

The logo for Jocil features the word "Jocil" in a green, serif font. A stylized orange and red leaf or flame-like graphic is integrated into the letter 'i'.

Annual Report

2015-2016

Jocil Limited

Box 216, Arundelpet P.O., GUNTUR-522 002, AP. • Factory & Regd. Office : DOKIPARRU, GUNTUR-522 438, AP.
CIN : L28990AP1978PLC002260 • Ph : +91 863 2290190 • Fax : +91 863 2290090 • Email : jocil@jocil.net • Web : www.jocil.in

BOARD OF DIRECTORS

P. Narendranath Chowdary

J. Murali Mohan

Mullapudi Thimmaraja

V. S. Raju

K. Srinivasa Rao

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

Subbarao V. Tipirneni

M. Mrutyumjaya Prasad

P. Venkateswara Rao

Dr. Manjulata Dasari

Chairman

Managing Director

Director

Independent Director

Director

Independent Director

Independent Director

Director

Independent Director

Independent Director

PRESIDENT & SECRETARY

P. Kesavulu Reddy,

M.Com., LL.B., F.C.M.A., F.C.S.

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.
E-mail : xlfield@gmail.com

AUDITORS

Brahmayya & Co.,
Chartered Accountants,
10-3-21, Sambasivapet,
Guntur - 522 001.

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.

An ISO 9001:2008

Certified Company



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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Thirty Eighth 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 3rd September 2016 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 31st March 2016 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To confirm the Interim Dividend paid as final dividend for the year 2015-16.
3. To elect a Director in place of Shri Mullanpudi Thimmaraja (DIN : 00016711) who retires by rotation and being eligible offers himself for reappointment / re-election.
4. To elect a Director in place of Shri K. Srinivasa Rao (DIN : 00381090) who retires by rotation and being eligible offers himself for reappointment / re-election.
5. To ratify the appointment of Statutory Auditors M/s. Brahmaya & Co., Chartered Accountants, Guntur for the year 2016-17 to hold office from the conclusion of this Annual General Meeting, until the conclusion of thirty ninth Annual General Meeting and to fix their remuneration. The shareholders at the Thirty Sixth Annual General Meeting appointed M/s. Brahmaya & Co., for a period of three years, until the conclusion of Thirty Ninth Annual General Meeting subject to ratification by them each year.

Special Business :

6. To approve the remuneration of the Cost Auditors for the financial year ending March 31, 2017 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 modifications(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 March 31, 2017, 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."

7. To approve the acceptance of fixed deposits from the members and public and in this regard to consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**.

"RESOLVED that pursuant to Sections 73 and 76 and other applicable provisions of the Companies Act, 2013 (the Act) read with Companies (Acceptance of Deposits) Rules 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) approval of the members be and is hereby accorded to authorize the Board of Directors of the Company to accept fixed deposits secured / unsecured from the members and the public aggregating upto Rs.30 crores (Rupees Thirty crores) on such terms & conditions as the Board of Directors of the Company may, from time to time determine and consider proper and most beneficial to the Company including as to utilization of the issue proceeds and all matters connected with or incidental thereto, however, such fixed deposits together with other borrowings shall not exceed at any given time aggregate of paid-up share capital and free reserves of the Company as defined under Sec. 180 (1) (c) of the Act."

"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."

Hyderabad
28th May 2016.

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

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 schedule time of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, the 2nd August 2016 to Wednesday 3rd, August 2016, both days inclusive.
3. Members are requested to notify any change in address or e-mail address immediately to the Company's Registered Office or Registrar and Transfer Agents.
4. Pursuant to Section 205-A of the Companies Act, 1956, the unclaimed dividend for the year ended 31st March, 2008 has been transferred to the Investor Education and Protection Fund established by the Central Government and hence, it is informed that no claim either to the Company or Central Government will be entertained for payment of the same.
5. Information about the Directors seeking reappointment at the 38th Annual General Meeting as required under Listing Regulations is attached.
6. 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), subject to the provisions of Companies Act, 2013 and Rules made thereunder in whose favour they wish to vest the Shares / Deposits on their death.
7. The Interim Dividend for the year 2015-16 declared by the Board of Directors at its meeting held on 14th March 2016 was paid to the shareholders in the last week of March 2016. The Record Date for payment of Interim Dividend was 23rd March 2016. The Board of Directors confirmed the Interim Dividend as the final dividend for the year 2015-16.
8. 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.

ANNEXURE TO THE NOTICE

[Explanatory Statement as required under Sec. 102 of the Companies Act, 2013.](#)

Item No. 6 :

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 March 31, 2017 on a remuneration of Rs. 1,50,000 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 has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

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.

