 28,20,000
Commission	: Rs. 12,11,509
Contribution to Provident Fund and other Funds	: Rs. 15,22,800
Other Perquisites	: Rs. 3,32,269
Value of Earned Leave provided	: Rs. 4,70,000
Contribution to Group Gratuity	: Rs. -
Total	<u>Rs.1,19,96,578</u>

The appointment of Managing Director is on a contract for a period of 3 years w.e.f. 16 February 2015 and the same has been renewed for another period of 3 years w.e.f. 16 February 2018 and there is no provision for notice period or severance fee on either side.

None of the Directors are provided with Stock options.

6. Stakeholders Relationship Committee

Company has Stakeholders Relationship Committee comprising of four directors under the Chairmanship of a Non-executive Director to specially look into shareholders issues including share transfer, transmission, issue of duplicate certificates and redressing of shareholder complaints.

The composition and the details of meetings held of Stakeholders Relationship Committee are given below.

Director	Position	Meetings held	Meetings attended
P. Narendranath Chowdary	Chairman	4	3
J. Murali Mohan	Member	4	4
Mullapudi Thimmaraja	Member	4	4
M.Mrutyumjaya Prasad	Member	4	2

During the period under review four meetings of the Committee were held on 24 May 2017, 12 August 2017, 14 November 2017 and 09 February 2018.

M/s.XL Softech Systems Ltd, 3, Sagar Society, Road No.2, Banjara Hills, HYDERABAD – 500 034 acts as the Company's Share Registrar and Transfer Agent (RTA). Presently Shri K. Raghu Ram, Dy. Secretary & AGM (Finance) of the Company acts as the Compliance Officer to the Committee.

The Company received a total number of twenty three requests/complaints during the year in respect of various matters such as non-receipt/revalidation of dividend warrants, change of address, change of bank account etc., and all of them were attended to and replied to the satisfaction of the shareholders. As on 31 March 2018 there were no pending complaints/requests from the shareholders.

7. General Body Meetings :

The last three Annual General Meetings were held as under :

Financial Year	Date	Time	Place
2014-2015	19 September 2015	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.
2015-2016	03 September 2016	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.
2016-2017	28 September 2017	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.

The special resolutions passed by the members at the previous three Annual General Meetings are as follows:

(A) 2014-15 – Nil

(B) 2015-16 – Nil

(C) 2016-17 – Reappointment of Managing Director for a period of 3 years w.e.f. 16 February 2018.

There was no occasion to pass Special Resolutions through postal ballot on any of the matters required to be so passed under the provisionals of the Companies Act 2013.

Further no such proposal is under consideration for the shareholders approval in the forthcoming Annual General Meeting.

8. Means of Communication

Quarterly results approved by the Board are usually published in Business Standard (English) and Andhra Bhoomi (Telugu) newspapers. In addition to this the Company is communicating its results to National Stock Exchange where the shares are listed. Further, the quarterly results are also placed on the company's website, www.jocil.in. No presentations have been made to institutional investors or to the analysts.

9. General Shareholder Information

a) Annual General Meeting

Date and Time : 29 September 2018 at 3.30 p.m.

Venue : Registered Office :
Jocil Ltd., Dokiparru, Medikondur Mandal, Guntur District, A.P

b) Financial Year : 2017-18

c) Dividend Payment Date : 03 October 2018

Date of Book Closure : 08 September 2018 to 11 September 2018

d) Listing on Stock Exchanges : National Stock Exchange of India Ltd., (NSE)
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.
The Company has paid the Listing Fees for the year
2017-2018 to NSE.

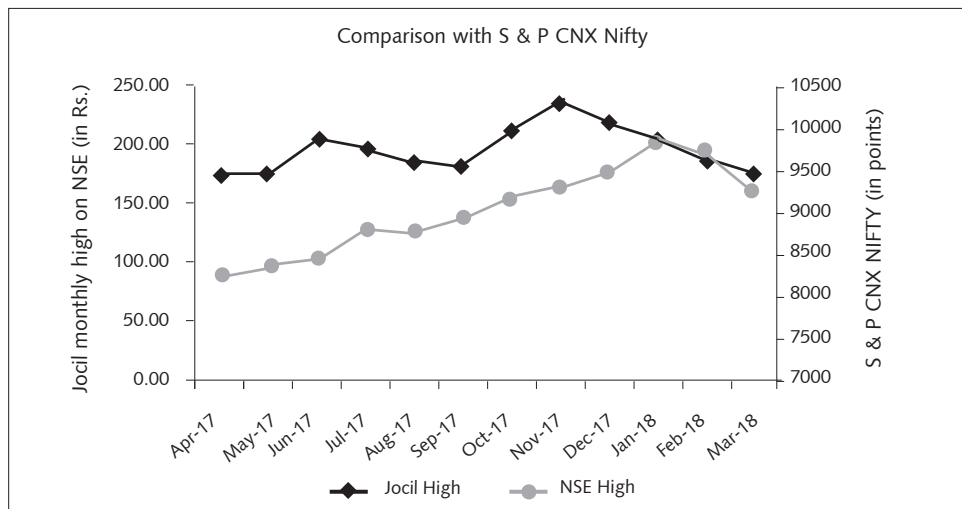
e) Stock Code : ISIN – INE839G01010

f) Stock Market data :

National Stock Exchange (NSE)

Month	In Rs. per Share				Total Traded Shares Qty. in Nos.
	High Price	Low Price	Close Price	Average Price	
Apr-17	176.50	160.05	170.75	169.10	81,083
May-17	177.95	156.00	158.50	164.15	83,819
Jun-17	205.90	159.75	187.35	184.33	4,71,975
Jul-17	199.00	181.65	188.45	189.70	1,21,912
Aug-17	189.05	163.05	171.15	174.42	95,677
Sep-17	184.75	164.00	165.85	171.53	1,83,394
Oct-17	215.00	166.00	199.70	193.57	3,43,982
Nov-17	238.00	179.00	187.60	201.53	6,75,973
Dec-17	221.00	171.30	201.35	197.88	2,97,889
Jan-18	207.90	176.65	185.10	189.88	2,25,242
Feb-18	189.90	165.20	175.15	176.75	85,899
Mar-18	177.00	140.05	151.80	156.28	1,72,544

g) Comparison of performance in comparison with S&P CNX Nifty



h) The company has been complying with all the listing requirements of the stock exchange and the securities of the company continue to be traded in the exchange without any suspension from the beginning.

i) Registrar and Transfer Agents (RTA) : XL Softech Systems Ltd.,
3, Sagar Society, Road No. 2,
Banjara Hills, Hyderabad-500 034.
Tel : 040-23545913/914/915
Fax : 040-23553214
Email : xlfield@gmail.com

j) Share transfer system : The Board of Directors delegated the power of transfer of securities to the Share Registrar and Transfer Agents (RTA). The Company is taking care to comply with the provisions relating to share transfers under Listing Regulations.

k) Shareholding pattern as on 31 March 2018.

Category	No. of Shares held	% of Shareholders
1 Promoters	48,86,500	55.02
2 Financial Institutions	6,309	0.07
3 Mutual Funds	---	---
4 Banks	50	---
5 Foreign Institutional Investors	---	---
6 Non-Resident Indians	49,031	0.55
7 Bodies Corporate	1,97,160	2.22
8 Indian Public	37,42,100	42.14
Total	88,81,150	100.00

Distribution of Shareholding as on 31 March 2018 :

Shareholdings of nominal value of shares held (Rs.)	Shareholders		Share Amount	
	Nos.	%	in Rs.	%
Upto 5,000	3,255	79.20	44,26,160	4.98
5,001 - 10,000	339	8.25	26,54,240	2.99
10,001 - 20,000	200	4.87	30,09,860	3.39
20,001 - 30,000	104	2.53	26,40,780	2.97
30,001 - 40,000	40	0.97	13,82,010	1.56
40,001 - 50,000	37	0.90	17,08,580	1.92
50,001 - 1,00,000	72	1.75	50,50,910	5.69
1,00,001 & above	63	1.53	6,79,38,960	76.50
Total :	4,110	100.00	8,88,11,500	100.00

l) Dematerialisation of Shares

Electronic / Physical	%
NSDL - 1769513	19.92
CDSL - 6056749	68.20
Physical - 1054888	11.88

88.12% of Company's Paid-up Equity Share Capital has been dematerialised upto 31 March 2018 (86.70% upto 31 March 2017). Trading in Equity Shares of the Company is permitted only in dematerialized form.

m) Outstanding GDRs/ADRs/ Warrants or any convertible instruments : Nil

- n) The risk of price variation in raw materials and finished goods in which the Company deals is partly covered by purchasing raw materials as and when sales are booked for future delivery. There is no market provision for hedging the risks in price variations of the commodities in which the Company deals. Foreign exchange requirements for imports are covered by foreign exchange earnings from exports. In view of the availability of this natural hedge no further hedging is done for foreign exchange risks either for imports or for exports.

o) Plant locations : Dokiparru Village
Medikondur Mandal
Guntur District, A.P.,
Pin : 522 438.

Wind Power Units :
Kurichampatti Village
V.K. Pudur Taluk
Tirunelveli Dist.
T.N., Pin : 627 860.

Surandai Village
V.K. Pudur Taluk
Tirunelveli Dist.
T.N., Pin : 627 860.

Kasturirangapuram Village
Radhapuram Taluk
Tirunelveli Dist.
T.N., Pin : 627 112

Velayuthampalayam Village
Dharapuram Taluk
Tirupur Dist., T.N.
Pin : 638702

p) Address for correspondence : Dokiparru
Medikondur Mandal
Guntur Dist., A.P.
Pin : 522 438.

Telephone No. : 0863-2290190/92

Fax No. : 0863-2290090

E-mail : jocil@jocil.net

Website : www.jocil.in

q) Dividend Declared for the last 7 Years

Financial Year	Dividend Declaration Date	Dividend per Share of Rs. 10 each - Rs.	Remarks
2017-18	29 September 2018	2.00	Interim dividend / Final
2016-17	28 September 2017	3.00	
2015-16	14 March 2016	7.00	
2014-15	19 September 2015	6.00	
2013-14	06 September 2014	5.00	
2012-13	24 August 2013	6.00	
2011-12	25 August 2012	5.00	After issue of bonus shares at 1:1

r) Transfer of unpaid/unclaimed amounts/shares to Investor Education and Protection Fund

During the year under review, the Company has credited Rs.2,59,330 being the unpaid/unclaimed dividend for the year 2009-10 to the Investor Education and Protection Fund (IEPF) pursuant to Section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001.

Further, pursuant to the provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time 27,347 equity shares being the unclaimed shares for the year 2009-10 were credited to the IEPF.

10. Other Disclosures :

- i. There were no materially significant pecuniary or business transactions of the Company with its promoters, Directors or the Management, or their relatives etc., that may have potential conflict with the interests of the Company at large.

The Company enters into contracts from time to time with its Holding Company, Directors, Companies and Firms in which the Directors are interested. These contracts are in the ordinary course of Company's business and the concerned Directors regularly make full disclosures to the Board of Directors regarding the nature of their interest. Full particulars of contracts entered into with the parties in which Directors are directly or indirectly concerned or interested are entered in the Register of Contracts maintained under Section 189(1) of the Companies Act, 2013 and the same is placed at every Audit Committee Meeting and Board Meeting for information and approval.

- ii. There were no instances of non-compliance by the Company and no penalties, strictures on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to Capital markets during the last three years.
- iii. The Company has established vigil mechanism as required under Sec. 177(10) of the Companies Act, 2013 for directors and employees to report genuine concerns as prescribed in the policy. The policy provides adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee.
- iv. The Company has complied with all the mandatory requirements. The non mandatory requirements not complied with will be adopted at the appropriate time.
- v. The Company is not having any subsidiaries.
- vi. Policy on dealing with related party transactions of the Company is available at www.jocil.in
- vii. Hedging for commodity price risks is as discussed at Item No. 9 (n) above.

11. The Company has complied with all the requirements of Corporate Governance under Sub Para 2 to 10 in Para B of Schedule V to the Listing Regulations.

12. Implementation of discretionary requirements under Part E of Schedule II to Listing Regulations

- a) The Chairman's office expenses incurred in performance of his duties are not reimbursed by the Company.

- b) Half yearly declaration of financial results including summary of significant events have not been sent to the household of shareholders.
- c) There are no audit qualifications in the Company's financial statement for the year under reference. It is always the Company's endeavour to present financial statements without any qualification.
- d) The Company is having separate persons appointed to the posts of Chairperson and Managing Director.
- e) The Internal Auditors to the Company are reporting directly to the Board of Directors.

13. Compliance with provisions dealing with Corporate Governance in Listing Regulations.

- a) The constitution of Board of Directors, Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee are in accordance with Regulation 17 to 20 of Listing Regulations. In terms of the company's corporate governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of supervision of the company as trustees of the shareholders.

Adequate powers are delegated to the Committees to take suitable decisions on the issues arising to meet the exigencies of the business of the Company.

- b) Regulation 21 dealing with constitution of Risk Management Committee is not applicable to the Company.
 - c) The Company is having Vigil Mechanism for Directors and the Employees to report genuine concerns as required under Regulation 22.
 - d) The Company formulated a policy on materiality of related party transactions and on dealing with related party transactions in compliance with Regulation 23 and complies with the same.
 - e) The Company is not having subsidiary companies.
 - f) The Company complies with the obligations with respect to Independent Directors and Employees including Senior Management, Key Managerial Persons, Directors and Promoters under Regulation 25 and 26.
 - g) Quarterly Compliance Report on Corporate Governance is filed with the NSE along with material related party transactions if any as required under Regulation 27.
 - h) The Company maintains functional website www.jocil.in containing the information required under Clauses (b) to (i) of Regulation 46 (2).
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Annexure - 17

DECLARATION BY THE MANAGING DIRECTOR UNDER PARA D OF SCHEDULE V TO LISTING REGULATIONS

To

The Members of Jocil Limited

This is to affirm that the Board of Directors of Jocil Limited has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of para D of Schedule V to Listing Regulations. Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31 March 2018.

Hyderabad,
03 August 2018

J. MURALI MOHAN
Managing Director

Annexure - 18

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Jocil Limited

We have examined the compliance of conditions of corporate governance by Jocil Limited for the year ended 31 March 2018, as stipulated in Para E of Schedule V to Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations.

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

For Chevuturi Associates

Chartered Accountants
Firm Registration No.0006325

(RAGHUNADHA RAO BALINENI)

Place: Hyderabad

Date : 03 August 2018

Partner

ICAI Memb. No. 28105

Annexure - 19

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

Equity shares in the Demat Suspense Account or
Unclaimed Suspense Account

-- NIL

Annexure - 20

DETAILS OF SHARES TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND

Unclaimed Equity shares credited to the IEPF (Pertaining to the year 2009-10)

Sl. No.	Date of Transfer to IEPF	No. of shareholders whose shares were transferred to IEPF	No. shares transferred to IEPF	Type of Shares transferred
1	21.11.2017	32	27,347	Physical

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JOCIL LIMITED

Report on the financial statements

We have audited the accompanying financial statements of Jocil Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash flows and the Statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the

circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's board of directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure- A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of the audit have been received from the branches to the extent not visited by us;
 - c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under section 133 of the Act, read with relevant rule issued thereunder;
 - e) On the basis of written representations received from the directors as on 31 March 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of sub-section (2) of section 164 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 our separate report in Annexure-B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i) The company does not have any pending litigations which would impact its financial position except those which are disclosed in the notes to the financial statements and para no.7(b) in Annexure-A to our Audit report.
- ii) The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses and
- iii) There has been no delay in transferring amounts required to be transferred to the Investor Education Protection Fund by the company.

For Chevuturi Associates

Chartered Accountants

Firm Registration No.0006325

(RAGHUNADHA RAO BALINENI)

Partner

(Membership No: 028105)

Place: Vijayawada

Date : 29 May 2018

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under "Report on other legal and regulatory requirements" section of our report to the members of Jocil Limited ("Company") for the year ended 31 March 2018.

We report that:

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) The company has a programme of physical verification to cover all items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, certain fixed assets were physically verified by the management during the year and according to the information and explanations given to us, no material discrepancies have been noticed on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
2. In respect of its inventories:
 - a) According to the information and explanations furnished to us, the Company has physically verified its inventories during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Consequently, clauses (iii)(a),(b) and (c) of paragraph 3 of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act with respect to the loans and investments made.
5. In respect of deposits accepted by the company, it has complied with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. According to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of sections 73 to 76 of the Act.
6. We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed audit of the same.
7.
 - a) According to the information furnished to us, the Company is regular in depositing with appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, GST, Value added tax, Service tax, Customs duty, Excise duty, Cess and any other statutory dues wherever applicable to it during the year. There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.
 - b) According to the information furnished to us, the following amounts of Value added tax, Excise duty and Customs duty have been disputed by the Company, and hence were not remitted to the authorities concerned at the date of the Balance Sheet under report.

Name of the Statute	Nature of Dues	Amount (Rs.) (net of amounts paid under protest)	Period to which it relates	Forum where dispute is pending
Central Excise Act, 1944	Duty on valuation of FA Soap	88,97,229	2008	CESTAT, Bangalore
AP VAT	Availment of Input tax credit	10,40,037 2,24,341 43,650	2005-06 2006-07 2007-08	STAT, Vizag ,, ,,
Customs Act, 1962	Classification of goods imported	32,03,124	2012-13	CESTAT, Chennai

8. In our opinion and according to the information and explanations furnished to us by the Company, there were no defaults in repayment of dues to banks. However, the company has not borrowed any loans from financial institutions, government or raised any funds by way of issue of debentures.
9. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. During the year, the company has not borrowed any term loans from the banks or from any other financial institutions.
10. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanation given to us and based on examination of the records of the company, the company has paid/provided remuneration for managerial personnel in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
12. The company is not a nidhi company. Accordingly reporting under provisions of para 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on examination of records of the company, transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly paragraph 3(xv) of the Order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Chevuturi Associates
Chartered Accountants
Firm Registration No.000632S
(RAGHUNADHA RAO BALINENI)
Partner
(Membership No: 028105)

Place: Vijayawada
Date : 29 May 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Jocil Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of directors of the company 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chevuturi Associates

Chartered Accountants

Firm Registration No.0006325

(RAGHUNADHA RAO BALINENI)

Partner

(Membership No: 028105)

Place: Vijayawada

Date : 29 May 2018

BALANCE SHEET AS AT 31 March 2018

	Note	As at 31-3-2018	(Amount in Rs.) As at 31-3-2017
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	52,64,72,005	58,66,20,754
Capital Work-in-progress	3	1,45,89,415	2,27,89,371
Intangible Assets	3	1,14,73,423	3,61,099
Financial Assets			
i) Investments	4	5,92,68,633	2,73,21,855
ii) Loans	5	-	-
iii) Other financial assets	6	65,23,398	1,09,17,890
Other non-current Assets	7	2,10,50,099	2,47,58,157
Total non-current assets		63,93,76,973	67,27,69,126
Current Assets			
Inventories	8	55,56,24,999	55,08,64,900
Financial Assets			
i) Investments	4	10,09,49,532	3,10,404
ii) Trade receivables	9	49,21,45,779	90,97,82,130
iii) Cash and cash equivalents	10	18,02,40,877	14,51,00,023
iv) Loans	5	-	1,00,01,541
v) Other financial assets	6	38,55,931	90,08,516
Current tax assets (Net)	11	10,44,185	48,53,735
Other Current assets	7	14,56,59,772	20,37,91,194
Total current assets		147,95,21,075	183,37,12,443
Total Assets		211,88,98,048	250,64,81,569
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	8,88,16,250	8,88,16,250
Other Equity	12	163,20,28,871	159,31,28,541
Total equity		172,08,45,121	168,19,44,791
Liabilities			
Non-current liabilities			
Financial Liabilities			
Other financial liabilities	13	8,91,000	8,91,000
Provisions	14	68,68,099	76,68,896
Deferred Tax Liabilities (Net)	15	7,40,39,022	7,85,98,223
Other non-current liabilities	16	-	-
Total non-current liabilities		8,17,98,121	8,71,58,119
Current liabilities			
Financial Liabilities			
i) Short-term borrowings	17	6,65,48,760	28,41,86,099
ii) Trade payables	18	13,48,62,187	32,39,08,895
iii) Other financial liabilities	13	2,08,45,390	2,24,04,061
Other current liabilities	16	8,87,03,200	10,37,23,158
Provisions	14	52,95,269	31,56,446
Total current liabilities		31,62,54,806	73,73,78,659
Total Liabilities		39,80,52,927	82,45,36,778
Total Equity and Liabilities		211,88,98,048	250,64,81,569
Note : The accompanying notes 1 to 44 form an integral part of the financial statements			

As per our report of even date :
For CHEVUTURI ASSOCIATES
Chartered Accountants
Firm's Registration No.000632S
RAGHUNADHA RAO BALINENI, Partner
Membership No. 028105
Vijayawada
29 May 2018

For and on behalf of the Board

P. NARENDRANATH CHOWDARY Chairman

J. MURALI MOHAN

Managing Director

K. RAGHURAM

Dy. Secretary & AGM (Fin.)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2018

			(Amount in Rs.)
	Note	Year ended 31-3-2018	Year ended 31-3-2017
REVENUE			
Revenue from Operations	19	348,45,68,118	411,36,35,159
Other Income	20	2,14,72,532	3,41,75,617
Total Income		350,60,40,650	414,78,10,776
Expenses			
Cost of materials consumed	21	237,78,40,501	277,72,44,337
Decrease /(Increase) in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	22	12,22,42,203	(3,47,06,089)
Excise duty		6,98,59,382	35,57,68,207
Employee benefits expense	23	22,49,52,832	23,19,76,474
Finance Costs	24	1,41,96,532	1,72,82,155
Depreciation and Amortization expense	25	6,53,38,008	7,06,81,047
Other expenses	26	58,21,24,956	62,77,03,749
Total Expenses		345,65,54,414	404,59,49,880
Profit before exceptional items and tax		4,94,86,236	10,18,60,896
Exceptional Items		-	-
Profit before tax		4,94,86,236	10,18,60,896
Tax Expense:	27		
Current tax		1,30,00,000	2,55,00,000
Deferred tax charge/(Credit)		(45,59,201)	(57,18,621)
Profit for the year after tax		4,10,45,437	8,20,79,517
Other Comprehensive Income			
A. Items that will not be re-classified subsequently to profit and Loss account (net of tax)			
a) Changes in fair value of investments		3,19,46,777	1,46,58,524
b) Remeasurement of defined employee benefit plans		(20,24,454)	(11,69,353)
Total Comprehensive Income for the year		7,09,67,760	9,55,68,688
Earnings per Share - Basic and Diluted (PAT before OCI/Wt. Avg. No. of shares)		4.62	9.24
Note : The accompanying notes 1 to 44 form an integral part of the financial statements			

As per our report of even date :
For CHEVUTURI ASSOCIATES
Chartered Accountants
Firm's Registration No.000632S
RAGHUNADHA RAO BALINENI, Partner
Membership No. 028105
Vijayawada
29 May 2018

For and on behalf of the Board

P. NARENDRANATH CHOWDARY Chairman

J. MURALI MOHAN Managing Director

K. RAGHURAM Dy. Secretary & AGM (Fin.)

Statement of Changes in Equity for the year ended 31.03.2018

A. Equity share capital

Particulars	No's	Rs.
As at 01 April 2016	88,81,150	8,88,11,500
Add: Forfeited shares (Amount originally paid up)	-	4,750
		<u>88,81,150</u>
Changes in equity share capital	-	-
As at 31 March 2017	88,81,150	8,88,16,250
Changes in equity share capital	-	-
As at 31 March 2018	88,81,150	<u>8,88,16,250</u>

B. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total
	Capital Reserve Rs.	Securities Premium Reserve Rs.	Other Reserves (General Reserve) Rs.	Retained Earnings Rs.	Equity instruments through Other Comprehensive Income Rs.	Actuarial Gains / (Losses) Rs.
Balance at the beginning of reporting period - 01 April 2016	39,66,150	7,83,75,000	125,00,00,000	16,61,97,708	(7,57,427)	(2,21,578)
Profit for the year	-	-	-	8,20,79,517	-	-
Other Comprehensive Income	-	-	-	-	1,46,58,524	(11,69,353)
Total Comprehensive Income for the year	-	-	-	8,20,79,517	1,46,58,524	(11,69,353)
Transfer from Retained Earnings	-	-	2,00,00,000	(2,00,00,000)	-	-
Balance at the end of reporting period - 31 March 2017	39,66,150	7,83,75,000	127,00,00,000	22,82,77,225	1,39,01,097	(13,90,931)
Profit for the year	-	-	-	4,10,45,437	-	-
Other Comprehensive Income	-	-	-	-	3,19,46,777	(20,24,454)
Total Comprehensive Income for the year	-	-	-	4,10,45,437	3,19,46,777	(20,24,454)
Transfer from Retained Earnings	-	-	-	-	-	-
Final Dividend	-	-	-	2,66,43,450	-	-
Dividend Distribution tax	-	-	-	54,23,980	-	-
Balance at the end of reporting period - 31 March 2018	39,66,150	7,83,75,000	127,00,00,000	23,72,55,232	4,58,47,874	(34,15,385)
						1,59,31,28,541
						4,10,45,437
						2,99,22,323
						7,09,67,760
						-
						2,66,43,450
						54,23,980
						163,20,28,871

As per our report of even date :

For CHEVUTURI ASSOCIATES

Chartered Accountants

Firm's Registration No.0006325

RAGHUNADHA RAO BALINENI, Partner

Membership No. 028105

Vijayawada

29 May 2018

For and on behalf of the Board

P. NARENDRANATH CHOWDARY Chairman

J. MURALI MOHAN Managing Director

K. RAGHURAM Dy. Secretary & AGM (Fin.)

CASH FLOW STATEMENT

		2017-18 Rs.	2016-17 Rs.
I.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	4,94,86,236	10,18,60,896
	Add/Less: Adjustments for :		
	Depreciation	6,53,38,008	7,06,81,047
	Finance Costs	1,41,96,532	1,72,82,154
	Interest income	(85,26,018)	(1,86,49,464)
	Assets Written off	16,865	35,469
	Profit on sale of assets	(1,85,838)	(25,296)
	Remeasurement of Defined Benefit Plans	(20,24,454)	(11,69,353)
	Dividends received	(6,39,128)	(13,06,086)
	Operating profit before working capital changes	11,76,62,204	16,87,09,367
	Add/Less: Adjustments for working capital		
	Inventories	(47,60,099)	(94,62,630)
	Trade and other receivables	48,90,22,906	(36,19,56,895)
	Trade payables	(20,42,86,451)	14,70,01,290
	Cash generated from operations	39,76,38,560	(5,57,08,868)
	Less: Direct taxes paid	91,90,450	2,36,84,454
	Net cash from/(used in) Operating activities	38,84,48,110	(7,93,93,322)
II.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets/Capital work in progress	(81,85,655)	(4,24,95,156)
	Proceeds from sale of fixed assets	2,52,143	47,762
	Proceeds from sale of Govt or Trust Securities	-	500
	Investments in Mutual Funds(Net of Redemption)	(10,06,39,128)	2,00,740
	Repayment of Inter Corporate Loans given	1,00,01,541	1,99,98,459
	Interest received	85,26,018	1,86,49,464
	Dividend received	6,39,128	13,06,086
	Other Bank balances	14,04,887	12,22,404
	Net cash used in Investing activities	(8,80,01,066)	(10,69,741)
III.	CASH FLOW FROM FINANCING ACTIVITIES		
	(Repayment of) / Proceeds from borrowings	(21,76,37,341)	19,38,26,196
	Finance Costs	(1,41,96,532)	(1,72,82,154)
	Dividends & Dividend Distribution Tax paid	(3,20,67,430)	-
	Net cash (used in) / from financing activities	(26,39,01,303)	17,65,44,042
	Net Increase in cash and cash equivalents	3,65,45,741	9,60,80,979
	Cash and cash equivalents at the beginning of the period	12,72,16,881	3,11,35,902
	Cash and cash equivalents at the end of the period (Refer note.no.10A)	16,37,62,622	12,72,16,881
	Net Increase in cash and cash equivalents	3,65,45,741	9,60,80,979

Changes in Liability arising from Financing activities

Particulars	Opening balance Rs.	Net cash flow Rs.	Non-cash changes (Forex) Rs.	Closing balance Rs.
Long term borrowings	-	-	-	-
Short term borrowings (refer note no. 17)	28,41,86,099	(21,76,37,340)	-	6,65,48,759

As per our report of even date :

For CHEVUTURI ASSOCIATES

Chartered Accountants

Firm's Registration No.0006325

RAGHUNADHA RAO BALINENI, Partner

Membership No. 028105

Vijayawada

29 May 2018

For and on behalf of the Board

P. NARENDRANATH CHOWDARY

Chairman

J. MURALI MOHAN

Managing Director

K. RAGHURAM

Dy. Secretary & AGM (Fin.)

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1. CORPORATE INFORMATION

Jocil Limited (hereinafter referred to as Jocil) is engaged in the manufacture of Stearic Acid, Fatty Acids, Soap Noodles, Toilet Soap, Glycerine and Industrial Oxygen. The manufacturing facilities of Jocil and its Registered Office are located at Dokiparru Village, Medikondur Mandal, Guntur District, Andhra Pradesh. It is also having a 6 MW Biomass Cogeneration Captive Power Plant to meet the power requirements of the manufacturing activity and surplus power is sold to AP Transco. Jocil is also having 4 Wind Energy Generators in the State of Tamil Nadu and the power generated is sold to Tamil Nadu Generation and Distribution Corporation Limited. Jocil is a subsidiary to The Andhra Sugars Limited (ASL), Tanuku, W.G.District, Andhra Pradesh. As on 31 March 2018 ASL owned 55.02% of the Jocil's equity share capital.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis of accounting except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) USE OF ESTIMATES AND JUDGEMENTS

The preparation of the company's financial statements in conformity requires management of the Company to make judgments, estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

i) Depreciation / amortisation and useful lives of property plant and equipment and intangible assets:

Property, plant and equipment and intangible assets are depreciated/amortised based on the useful lives specified under schedule II of Companies Act, 2013. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Recoverability of trade receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, past history of receivables, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Fair value measurement of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii) Income Taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

viii) Defined benefit obligations:

The Company uses actuarial assumptions viz., discount rate, mortality rates, expected rate of return on plan assets, salary escalation rate etc., to determine such employee benefit obligations.

ix) Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The judgments, estimates and underlying assumptions are made with the management's best knowledge of the business environment and are reviewed on an on going basis. Accounting estimates could change from period to period. Actual results could differ from these estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

ii) SIGNIFICANT ACCOUNTING POLICIES

a) PROPERTY, PLANT AND EQUIPMENT

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured at initial recognition at Cost. Following initial recognition, items of Property, plant and equipment are carried at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

The company identifies and determines cost of each part of PPE separately, if the part has a cost which is significant to the total cost of that items of PPE and has useful life that is materially different from that of the remaining items.

Advances paid for acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Cost of the assets not put to use before such date are disclosed under 'Capital Work-in-progress'. Any subsequent expenditure relates to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. Items of spare parts are recognized as Property, plant and equipment when they meet the definition of Property, plant and equipment. The cost and related depreciation are eliminated from the property, plant and equipment upon sale or retirement of the asset and the resultant gain or losses are recognized in statement of profit and loss.

b) INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition less accumulated amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis from the date they are available for use.

c) BORROWING COSTS

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

d) DEPRECIATION AND AMORTIZATION

Depreciation is recognized so as to write off the cost of assets less their residual values based on useful lives as specified in Schedule II of the Companies Act, 2013 as follows:

- i) Under Straight line method in respect of Plant and Machinery of Wind Mill division.
- ii) Under Written down value method on the remaining assets of the company.
- iii) The intangible assets, being Computer Software is amortized over a period of 5 years on Straight Line Method.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end.

e) INVENTORIES

- i) Finished goods are valued at lower of cost or net realizable value.
- ii) Cost of Work-in-progress and Finished goods includes appropriate portion of overheads etc.,
- iii) Raw materials, Stores and spares are valued at cost using weighted average method.
- iv) Work-in-Progress, Raw Materials, Stores, Spares, Material in Transit, are valued at cost except where the net realizable value of the finished goods they are used in is less than the cost of finished goods and in such an event, if the replacement cost of such materials etc., is less than their book values, they are valued at replacement cost.
- v) By-products and scrap are valued at net realizable value.

f) REVENUE RECOGNITION

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

- i) Revenue from sale of products is recognised when the goods are delivered and titles have passed i.e time when the risks and rewards of ownership are transferred to the buyer under the terms of the contract and the company retains no effective control over the goods sold. Revenue is measured at the fair value of the consideration taking into account contractually defined terms of payment. Revenue is reduced for discounts, rebates and other similar allowances.

When there is any uncertainty as to the measurement or collectability of consideration, revenue recognition to the extent of amount of uncertainty is postponed until such uncertainty is resolved.

- ii) Amounts collected on behalf of third parties such as GST, VAT and service tax are excluded from Revenue. Revenue includes excise duty (Till 30.6.2017) since it flows into the entity on its own account.
- iii) Revenue realized on processing charges is recognized to the extent of completion of job as per the agreements/arrangements with the concerned parties.

- iv) Power purchased from other units is accounted at market price at which the power is purchased from external party.
- v) Interest income is recognized using effective interest method.
- vi) Dividend income is recognized when the right to receive payment is established.

g) TAXES ON INCOME

Income tax expense comprises the sum of tax currently payable and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax is determined at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred tax assets is reviewed at the end of each year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities are recognized as income or expense in the year of enactment. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

h) SEGMENT REPORTING

The operating segments of the entity are identified based on the revenues earned and expenses incurred whose operating results are regularly reviewed by the entity's decision maker to make decisions about resources to be allocated to the segment and assess its performance for which discrete financial information is available.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.

Inter segment revenue has been accounted for based on the market related prices.

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses".

i) RETIREMENT BENEFITS

The Company provides retirement benefits in the form of Provident Fund, Superannuation and Gratuity etc., Contribution to Provident Fund, a defined Contribution scheme, is made at the prescribed rates to the Provident Fund Commissioner and is charged to the Statement of Profit and Loss. There is no other obligation other than the contribution payable.

Certain employees of the company are eligible for superannuation and company has no obligation beyond its monthly contribution to LIC. The periodic contribution is charged to the statement of profit and loss account.

Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial losses and gains, the effect of changes to the asset ceiling and actual return on plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation, is reflected in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Such remeasurement losses/gains are not reclassified to profit or loss subsequently.

The liability in respect of compensated absences due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation using projected unit credit method at the end of each year.

j) RESEARCH & DEVELOPMENT EXPENDITURE

Revenue expenditure is charged to Statement of Profit & Loss and Capital expenditure is added to the cost of Fixed Assets in the year in which it is incurred.

k) FOREIGN EXCHANGE TRANSACTIONS

The functional currency of the company is the Indian rupee and the financial statements are presented in Indian rupee.

Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the year.

At each Balance Sheet date

- i) Foreign currency denominated monetary items are translated into the relevant functional currency at exchange rate at the balance sheet date. The gains and losses resulting from such translations are included in net profit in the statement of profit and loss.
- ii) Foreign currency denominated non-monetary items are reported using the exchange rate at which they were initially recognized.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in statement of profit and loss.

l) IMPAIRMENT OF ASSETS:

- i) Financial assets (other than at fair value)

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction.