Item No. 7:

The Company has been accepting fixed deposits from its members and the public and as on 31-03-2016 the Company is holding fixed deposits of Rs. 764.08 lakhs. As per the provisions of Companies Act, 2013 and Rules made

thereunder the Company is required to obtain previous approval of its shareholders for accepting fixed deposits from its members and public by means of an ordinary / special resolution as may be required.

In order to augment the funds at cheaper cost for general corporate purposes and capital expenditure, the Company may accept fixed deposits from its members and public to save on finance costs.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 7 of the Notice. This resolution enables the Board of Directors of the Company to accept fixed deposits from its members and public as may be required from time to time.

The Directors / Key Managerial Personnel of the Company / their relatives will be considered as interested in the resolutions to the extent of their placing fixed deposits in the Company.

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

Hyderabad
28th May 2016.

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

Addendum

Special Business :

8. To approve the alternation to the Articles of Association of the Company and in this regard to consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**.

"RESOLVED that pursuant to Section 14 of the Companies Act, 2013 Article 117 (iii) of Articles of Association of the Company be altered by substituting 'The fee so determined shall not exceed Rs.15,000 for a Board Meeting and Rs.10,000 for a Committee Meeting' in place of 'The fee so determined shall not exceed Rs.10,000 for a meeting' in the second sentence thereof".

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

Tanuku
27-07-2016.

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

ANNEXURE TO THE NOTICE

[Explanatory Statement as required under Sec.102 of the Companies Act, 2013.](#)

Item No.8:

Article 117(iii) of Articles of Association of the Company authorises the Board of Directors to pay sitting fees for each meeting of the Board or Committee thereof up to a maximum of Rs.10,000 per meeting. It is proposed to alter the Article 117(iii) of Articles of Association of the Company authorising the Board of Directors for payment of sitting fee up to a maximum of Rs.15,000 for attending each meeting of the Board and Rs.10,000 for each meeting of the Committee thereof to a Director.

Non Whole-time Directors are deemed to be interested in the resolution. None of the other 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 Special resolution by the shareholders.

Tanuku
27-07-2016.

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 31-08-2016 at 9.00 a.m. and ends on 02-09-2016 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 02-08-2016 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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 Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be emailed 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 the Frequently Asked Questions (FAQs) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ABBREVIATED RESUME OF THE DIRECTORS SEEKING REAPPOINTMENT

1. Shri Mullapudi Thimmaraja (DIN : 00016711)

Shri Mullapudi Thimmaraja joined as Director on the Board of the Company on 27-10-1988. He is a graduate in Chemical Engineering and Post Graduate in Business Administration from the University of Florida, U.S.A. For more than three decades he has been the Whole-time Director of the Holding Company, The Andhra Sugars Limited, a multi product multi division Company manufacturing Sugar and wide range of Organic and Inorganic Chemicals.

Shri Mullapudi Thimmaraja is an industrialist and having vast experience in administration and management of corporate affairs. He is a member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and the Stakeholders Relationship Committee constituted by the Board of Directors of the Company. Shri Mullapudi Mrutyumjaya Prasad, Director on the Board of Directors of the Company is related to him. As on 31st March 2016 he is holding 4,500 equity shares of the Company. Particulars of directorships of other listed companies and memberships in committees are given below.

Name of the Company	Position	Name of the Committee	Position
The Andhra Sugars Limited	Jt. Managing Director	Stakeholders Relationship Committee	Member
		Corporate Social Responsibility Committee	Member
The Andhra Petrochemicals Limited	Director	Stakeholders Relationship Committee	Member

The Company received from him declaration in Form DIR-8 confirming that he has not incurred disqualification under section 164(2) of the Companies Act, 2013 in any of the companies mentioned therein in the previous financial year, and that, he at present, stands free from any disqualification from being a director.

2. Shri Kandimalla Srinivasa Rao (DIN : 00381090)

Shri Kandimalla Srinivasa Rao has been a Director of the Company since 1-11-1980. He is an industrialist and having vast experience in business and industry. During his tenure as Director on the Board of the Company he has rendered very valuable services for promotion and development of the Company. As on 31st March 2016 he is holding 3,25,092 equity shares of the Company.

The Company received from him declaration in Form DIR-8 confirming that he has not incurred disqualification under section 164(2) of the Companies Act, 2013 in any of the companies mentioned therein in the previous financial year, and that, he at present, stands free from any disqualification from being a director.

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Thirty Eighth Annual Report together with the Audited Statement of Accounts for the year ended 31st March 2016.