For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of the fair value less cost of sale and value in use) is determined on an individual asset basis unless the asset does not generates cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount and the carrying amount of the asset is increased to its revised recoverable amount subject to maximum of carrying amount.

m) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised when there is a present obligation as a result of past event, it is probable that the company will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Where the effect of time value of money is material, the amount of provision is the present value of the expenditure to be required to settle the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the notes.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

n) FINANCIAL INSTRUMENTS

Initial recognition:

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than the financial assets and liabilities at fair value through profit and loss) are added to or deducted from the fair value of financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Subsequent measurement:

i) Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income.

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

De-recognition of financial asset

The company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

The effective method is a method of calculating the amortization cost of a financial liability and of allocating interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liability

The company de-recognises financial liabilities when the company's obligations are discharged, cancelled or expired. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest method.

o) EARNING PER EQUITY SHARE

Basic earning per equity share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares during the period. The company did not have any potentially dilutive securities in any of the years presented.

The number of equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of financial statements by the board of directors.

p) CASH FLOW STATEMENT

Cash flows are reported using indirect method whereby the profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financial activities of the company are segregated.

q) DIVIDENDS

Final dividends on shares are recorded as a liability on the date of approval by the shareholders i.e the year in which the dividends are approved and interim dividends are recorded as a liability on the date of declaration by the company's board of directors.

r) GOVERNMENT GRANTS

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received .

Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognized as deferred revenue in the Balance sheet and transferred to the statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

III) Standards Issued but not Effective :

On 28 March 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 01 April 2018.

a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition standard Ind AS-18 Revenue, Ind AS 11-Construction Contracts and the related interpretations. Ind AS-115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments in some of the existing standards but application of said standards are not expected to have any significant impact on the Company's Financial Statements.

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Land Rs.	Buildings Rs.	Plant and Equipment Rs.	Furniture and Fixtures Rs.	Vehicles Rs.	Office Equipment Rs.	Total Rs.
Gross Carrying value - At Cost							
As at 01 April 2016	87,05,117	5,27,44,441	63,88,12,739	27,78,876	40,33,112	46,72,620	71,17,46,905
Additions	-	39,70,114	1,37,48,642	65,19,576	64,022	13,03,209	2,56,05,563
Disposals	-	-	25,119	4,165	15,855	22,461	67,600
As at 31 March 2017	87,05,117	5,67,14,555	65,25,36,262	92,94,287	40,81,279	59,53,368	73,72,84,868
Additions	-	-	1,51,974	3,46,307	25,42,970	1,05,860	31,47,111
Disposals	-	-	-	13,727	1,06,505	9,548	1,29,780
As at 31 March 2018	87,05,117	5,67,14,555	65,26,88,236	96,26,867	65,17,744	60,49,680	74,03,02,199
Accumulated Depreciation							
As at 01 April 2016	-	55,57,016	7,19,87,747	10,09,565	8,68,831	7,79,974	8,02,03,133
Additions	-	48,84,905	6,18,54,546	14,53,931	9,35,025	13,42,239	7,04,70,646
Disposals	-	-	2,440	556	3,025	3,644	9,665
As at 31 March 2017	-	1,04,41,921	13,38,39,853	24,62,940	18,00,831	21,18,569	15,06,64,114
Depreciation charge for the year	-	45,58,739	5,36,34,981	27,84,014	11,83,527	10,50,571	6,32,11,832
On disposals	-	-	-	1,900	40,802	3,050	45,752
As at 31 March 2018	-	1,50,00,660	18,74,74,834	52,45,054	29,43,556	31,66,090	21,38,30,194
Net Book Value							
As at 31 March 2018	87,05,117	4,17,13,895	46,52,13,402	43,81,813	35,74,188	28,83,590	52,64,72,005
As at 31 March 2017	87,05,117	4,62,72,634	51,86,96,409	68,31,347	22,80,448	38,34,799	58,66,20,754

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Net Book Value		
Land	87,05,117	87,05,117
Buildings	4,17,13,895	4,62,72,634
Plant and Equipment	46,52,13,402	51,86,96,409
Furniture and Fixtures	43,81,813	68,31,347
Vehicles	35,74,188	22,80,448
Office Equipment	28,83,590	38,34,799
Total	<u>52,64,72,005</u>	<u>58,66,20,754</u>

Note: Working capital loans obtained by the company from Andhra bank and SBI are secured by way of second charge on fixed assets of the company on pari passu basis.

3. Capital Work-in-Progress

	Rs.
Carrying value - At Cost	
As at 01 April 2016	60,04,517
Additions	2,93,49,485
Capitalised during the year	(1,25,64,631)
As at 31 March 2017	<u>2,27,89,371</u>
Additions	50,38,544
Capitalised during the year	(1,32,38,500)
As at 31 March 2018	<u>1,45,89,415</u>

3. Intangible Assets

	Computer Software Rs.	Total Rs.
Gross Carrying value - At Cost		
As at 01 April 2016	6,56,214	6,56,214
Additions	1,04,739	1,04,739
Disposals	<u>-</u>	<u>-</u>
As at 31 March 2017	7,60,953	7,60,953
Additions	1,32,38,500	1,32,38,500
Disposals	<u>-</u>	<u>-</u>
As at 31 March 2018	<u>1,39,99,453</u>	<u>1,39,99,453</u>

Depreciation	Rs.	Total Rs.
As at 01 April 2016	1,89,453	1,89,453
Additions	2,10,401	2,10,401
Capitalised during the year	-	-
As at 31 March 2017	3,99,854	3,99,854
Depreciation charge for the year	21,26,176	21,26,176
On disposals	-	-
As at 31 March 2018	25,26,030	25,26,030
Net Book Value		
As at 31 March 2018	1,14,73,423	1,14,73,423
As at 31 March 2017	3,61,099	3,61,099

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Net Book Value		
Computer software	1,14,73,423	3,61,099

4. NON CURRENT INVESTMENTS

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
A. Investment in Equity Instruments (At fair value through OCI)		
(i) Quoted - Trade		
a) 13,652 Equity shares of Rs.10/- each fully paid up in Andhra Bank Limited	5,67,922	7,91,133
(ii) Quoted - Non Trade		
a) 10,07,981 Equity shares of Rs.10/- each fully paid up in Andhra Petro Chemicals Limited	5,78,58,109	2,56,53,116
b) 200 Equity shares of Rs.10/- each fully paid up in The Industrial Finance Corporation of India	3,910	5,970
c) 11,360 Equity shares of Rs.10/- each fully paid up in Industrial development bank of India	8,20,192	8,53,136
Total Investment in Quoted Equity Instruments (a)	5,92,50,133	2,73,03,355

B. INVESTMENT IN GOVERNMENT SECURITIES

a) National savings certificates	18,500	18,500
Total Investment in government securities (b)	18,500	18,500
Total Investment (a+b)	5,92,68,633	2,73,21,855
Aggregate amount of : Quoted investments -		
- At cost	1,35,36,374	1,35,36,374
- Market value	5,92,50,133	2,73,03,355
Aggregate amount of unquoted investments	18,500	18,500

Category wise - Investments as per Ind AS 109 Classification

	As at 31 March 2018		As at 31 March 2017	
	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised
	Rs.	Rs.	Rs.	Rs.
Financial assets measured at:				
(i) Fair value through Other Comprehensive Income				
a) 13,652 Equity shares of Rs.10/- each fully paid up in Andhra Bank Limited	5,67,922	-	7,91,133	6,826
b) 10,07,981 Equity shares of Rs.10/- each fully paid up in Andhra Petro Chemicals Limited	5,78,58,109	-	2,56,53,116	-
c) 200 Equity shares of Rs.10/- each fully paid up in The Industrial Finance Corporation of India	3,910	-	5,970	-
d) 11,360 Equity shares of Rs.10/- each fully paid up in Industrial development bank of India	8,20,192	-	8,53,136	-
	5,92,50,133	-	2,73,03,355	6,826

4. CURRENT INVESTMENTS (At FVTPL)

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Quoted and non-Trade		
Investments in Mutual Funds	10,09,49,532	3,10,404
HDFC-Liquid Fund - Dividend - Daily Reinvest (98,987.606 Units @ Rs.1,019.82 each)		
Total current investments	10,09,49,532	3,10,404

5. LOANS

	Non-Current		Current	
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Unsecured considered good				
a) Inter corporate loans	-	-	-	1,00,01,541
Total	-	-	-	1,00,01,541

Note:- No Loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

6. OTHER FINANCIAL ASSETS

	Non-Current		Current	
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Security deposits with government authorities and others	65,23,398	1,09,17,890	-	-
Claims and other advances receivable	-	-	38,55,931	90,08,516
Total	65,23,398	1,09,17,890	38,55,931	90,08,516

7. OTHER ASSETS

	Non-Current		Current	
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Unsecured, Considered Good				
a) Advances for Capital goods	78,48,399	70,88,872	-	-
b) Advances to creditors against supplies			1,99,45,769	80,42,462
c) Prepaid expenses			86,40,477	72,72,989
d) Balances with Statutory Authorities:				
Taxes paid under protest			-	30,79,020
GST and other tax deposits			11,65,70,337	18,52,75,020
e) Accrued interest			5,03,189	1,21,703
f) Balance in Gratuity Fund (net of obligations)	1,32,01,700	1,76,69,285	-	-
Total	2,10,50,099	2,47,58,157	14,56,59,772	20,37,91,194

Note:- No Loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

8. INVENTORIES

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
a) Raw materials	22,58,93,994	8,76,15,000
b) Raw material in transit	-	1,94,39,631
c) Work-in-progress	9,79,89,809	21,23,30,910
d) Finished goods	15,32,20,051	16,11,21,153
e) Stores and spares	7,85,21,145	7,03,58,206
Total	<u>55,56,24,999</u>	<u>55,08,64,900</u>

Note:

- All the above inventories are offered as security in respect of working capital loans availed by the company from Andhra bank and SBI.
- The cost of inventories recognised as an expense during the year was Rs. 279,90,05,476 (Previous year Rs.322,60,86,572)
- There are no inventories expected to be recovered after more than 12 months.
- The mode of valuation of inventories has been stated in note no. 2 (ii) (e) Significant accounting policies.

9. TRADE RECEIVABLES

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Secured, Considered Good		
Outstanding for a period exceeding six months	-	-
Others	-	-
	<u>-</u>	<u>-</u>
Unsecured, Considered Good		
Outstanding for a period exceeding six months	1,61,19,000	43,11,398
Others	47,60,26,779	90,54,70,732
A)	<u>49,21,45,779</u>	<u>90,97,82,130</u>
Unsecured, Considered Doubtful		
Outstanding for a period exceeding six months	5,00,000	5,00,000
Less: Allowance for doubtful debts	5,00,000	5,00,000
B)	<u>-</u>	<u>-</u>
Total (A+B)	<u>49,21,45,779</u>	<u>90,97,82,130</u>

Note:

- The average credit period of trade receivables varies from 15-45 days.
- The above does not include any amount due from related parties.
- The company has used practical expedient by computing the expected credit loss for doubtful trade receivables based on the ageing of receivables, history of recoverability from the customers, credit worthiness of the customers etc.,
- During the year, the company has recognised loss allowance of Rs.Nil under 12 months expected credit loss model.

10. CASH AND CASH EQUIVALENTS

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Balances with banks		
a. In Current accounts	1,98,76,486	4,28,77,966
b. In EEFC account	6,51,15,833	8,36,65,839
c. Fixed deposit with original maturity period less than 3 months	7,86,00,000	-
Cash on hand	1,70,303	6,73,076
Total - A	16,37,62,622	12,72,16,881
Other bank balances		
a. Earmarked balances with banks held as margin money against LC and guarantees	24,29,852	37,43,102
b. Earmarked balances with banks towards unclaimed dividends	25,48,403	26,40,040
c. Fixed deposit repayment reserve	1,15,00,000	1,15,00,000
Total - B	1,64,78,255	1,78,83,142
Total (A+B)	18,02,40,877	14,51,00,023

11. CURRENT TAX

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Provision for Income-tax	50,40,00,000	49,10,00,000
Less: Taxes paid	50,50,44,185	49,58,53,735
Current tax liability/(Advance)	(10,44,185)	(48,53,735)

12. EQUITY SHARE CAPITAL**Authorised Share Capital**

	Equity	
	No's	Rs.
As at 01 April 2016	1,00,00,000	10,00,00,000
Changes in equity	-	-
As at 31 March 2017	1,00,00,000	10,00,00,000
Changes in equity	-	-
As at 31 March 2018	1,00,00,000	10,00,00,000

Issued Share Capital

Equity shares of Rs.10 each issued, subscribed and fully paid

	No's	Rs.
As at 01 April 2016	88,81,150	8,88,16,250
Changes in equity	-	-
As at 31 March 2017	88,81,150	8,88,16,250
Changes in equity	-	-
As at 31 March 2018	88,81,150	8,88,16,250

The above amount includes Rs.4,750/- being shares forfeited and amount originally paid up on forfeited shares.

Rights, Preferences and restrictions attached to Equity shares

The Company has only one class of Equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of share holders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.

Details of share holders holding more than 5% of total number of shares

Name of the Shareholder	As at 31 March 2018		As at 31 March 2017	
	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company
The Andhra Sugars Limited	48,86,500	55.02	48,86,500	55.02%
	48,86,500	55.02	48,86,500	55.02%

Out of total equity shares issued and subscribed, 48,86,500 shares are held by holding company The Andhra Sugars Limited, Tanuku.

No bonus shares were issued out of last five financial years.

None of the shares were issued pursuant to a contract without payment being received in cash.

12. OTHER EQUITY**Capital reserves**

	Rs.
As at 01 April 2016	39,66,150
Increase / (Decrease) during the year	-
As at 31 March 2017	39,66,150
Increase / (Decrease) during the year	-
As at 31 March 2018	39,66,150

Securities Premium	Rs.
As at 01 April 2016	7,83,75,000
Increase / (Decrease) during the year	—
As at 31 March 2017	7,83,75,000
Increase / (Decrease) during the year	—
As at 31 March 2018	7,83,75,000
General Reserve	Rs.
As at 01 April 2016	125,00,00,000
Increase / (Decrease) during the year	2,00,00,000
As at 31 March 2017	127,00,00,000
Increase / (Decrease) during the year	—
As at 31 March 2018	127,00,00,000
Surplus in Statement of Profit and Loss	Rs.
As at 01 April 2016	16,52,18,703
Add: Profit for the year transferred from statement of profit and loss	9,55,68,688
	26,07,87,391
Less: Profit for the year transferred to General Reserve	2,00,00,000
As at 31 March 2017	24,07,87,391
Less: Final Dividend for the Financial year 2016-17 proposed & paid during the year	2,66,43,450
Dividend Distribution tax on Final Dividend paid during the year	54,23,980
	20,87,19,961
Add: Profit for the year transferred from statement of profit and loss	7,09,67,760
	27,96,87,721
Less: Profit for the year transferred to General Reserve	—
As at 31 March 2018	27,96,87,721

Dividend :The board of Directors at its meeting held on 29 May 2018 have recommended a dividend of Rs.2 each per share of face value of Rs.10 each for the financial year ended 31 March 2018. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognised as a liability.

Dividend proposed @Rs.2.00 per share	1,77,62,300
Dividend distribution tax on above	36,51,093

Summary of Other Equity

	As at 31st March, 2018	As at 31st March, 2017
Capital reserves	39,66,150	39,66,150
Securities Premium	7,83,75,000	7,83,75,000
General Reserve	127,00,00,000	127,00,00,000
Surplus in Statement of Profit and Loss (Incl. OCI)	27,96,87,721	24,07,87,391
	163,20,28,871	159,31,28,541

Nature of reserves:

- a) Capital Reserve : Capital reserve represents incentive given by the government in the year 1995 for furtherance of industry.
- b) Securities premium : Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.
- c) General reserve : The general reserve is created by way of transfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- d) Retained earnings : Retained earnings are the profits that the company has earned till date less transfers to general reserves and dividends paid to share holders.

13. OTHER FINANCIAL LIABILITIES

	Non-Current		Current	
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
a) Refundable security deposits from agents	8,91,000	8,91,000	-	-
b) Interest accrued but not due	-	-	29,28,010	19,93,437
c) Interest accrued and due	-	-	-	1,43,151
d) Unclaimed dividend			25,48,403	26,40,040
e) Employee related payments	-	-	1,41,38,879	1,59,55,732
f) Other Liabilities	-	-	12,30,098	16,71,701
Total	8,91,000	8,91,000	2,08,45,390	2,24,04,061

14. PROVISIONS

	Non-Current		Current	
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Provision for employee benefits				
- Leave Encashment (Unfunded)	68,68,099	76,68,896	52,95,269	31,56,446
Total	68,68,099	76,68,896	52,95,269	31,56,446

15. DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Comprises temporary differences attributable to:		
Liability:		
Depreciation	9,89,87,365	10,32,13,824
Asset:		
Employee benefits related and others	2,47,73,623	2,44,42,561
Provisions for doubtful trade receivables	1,74,720	1,73,040
Net deferred tax (Liability)	7,40,39,022	7,85,98,223

Movement in Deferred Tax Assets/Liabilities

Particulars	As at 1st April 2016	Charge/(Credit) to P&L a/c	As at 31st March 2017	Charge/(Credit) to P&L a/c	As at 31st March 2018
Deferred Tax Liabilities / (Assets) in relation to					
Depreciation	11,05,66,619	(73,52,795)	10,32,13,824	(42,26,459)	9,89,87,365
Expenses allowable under Income Tax when paid	(2,62,49,775)	16,34,174	(2,46,15,601)	(3,32,742)	(2,49,48,343)
Total	<u>8,43,16,844</u>	<u>(57,18,621)</u>	<u>7,85,98,223</u>	<u>(45,59,201)</u>	<u>7,40,39,022</u>

16. OTHER LIABILITIES

	Non-Current		Current	
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
a) Advance received against sales	-	-	53,87,099	45,39,190
b) Statutory Liabilities	-	-	8,33,16,101	9,91,83,968
Total	-	-	8,87,03,200	10,37,23,158

17. SHORT TERM BORROWINGS

	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
A. Secured		
Loans repayable on demand :		
a) Working capital loans from banks		
i) From Andhra Bank	6,72,492	4,78,42,118
ii) State Bank of India	4,79,264	7,31,70,643
B. Unsecured		
a) Fixed deposits from		
i) Shareholders	4,70,57,681	3,91,85,926
ii) Directors	70,56,094	1,43,12,686
iii) Others	1,12,83,228	96,74,726
b) Short Term loan from HDFC Bank	-	10,00,00,000
Total	6,65,48,759	28,41,86,099

Note:

- Working capital loans from Andhra Bank and SBI are secured by way of hypothecation of current assets of the company on pari passu basis.
- The above loans carries interest at following rates: Andhra Bank @ 9.60% and SBI @ 10.50%
- Fixed deposits accepted during the year carries interest @ 9.50%. The company made no defaults in repayment of deposits on due date.
- Term loan from HDFC carries interest @ 9.5% and repayable within 90 days of withdrawal.

18. TRADE PAYABLES

	As at 31 March 2018 Rs.	As at 31 March 2017 Rs.
Dues to : Small and Micro Enterprises	-	-
Other than Small and Micro Enterprises	13,48,62,187	32,39,08,895
Total	13,48,62,187	32,39,08,895

Based on, and to the extent of information received from the suppliers with regard to their status under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), on which the auditors have relied, the disclosure requirements with regard to the payments made/due to Micro, Small and Medium Enterprises are given below:

	2017-18	2016-17
1) Amount remaining unpaid beyond the appointed/agreed date at the end of the year		
a) Principal	Nil	Nil
b) Interest due thereon	Nil	Nil
2) Payments made to suppliers during the year beyond appointed/agreed date		
a) Principal	Nil	Nil
b) Interest paid on such payments	Nil	Nil
c) Interest remaining unpaid as on date of balance sheet	Nil	Nil
3) Total amount of interest for the year accrued and remaining unpaid at the end of the year	Nil	Nil
4) Total amount of interest including that arising in earlier years accrued and remaining unpaid at the end of the year	Nil	Nil

19. REVENUE FROM SALES:

	2017-18		2016-17	
	MT	Rs.	MT	Rs.
Fatty Acids	35,392	218,93,50,400	34,822	235,14,59,971
Soap Products	14,703	91,23,88,381	21,583	141,59,96,054
Glycerine	3,259	20,18,16,425	2,916	12,73,08,038
Pitch	3,123	4,29,39,619	2,761	3,32,46,242
Industrial Oxygen (cu.mtrs)	6,11,209	60,34,918	5,98,671	59,44,607
Wind Power (kwh)	1,48,51,184	4,23,21,881	1,40,22,372	4,00,77,194
Biomass Power (kwh)	96,03,400	5,81,19,211	1,39,59,000	8,27,32,788
Others		90,67,552		55,76,730
Revenue from sale of products (A)		346,20,38,387		406,23,41,624

1 The sale of Bio mass power does not include 1,53,10,866 kwh value of Rs.10,48,79,432/- (PY.1,56,03,238 kwh value of Rs.10,19,06,509/-) consumed internally.

2) The above includes excise duty of Rs. **6,98,59,382** 35,68,93,218

PROCESSING CHARGES RECEIVED

	2017-18		2016-17	
	MT	Rs.	MT	Rs.
Toilet Soap	-	-	246	14,94,440
Soap Noodles	886	63,20,855	4,466	3,03,55,861
Cattle Feed - Lysofat	2	9,718	1,263	72,63,745
Revenue from services (B)		<u>63,30,573</u>		<u>3,91,14,046</u>

OTHER OPERATING REVENUE

	2017-18 Rs.	2016-17 Rs.
Export incentives - Duty Drawback	43,43,014	96,62,277
MEIS Incentives	1,18,56,144	25,17,212
Other operating revenue (C)	<u>1,61,99,158</u>	<u>1,21,79,489</u>
Total Revenue from operations (A+B+C)	<u>348,45,68,118</u>	<u>411,36,35,159</u>

20. OTHER INCOME

	2017-18 Rs.	2016-17 Rs.
Interest received from Banks and others (From financial assets recognised at amortised cost)	85,26,018	1,86,49,464
Dividend received - Current investment (From financial assets recognised at FVTPL)*	6,39,128	12,99,260
- Non-current investment (From financial assets recognised at FVTOCI)**	-	6,826
Rental charges received	96,912	1,55,094
Difference in Foreign Exchange (Net)	1,13,35,844	-
Sale of scrap	54,280	18,87,706
Profit on sale of assets	1,85,838	25,296
Claims/Refunds received	2,71,778	51,559
Weighment charges received	3,11,470	3,86,713
Credit balances written back	16,182	2,786
Excess provision made in earlier years credited back - On Electricity duty on captive consumption	-	1,15,97,918
Miscellaneous receipts	35,082	1,12,995
Total	<u>2,14,72,532</u>	<u>3,41,75,617</u>

*FVTPL – Fair value through profit & loss

**FVTOCI – Fair value through other comprehensive income

Note:

- a) Interest from banks and others includes interest earned on fixed deposits with banks and from customers on delays in payments.
 - i. Interest from previous year also includes interest earned on Inter-corporate Deposits.
 - ii. These financial assets are measured at amortised cost.
- b) The dividend income is earned from current investments designated as at FVTPL and from non-current term investments designated as at FVTOCI.

21. COST OF MATERIAL CONSUMED

	2017-18 Rs.	2016-17 Rs.
Opening stock	8,76,15,000	5,31,71,481
Purchases	254,56,07,818	290,26,96,214
	<u>263,32,22,818</u>	<u>295,58,67,695</u>
Less: Sale of raw material	2,94,88,323	9,10,08,358
Closing stock	22,58,93,994	8,76,15,000
Total	<u>237,78,40,501</u>	<u>277,72,44,337</u>

Components of materials consumed :

	2017-18		2016-17	
	MT	Rs.	MT	Rs.
Non Edible Oils	32,553	156,85,43,070	32,402	158,80,93,175
Fatty Acid Distillates	15,316	80,92,97,431	21,835	117,20,01,518
Others		-		1,71,49,644
		<u>237,78,40,501</u>		<u>277,72,44,337</u>

Comparison between consumption of imported and indigenous raw materials during the year

	2017-18		2016-17	
	Rs.	%	Rs.	%
Imported	21,78,53,375	9	45,07,20,871	16
Indigenous	215,99,87,126	91	232,65,23,466	84
	<u>237,78,40,501</u>	<u>100</u>	<u>277,72,44,337</u>	<u>100</u>

22. Decrease/(Increase) in Inventories of Finished goods, Stock-in-Trade and Work-in-progress

	2017-18 Rs.	2016-17 Rs.
A. Opening stock		
Finished goods	16,11,21,153	16,65,59,181
Work-in-progress	21,23,30,910	17,21,86,793
Stock-in-trade	-	-
	<u>37,34,52,063</u>	<u>33,87,45,974</u>
B. Closing stock		
Finished goods	15,32,20,051	16,11,21,153
Work-in-progress	9,79,89,809	21,23,30,910
Stock-in-trade	-	-
	<u>25,12,09,860</u>	<u>37,34,52,063</u>
Decrease/(Increase) of stocks - Total	(A-B) <u>12,22,42,203</u>	<u>(3,47,06,089)</u>

Details of Opening and Closing stock of finished goods:

	2017-18		2016-17	
	MT	Rs.	MT	Rs.
Opening stocks:				
Fatty Acids	1,190	7,55,49,947	1,694	8,42,41,115
Soap Products	1,136	7,61,68,702	1,368	7,15,28,434
Glycerine	9	4,08,339	32	13,19,445
Industrial Oxygen (cu.mtrs)	406	2,987	1,206	11,264
Others		89,91,178		94,58,923
		<u>16,11,21,153</u>		<u>16,65,59,181</u>
Closing stocks:				
Fatty Acids	1,608	8,74,02,213	1,190	7,55,49,947
Soap Products	1,188	6,40,07,320	1,136	7,61,68,702
Glycerine	14	8,67,443	9	4,08,339
Industrial Oxygen (cu.mtrs)	203	1,788	406	2,987
Others		9,41,287		89,91,178
		<u>15,32,20,051</u>		<u>16,11,21,153</u>

Details of Opening and Closing stock of Work-in-progress:

	2017-18	2016-17
	Rs.	Rs.
Opening WIP:		
Fatty Acids	10,71,38,528	7,57,23,011
Soap Products	2,08,42,329	3,55,46,915
Glycerine	1,77,87,756	27,60,567
Oils	6,65,62,297	5,81,54,772
Others	-	1,528
	<u>21,23,30,910</u>	<u>17,21,86,793</u>
Closing WIP:		
Fatty Acids	6,53,34,025	10,71,38,528
Soap Products	1,32,88,712	2,08,42,329
Glycerine	1,93,67,072	1,77,87,756
Oils	-	6,65,62,297
	<u>9,79,89,809</u>	<u>21,23,30,910</u>

23. EMPLOYEE BENEFITS EXPENSE

	2017-18 Rs.	2016-17 Rs.
Salaries, Wages and Bonus	19,24,59,903	19,62,65,822
Contribution to PF, Gratuity, ESI and other funds	2,80,29,284	3,00,46,995
Workmen and Staff Welfare Expenses	44,63,645	56,63,657
Total	<u>22,49,52,832</u>	<u>23,19,76,474</u>

24. FINANCE COSTS

	2017-18 Rs.	2016-17 Rs.
Interest paid to banks and others	1,28,64,032	1,60,01,559
Other borrowing costs	13,32,500	12,80,596
Total	<u>1,41,96,532</u>	<u>1,72,82,155</u>

25. DEPRECIATION AND AMORTIZATION EXPENSE

	2017-18 Rs.	2016-17 Rs.
Depreciation	6,32,11,832	7,04,70,646
Amortization	21,26,176	2,10,401
Total	<u>6,53,38,008</u>	<u>7,06,81,047</u>

26. OTHER EXPENSES

	2017-18 Rs.	2016-17 Rs.
Stores and Spares consumed (including Packing Materials)	18,36,78,154	21,33,28,849
Power and Fuel	23,74,86,821	22,85,95,442
Rents	9,67,957	11,52,050
Repairs to Machinery	3,60,79,534	4,15,24,417
Repairs to Buildings	10,39,833	61,62,432
Repairs to other Assets	17,05,857	24,66,647
Insurance	60,17,481	72,70,074
Rates and Taxes	31,84,026	51,04,819
Payment to auditors :		
As Auditors towards statutory audit	3,25,000	3,00,000
As Tax Auditors	1,60,000	1,60,000
Fee for Tax representation & Certification	1,30,000	71,000
Fee to Cost Auditors	1,50,000	1,50,000
Other expenses:		
Tools written off	21,112	4,04,527
Advertisement and Sales Promotion expenses	4,16,212	7,19,614

Freight Outward, Export Sales & Consignment expenses	5,83,23,570	5,74,31,497
Commission on Sales	2,57,85,632	2,32,78,684
Directors sitting fees and travelling expenses	11,48,203	11,20,887
Donations	5,000	17,000
CSR expenses	38,01,000	42,10,000
Difference in Foreign Exchange (net)	-	1,43,11,544
Bad Debts Written off	-	8,61,949
Miscellaneous expenses	2,16,82,699	1,90,26,849
Assets written off	16,865	35,469
Total	58,21,24,956	62,77,03,749

27. INCOME TAX

Particulars	2017-18 Rs.	2016-17 Rs.
Current Tax		
Provided for current year	1,30,00,000	2,55,00,000
Deferred Tax		
Credit taken during the year	(45,59,201)	(57,18,621)
Total Income Tax expense recognised during the year	84,40,799	1,97,81,379
Reconciliation of Income Tax expense with the tax on accounting profit as follows:		
Profit before Tax	4,94,86,236	10,18,60,896
Income-tax expense @ 33.063% (Pr. Year @34.608%)	1,63,61,634	3,52,52,019
Tax effect on depreciation difference	50,01,509	73,49,273
Tax on expenses disallowed	12,63,954	14,75,155
Tax on incomes exempt/not taxable	4,76,067	(90,17,899)
Tax savings on profits deductible	(1,01,03,164)	(95,58,548)
Current Tax Provision A	1,30,00,000	2,55,00,000
Decrease of deferred tax liability on account of fixed assets	(42,26,459)	(73,52,795)
Decrease/(Increase) of deferred tax on account of financial assets and other assets	(3,32,742)	16,34,174
Deferred tax credit B	(45,59,201)	(57,18,621)
Total Income Tax expense (A+B)	84,40,799	1,97,81,379

28. PARTICULARS OF PRODUCTION

	Production	
	2017-18 TPA	2016-17 TPA
Fatty Acids	45483	50916
Cattle Feed	-	1218
Toilet Soap	117	246
Soap Products	15791	26014

Glycerine	3507	3183
Industrial Oxygen (cu. mtrs)	612847	600811
Biomass Power (kWh)	24914266	29562238
Wind Power (kWh)	14851184	14022372
TPA = Tonnes per Annum		

Note:

- Production of Fatty Acids includes 9,057 MT (Previous year 13,621 MT) utilized for captive consumption at Soap Plant and 614 MT (Previous year – 2,976 MT) processed on behalf of others.
- Production of Glycerine includes 244 MT (Previous year 290 MT) consumed for captive consumption at Soap Plant.
- Production of Industrial Oxygen includes captive consumption of 1841 cubic meters (Previous year 2,940 cu. mtrs).
- Power Generation includes 1,53,10,866 units (Previous year 1,56,03,238 units) utilized for captive consumption.

29. Value of imports made by the Company during the Financial Year calculated on CIF basis.

	2017-18	2016-17
	Rs.	Rs.
Raw Materials	20,42,81,073	44,65,29,948
Stores and Spares	1,21,51,715	2,29,54,455
Total	21,64,32,788	46,94,84,403

Company incurred expenditure in foreign currency USD 2125 (Rs.1,37,084) on Consultancy Services and Travelling during the year and in the previous year NIL.

30. Comparison between consumption of imported and indigenous spares and components during the year charged to appropriate heads of account.

	2017-18		2016-17	
	Rs.	%	Rs.	%
Imported	3,29,777	0.08	48,791	1.00
Indigenous	42,08,35,198	99.92	44,87,93,444	99.00
	42,11,64,975	100.00	44,88,42,235	100.00

31. SEGMENT INFORMATION

(Current year figures are in bold font)

	Chemicals Rs.	Soap Rs.	Power Rs.	Unallocated Rs.	Eliminations Rs.	Consolidated Rs.
Revenue						
External Revenue	245,28,59,963	92,36,43,962	10,80,64,193			348,45,68,118
	252,53,79,859	144,78,46,355	12,82,29,457			410,14,55,671
Inter-segment Revenue	51,08,46,786		17,66,63,575		(68,75,10,361)	
	74,85,08,609		15,41,94,559		(90,27,03,168)	
Total Revenue (See Note below)	296,37,06,749	92,36,43,962	28,47,27,768		(68,75,10,361)	348,45,68,118
	327,38,88,468	144,78,46,355	28,24,24,016		90,27,03,168	410,14,55,671

	Chemicals Rs.	Soap Rs.	Power Rs.	Unallocated Rs.	Eliminations Rs.	Consolidated Rs.
Result						
Segment result	15,92,32,910	(2,84,58,716)	82,04,451			13,89,78,645
	16,63,00,883	(2,15,39,195)	211,65,218			16,59,26,906
Unallocated expenditure				(8,38,21,896)		(8,38,21,896)
(net of unallocated income)				6,54,33,319		6,54,33,319
Operating Profit						5,51,56,749
						10,04,93,587
Interest expenses				1,41,96,532		1,41,96,532
				172,82,154		1,72,82,154
Interest income				85,26,018		85,26,019
				1,86,49,464		1,86,49,464
Profit before tax						4,94,86,236
						10,18,60,897
Provision for tax,						1,30,00,000
						2,55,00,000
Deferred Tax (Provision)/ Withdrawal						45,59,201
						57,18,621
Excess Provision of I.T. in earlier years						2,93,970
Profit after Taxation						4,10,45,437
						8,20,79,518
Other Information						
Segment assets	129,54,40,283	38,26,89,730	30,89,40,418			198,70,70,430
	1,29,73,11,749	43,29,56,672	30,23,60,933			203,26,29,354
Unallocated corporate assets				13,18,27,441		13,18,27,441
				47,43,52,215		47,43,52,215
Total assets						211,88,97,871
						250,69,81,569
Segment liabilities	6,00,49,425	13,98,17,364	13,63,44,499			33,62,11,288
	32,47,53,545	3,26,62,144	1,83,83,820			37,57,99,509
Unallocated corporate liabilities				6,18,41,462		6,18,41,462
				44,92,37,269		44,92,37,269

	Chemicals Rs.	Soap Rs.	Power Rs.	Unallocated Rs.	Eliminations Rs.	Consolidated Rs.
Total liabilities						39,80,52,750
						82,50,36,778
Capital employed	123,53,90,858	24,28,72,366	17,25,95,918	6,99,85,979		1,72,08,45,121
	97,25,58,204	40,02,94,528	28,39,77,113	2,51,14,947		1,68,19,44,792
Capital expenditure during the year	-	-	-	1,45,89,414		1,45,89,414
	10,36,783	22,98,918	39,74,029	1,84,00,572		2,57,10,302
Depreciation for the year	3,16,59,544	72,77,013	1,68,55,220	95,46,232		6,53,38,008
	3,39,89,808	1,03,74,443	1,69,28,696	93,88,100		7,06,81,047

Note :

- a. The Company has considered business segment as the primary segment for disclosure. The products included in each of the reported domestic business segments are
 - Chemicals - Fatty acids
 - Soap - Toilet soap and Soap products
 - Power - Power generated by Biomass Power Plant and Wind Energy Generators (WEGs)
- b. Segment revenue relating to each of the above domestic business segments includes income from processing on behalf of others wherever applicable.
- c. Identification of segments:
The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments have been identified considering the following:
 - the nature of products and services
 - the differing risks and returns
 - the organization structure and
 - the internal financing reporting systems
- d. The Company predominantly operates in Indian market and has no production facilities or any significant sales outside India. Hence there are no separate reportable geographical segments.
- e. Inter segment transfers are priced at market related rates.

As at	As at
31-03-2018	31-03-2017
Rs.	Rs.

32. Contingent Liabilities not provided for –

a) Estimated amount of contracts remaining to be executed and not provided for which commitment is made (Towards Raw Materials and Stores)	21,73,60,883	41,51,83,074
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b) Claims against the Company not admitted as debts relating to:

i) Excise and Service Tax	1,28,90,035	1,22,76,003
ii) Income Tax	-	26,49,557
iii) State Levies	15,89,620	15,89,620
iv) Other Contracts	4,19,877	4,07,947

33. Foreign exchange earnings on exports during the year calculated on FOB basis Rs.28,95,34,372 (Previous year Rs. 61,28,74,150).

34. RELATED PARTY DISCLOSURES

a. List of related parties and description of relationship:

1. Holding Company : The Andhra Sugars Ltd.
2. Key Managerial Personnel : J. Murali Mohan, Managing Director
3. a. Relatives of Key Managerial Personnel

J. Ganga Bhavani	Mother
J. Sunita Mohan	Wife
J. Namrata	Daughter
V. Indira	Sister
J. Murali Mohan	HUF

b. Related party transactions : (Current year figures in bold font)

	Holding Company Rs.	Key Managerial Personnel Rs.	Relatives of Key Managerial Personnel Rs.
Purchase of goods	21,42,014 (2,46,83,478)	-	-
Sale of goods	29,12,474 (16,26,029)	-	-
Rendering of services	- (6,439)	-	-
Receiving of services	-	-	-
J. Sunita Mohan	-	-	57,000 (57,000)
Interest paid	- (27,38,631)	12,47,556 (15,23,418)	-
J. Sunita Mohan	-	-	74,247 (3,43,424)
J. Ganga Bhavani	-	-	2,02,467 (2,98,047)
J. Namrata	-	-	4,97,821 (6,29,890)
J. Murali Mohan (HUF)	-	-	5,51,400 (6,88,571)

	Holding Company Rs.	Key Managerial Personnel Rs.	Relatives of Key Managerial Personnel Rs.
Remuneration paid	–	1,19,96,578 (1,19,39,494)	– –
Dividend paid	1,46,59,500 (Nil)	7,680 (Nil)	– –
J. Murali Mohan (HUF)	–	–	52,620 (Nil)
J. Sunita Mohan	–	–	16,008 (Nil)
J. Ganga Bhavani	–	–	12,150 (Nil)
J. Namrata	–	–	5,400 (Nil)
V. Indira	–	–	22,500 (Nil)
Balances as at 31-3-2018			
a) Investment in Shares of			
b) Share Capital of the	4,88,65,000	25,600	–
company held by	(4,88,65,000)	(25,600)	–
J. Murali Mohan (HUF)	–	–	1,75,400 (1,75,400)
J. Sunita Mohan	–	–	53,360 (53,360)
J. Ganga Bhavani	–	–	40,500 (40,500)
J. Namrata	–	–	18,000 (18,000)
V. Indira	–	–	75,000 (75,000)
c) Fixed Deposits received	–	70,56,094	–
from	–	(1,43,12,686)	–
J. Sunita Mohan	–	–	8,54,271 (7,88,291)
J. Ganga Bhavani	–	–	22,59,890 (20,85,350)
J. Namrata	–	–	54,25,613 (50,06,565)
J. Murali Mohan (HUF)	–	–	60,40,505 (55,73,965)
d) Remuneration Payable	–	14,82,804	–
	–	(27,01,830)	–

35. DISCLOSURE REQUIRED BY IND AS - 19 "EMPLOYEE BENEFITS"**I. Defined contribution plans**

During the year, the Company has recognized the following contribution amounts in the Statement of Profit and loss.

	Year ended 31-3-2018 Rs.	Year ended 31-3-2017 Rs.
Employer's contribution to provident fund	1,54,63,144	1,69,02,583
Employer's contribution to superannuation fund	41,41,429	37,79,754
Employer's contribution to employees state insurance	53,72,164	48,79,595
Total recognized in the Statement of Profit and Loss	<u>2,49,76,737</u>	<u>2,55,61,932</u>

II. Defined benefit plans :

	Gratuity	
	31-3-2018 Rs.	31-3-2017 Rs.
Present value of obligations at beginning of the year	8,50,68,598	8,03,70,848
Interest cost	66,50,237	64,29,668
Current Service cost	44,52,122	53,80,307
Past Service cost	1,34,907	-
Benefits paid	(38,81,268)	(85,25,922)
Net actuarial loss	15,22,203	14,13,697
Present value of obligations at end of the year	<u>9,39,46,799</u>	<u>8,50,68,598</u>

Reconciliation for changes in fair value of plan assets

Fair value of plan assets at beginning of the year	10,27,37,883	10,27,52,161
Expected return	80,91,870	80,63,360
Contribution by employer	7,02,264	4,48,284
Benefits paid	(38,81,268)	(85,25,922)
Remeasurements - Return on assets	(5,02,250)	-
Fair value of plan assets at end of the year	<u>10,71,48,499</u>	<u>10,27,37,883</u>

Reconciliation of present value of defined benefit obligations and fair value of plan assets

Present value of defined benefit obligations at end of the year	9,39,46,799	8,50,68,598
Fair value of plan assets at end of the year	10,71,48,499	10,27,37,883

Fund balance/(Plan liability) recognised in the Balance Sheet	<u>1,32,01,700</u>	<u>1,76,69,285</u>
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Expenses recognized in the Statement of Profit and Loss

Current Service cost	45,87,029	53,80,307
Interest cost (net)	(14,41,633)	(13,89,348)
Net expenses recognized in the Statement of Profit and Loss	<u>31,45,396</u>	<u>39,90,959</u>

Expenses recognized in Other Comprehensive income

Return on plan assets	5,02,251	(2,44,344)
Actuarial losses	15,22,203	14,13,697
	<u>20,24,454</u>	<u>11,69,353</u>

Obligations and fund balance of gratuity for the last 5 financial years

	31-3-2018	31-3-2017	31-3-2016	31-3-2015	31-3-2014
	Rs.	Rs.	Rs.	Rs.	Rs.
Obligations at the end of each year	9,39,46,799	8,50,68,598	8,03,70,848	7,16,97,071	6,57,42,495
Plan assets at the end of each year	10,71,48,499	10,27,37,883	10,27,52,161	9,52,21,820	8,44,54,681
Fund status	<u>1,32,01,700</u>	<u>1,76,69,285</u>	<u>2,23,81,313</u>	<u>2,35,24,749</u>	<u>1,87,12,186</u>

Sensitivity Analysis

Discount Rate, Salary escalation rate and withdrawal Rate are significant actuarial assumptions. The change in the Present Value of Defined Benefit Obligation for a change of 100 basis points from the assumed assumption is given below.

Summary of Financial & Demographic assumptions:-

Scenario	DBO Rs.	Percentage Change
Under Base Scenario	9,39,46,799	-
Salary Escalation - Up by 1%	10,45,53,909	11.30%
Salary Escalation - Down by 1%	8,48,58,485	-9.70%
Withdrawal Rates - Up by 1%	9,48,26,723	0.90%
Withdrawal Rates - Down by 1%	9,29,21,787	-1.10%
Discount Rate - Up by 1%	8,49,22,061	-9.60%
Discount Rate - Down by 1%	10,46,78,210	11.40%

Maturity profile of defined benefit obligation

	Rs.		Rs.
Year 1	77,49,603	Year 6	77,99,306
Year 2	46,11,627	Year 7	49,11,111
Year 3	71,31,493	Year 8	72,84,638
Year 4	79,68,254	Year 9	55,66,797
Year 5	62,74,319	Year 10	50,14,077

Participant Data

The defined benefit obligation for the period ending 31 March 2018 is based on the member data provided by the Company.

The summary statistics for the data is as follows:

Summary of Membership Status

Particulars	31-03-2018	31-03-2017
Number of Employees	719	740
Total Monthly Salary (Rs.)	86,76,031	88,93,390
Average Monthly Salary (Rs.)	12,067	12,018
Average Past Service	15.03	14.22
Average Age	40	39
Average Future Service	21	21
	(In %)	
Acturial assumptions	Gratuity	
	2017-18	2016-17
a) Discount rate	8	8
b) Salary escalation rate per unit	7-8	7-8

The major category of plan assets as a % of total plan assets are funded with Life Insurance Corporation of India.

36. EARNINGS PER SHARE

	2017-18	2016-17
Profit for the year	4,10,45,437	8,20,79,517
Weighted average number of equity shares of Rs.10/- each	88,81,150	88,81,150
Basic and diluted earning per share	4.62	9.24

37. CATEGORY - WISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

The carrying amounts and fair value of financial instruments by categories as at 31st March, 2018 and 31st March, 2017 are as follows.

Particulars	Carrying Value (Rs.)		Fair Value (Rs.)	
	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2018	As at 31st March, 2017
Financial assets				
Measured at Amortized cost				
i) Cash and cash equivalents	18,02,40,877	14,51,00,023	18,02,40,877	14,51,00,023
ii) Trade receivables	49,21,45,779	90,97,82,130	49,21,45,779	90,97,82,130
iii) Other financial assets	1,03,79,329	1,99,26,406	1,03,79,329	1,99,26,406
iv) Loans and advances	–	1,00,01,541	–	1,00,01,541
Measured at FVTOCI				
i) Investments in equity instruments	5,92,68,633	2,73,21,855	5,92,68,633	2,73,21,855

Measured at FVTPL

i) Current Investments - Mutual funds	10,09,49,532	3,10,404	10,09,49,532	3,10,404
Total financial assets	84,29,84,150	111,24,42,359	84,29,84,150	111,24,42,359

Financial liabilities**Measured at amortized cost**

i) Borrowings	6,65,48,760	28,41,86,099	6,65,48,760	28,41,86,099
ii) Other financial liabilities	2,17,36,390	2,32,95,061	2,17,36,390	2,32,95,061
iii) Trade payables	13,48,62,187	32,39,08,895	13,48,62,187	32,39,08,895
Total financial liabilities	22,31,47,337	63,13,90,055	22,31,47,337	63,13,90,055

The Company has disclosed financial instruments such as cash and cash equivalents, trade receivables, trade payables and Short Term Borrowings at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31 March 2017.

Financial assets and liabilities measured at fair value as at Balance Sheet date

The fair values of investments in mutual funds is based on the net asset value ['NAV'] as stated by issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual funds and the price at which issuers will redeem such units from the investors.

38. FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities. Fair value of the Company's financial assets and financial liabilities are measured at fair value on a recurring basis. Some of the Company's financial assets are measured at the fair value at the end of each reporting period.

The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique and other inputs used).

Financial assets/ Financial liabilities	Fair value as at			Fair value hierarchy	Valuation technique and key input
		31 March 2018 Rs.	31 March 2017 Rs.		
1) Investments in quoted mutual funds	Investment in Quoted mutual funds - aggregate fair value of	10,09,49,532	3,10,404	Level1	Quoted bid prices in an active market
2) Investments in equity instruments (quoted)	Listed equity securities in various companies domiciled in India aggregate fair value of -	5,92,68,633	2,73,21,855	Level1	Quoted bid prices in an active market

Note: The fair value of trade receivables, trade payables, loans and other current financial assets and liabilities is considered to be equal to the carrying amount of these items due to their short-term nature.

39. FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, credit risk and foreign currency risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also planned before the Board of Directors of the Company.

A. Credit risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of the account receivables. Individual risk limits are set accordingly.

Trade receivables

Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis.

Historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and money market liquid mutual funds.

The Company's maximum exposure of credit risk as at March 31, 2018, and March 31, 2017 is the carrying value of each class of financial assets.

B. Foreign currency risk management

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials. The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars.

The Company manages currency exposures within prescribed limits. The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2018 and 31 March 2017

Particulars	(Amount in Rs.)	
	31-3-2018	31-03-2017
	\$	\$
Assets :		
Trade receivables	3,87,61,650	37,01,19,549
Cash and cash equivalents	6,51,15,833	8,36,65,839
Liabilities		
Trade payables	-	-
Net asset / (liabilities)	10,38,77,483	45,37,85,388

Foreign currency sensitivity analysis

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional Rs. 51,93,874 gain in the Statement of Profit and Loss (2016-17 - Rs.2,26,89,268 gain). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates. The company has not entered into any derivative contracts like foreign exchange forward contracts to hedge the risk of exposure in foreign currency.

C. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March 2018 and 31 March 2017. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents

(to the extent required) and any excess is invested in interest bearing term deposits and mutual funds with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities. All the payables such as trade payables and borrowings falls due for payment within one year.

d. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

40. DIVIDEND

The board of directors at its meeting held on 29 May 2018 have recommended a dividend of Rs.2 share of face value of Rs.10 each for the financial year ended 31 March 2018. The above is subject to approval at the ensuing Annual general meeting of the company and hence is not recognised as a liability.

- 41.** Disclosure as per Regulation 53(f) of Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- i) Loans and advances in the nature of loans given to company in which Directors are interested Rs. NIL. (31 March 2017 : Rs. NIL).
 - ii) Details of investments, loans / guarantees made u/s 186 of Companies Act 2013 : Rs. NIL (31 March 2017 : Rs. NIL).
- 42. a)** Balances in personal accounts of various parties are subject to confirmation by and reconciliation with the said parties.
- b) In the opinion of the management, Current Assets, Loans and advances have a value on realization in the ordinary course of business equal to the values at which they are stated.
- 43.** Previous year's figures have been regrouped wherever necessary to confirm to the current year classification.
- 44.** Paise have been rounded off.

Signatures to Note Nos. 1 to 44 forming part of the Accounts

As per our report of even date :
For CHEVUTURI ASSOCIATES
Chartered Accountants
Firm's Registration No.000632S
RAGHUNADHA RAO BALINENI, Partner
Membership No. 028105
Vijayawada
29 May 2018

For and on behalf of the Board

P. NARENDRANATH CHOWDARY Chairman

J. MURALI MOHAN Managing Director

K. RAGHURAM Dy. Secretary & AGM (Fin.)



Jocil Limited

(A Subsidiary of The Andhra Sugars Limited)

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CIN : L28990AP1978PLC002260 • Ph : +91 863 2290190 • Fax : +91 863 2290090 • Email : jocil@jocil.net • Web : www.jocil.in

Form No. MGT-11

PROXY FORM

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

Name of the Member(s) :

Registered Address :

E-mail Id :

Folio No./Client ID No. : DP ID No. :

I/We, being the member(s) of shares of Jocil Limited, hereby appoint

1. Name : Email Id :

Address :

..... Signature :

2. Name : Email Id :

Address :

..... Signature :

3. Name : Email Id :

Address :

..... Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fortieth Annual General Meeting of the Company to be held on Saturday, 29 September 2018 at 3.30 p.m. at the Registered Office, Jocil Limited, Dokiparru – 522 438, Medikondur Mandal, Guntur Dist., A.P. and at any adjournment thereof in respect of such resolutions as are indicated below :

1. Adoption of Audited Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended 31 March 2018.
2. Declaration of dividend for the financial year 2017-18.

P.T.O.

- 3. Re-appointment of Shri P. Narendranath Chowdary (DIN : 00015764) who retires by rotation.
- 4. Ratification of appointment of Statutory Auditors and fixing their remuneration.
- 5. Ratification of Cost Auditor's remuneration.

Signed this day of 2018.



x
Signature of the Shareholder

x
Signature of the Proxy holder(s)

Notes : This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Dokiparru – 522438, Medikondur Mandal, Guntur Dist, A.P., not less than 48 hours before the commencement of the Meeting.



Form No. SH-13

Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To

Jocil Limited

Dokiparru, Medikondur Mandal, Guntur - 522 438.

I/We the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S -

- a. Name :
- b. Date of Birth :
- c. Father's/Mother's/Spouse's name :
- d. Occupation :
- e. Nationality :
- f. Address :
- g. E-mail id :
- h. Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR-

- a. Date of birth :
- b. Date of attaining majority :
- c. Name of guardian :
- d. Address of guardian :

4. PARTICULARS OF THE NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

- a. Name :
- b. Date of Birth :
- c. Father's/Mother's/Spouse's name :
- d. Occupation :
- e. Nationality :
- f. Address :
- g. E-mail id :
- h. Relationship with the security holder :
- i.e., Relationship with the minor nominee

Signature:

Name and address of the Security Holder (s) :

Witness with name and address :

Instructions :

1. The Nomination can be made only by individuals applying/holding shares/debentures on their own behalf singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the shares are held jointly, all joint holders will sign the nomination form. If there are more joint holders, more sheets can be added for signatures of holders of shares/debentures and witness.
2. A minor can be nominated by a holder of shares/debentures/deposits and in that event the name and address of the Guardian shall be given by the holder.
3. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a power of attorney holder. A non-resident Indian can be a nominee on repatriable basis.
4. Nomination stands rescinded upon transfer of share/debenture or repayment/renewal of deposits made.
5. Transfer of share/debenture in favour of a nominee and repayment of amount of deposit to nominee shall be valid discharge by a company against the legal heir.
6. The intimation regarding Nomination/Nomination Form shall be filed in duplicate with Company/Registrar and Share Transfer Agents of the Company who will return one copy thereof to the share or debenture or deposit holder.

Guidelines for filling in the Nomination Form :

1. Please note that only one person can be nominated for a given folio covering the entire shareholding in such folio.
2. In case of joint holding, all the holders should sign the nomination form.
3. The nomination once made in respect of a given folio would automatically extend to the shares further acquired in the same folio. Similarly, if all the shares in a folio are transferred from such folio, nomination so made in respect of such folio will automatically stand cancelled.
4. Nomination once made can be revoked/changed by submitting fresh nomination form upon receipt of which the earlier nomination will stand cancelled.
5. In case of nominations made by joint holders, upon demise of one of the joint holders, the remaining joint holder(s) will continue to be member(s) of the Company. In such case, the surviving shareholder(s), if he so desires, may make a fresh nomination in the prescribed form by revoking the old nomination.
6. A valid nomination, once made, will override a Will or other testamentary documents executed by the deceased shareholder and the Company will not entertain any claim from any person other than the registered nominee.
7. Nomination forms received by the Company will be scrutinised and the nomination will be registered if the form is found complete in all respects. For all valid nominations received, the Company will allot a registration number and communicate the same to the concerned shareholder who should quote such number in all future correspondence.



Form No. SH-14

Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]

Jocil Limited

I/We hereby cancel the nomination(s) made by me/us in favor of
.....(name and address of the nominee) in respect of the below mentioned securities.

or

I/We hereby nominate the following person in place of
..... as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THE SECURITIES

(in respect of which nomination is being cancelled / varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

2. PARTICULARS OF NOMINEE/S -

- a. Name :
- b. Date of Birth :
- c. Father's/Mother's/Spouse's name :
- d. Occupation :
- e. Nationality :
- f. Address :
- g. E-mail id :
- h. Relationship with the security holder:

3. IN CASE NOMINEE IS A MINOR-

- a. Date of birth :
- b. Date of attaining majority :
- c. Name of guardian :
- d. Address of guardian :

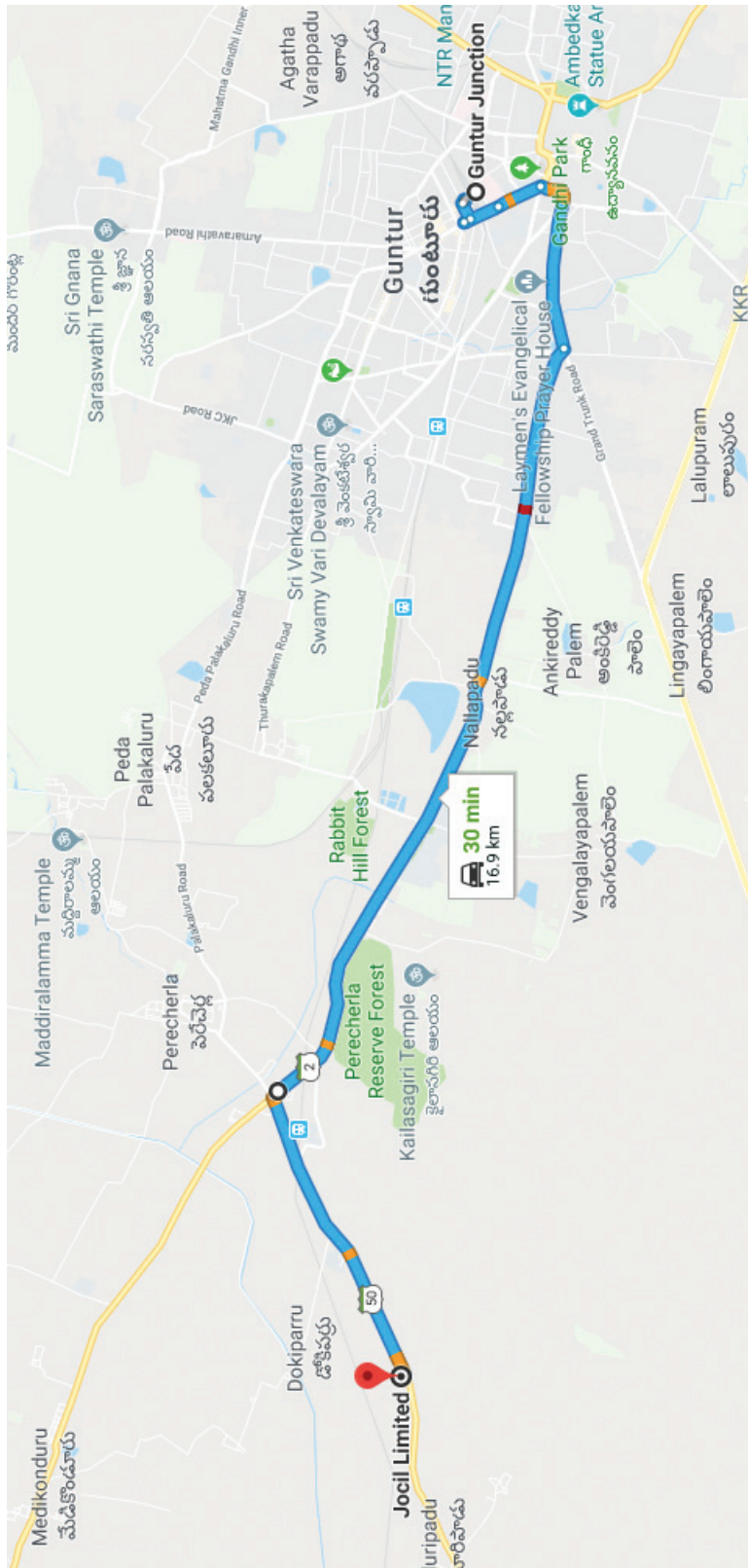
4. PARTICULARS OF THE NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

- a. Name :
- b. Date of Birth :
- c. Father's/Mother's/Spouse's name :
- d. Occupation :
- e. Nationality :
- f. Address :
- g. E-mail id :
- h. Relationship with the security holder :
- i.e., Relationship with the minor nominee

Signature:

Name and address of the Security Holder (s) :

Witness with name and address :



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