	(Rs. in Lakhs)	
	2015-16	2014-15
1. FINANCIAL RESULTS		
Gross Sales	42443.14	35854.62
Less : Excise Duty	3776.91	3725.48
Net Sales	38666.23	32129.14
Processing Charges	597.20	923.06
Other Income	502.39	236.31
Total Income	39765.82	33288.51
Profit for the year before Interest and Depreciation	3630.74	2729.24
Interest	(112.63)	(94.56)
Depreciation	(804.20)	(666.77)
Profit Before Tax	2713.91	1967.91
Provision for Current Tax	(1025.00)	(700.00)
Deferred Tax / (Credit)	101.82	42.74
Excess/(Short) provision of Income Tax made in earlier years	2.94	--
Profit After Tax	1793.67	1310.65

During the year the total turnover of the company has grown up to Rs. 435.43 crores from Rs. 370.14 crores in the previous year, an increase by 17.64% over the previous year. The sales of fatty acids, glycerine and soap products have increased considerably due to increase in volumes even though the average realization has come down. The turnover of the Company includes export sales of Rs. 67.17 crores which is significant as compared to the exports in the previous year of Rs. 0.61 crores. As a result, the Company has been recognized as 'One Star Export House' by the Govt. of India. Due to increase in turnover and lower raw material prices the Profit Before Interest and Depreciation (PBID) rose by 33.03% and Profit Before Tax (PBT) by 37.91% over the previous year even though the Company made higher provision for depreciation expenses as per the new regulations under the Companies Act, 2013. The rise in PAT is 36.85% over the previous year.

The appropriations from the profit are as detailed below.

	(Rs. in Lakhs)	
	2015-16	2014-15
Profit after Tax	1793.67	1310.65
Balance brought forward from previous year	1114.33	1487.13
Profit for appropriations	2908.00	2797.78
APPROPRIATIONS		
Interim Dividend paid	621.68	532.87
Provision for Tax on distributed profits @ 20.35765% on dividend	126.56	108.48
Transfer to General Reserve	500.00	1042.10
Balance carried forward	1659.76	1114.33
TOTAL	2908.00	2797.78
Authorized Capital	1000.00	1000.00
Paid-up Capital	888.16	888.16
Reserves & Surplus	14983.17	13937.75

2. DIVIDEND

Considering the profitability of the Company, the Board of Directors declared interim dividend at Rs. 7 (seven) per equity share of Rs.10 each, which aggregates to Rs. 6,21,68,050 on the 88,81,150 equity shares of the Company and the same was paid to the shareholders in the last week of March 2016. The Board of Directors recommend to the shareholders for their approval of the said Interim Dividend. In the previous year, the Company paid dividend at Rs.6 (six) per equity share of Rs.10 each on 88,81,150 shares amounting to Rs.5,32,86,900.

3. OPERATIONS

	2015-16 MT	2014-15 MT
Production (including processed on jobwork)		
a) Fatty Acids	61424	49445
b) Soap products	38605	33410
c) Biomass Power-kwh	31797001	26740889
d) Wind Power-kwh	8189633	9754843
Sales		
a) Fatty Acids	36954	28832
b) Soap products	30866	19541
c) Biomass Power-kwh	14557300	9804800
d) Wind Power-kwh	8189633	9754843

4. OUTLOOK

Fatty Acids and Soap

The sales of fatty acids, glycerine and soap products have improved during the year due to favourable market conditions. The investment of about Rs. 50 crores by the Company in the last few years under expansion cum modernization of fatty acid plant, glycerine plant and soap plant are now yielding results in securing customer satisfaction and improving volumes. Continuous efforts are being made to increase product range and widen the customer base. As part of this exercise fat based animal feed is produced during the year to meet the requirements of the customers.

The units located in exempted areas continue to enjoy cost advantage over the Company and some of the MNC customers are sourcing part of their requirements of Toilet Soap from them. Since the Company is not having its own brands and depends on brand owners utilise the capacity, the Company is not able to utilise Soap Plant Finishing Lines for manufacture of toilet soap.

Cost of raw-materials is a major component in total cost of production and the fluctuations in rawmaterial prices is a serious cause of concern to the Company particularly when the customers demand for long term forward contracts while the same is not possible with the raw-material suppliers. Local raw material prices were comparatively cheaper than those of imported raw material prices for a large part of the year and hence the country was favourably placed for exports even though severe competition existed among the manufacturers within the country. There is stiff competition from manufacturers particularly from those having backward integration which gives them a cost advantage. Retention of high volume customers withstanding to the competition is considered very important and all efforts are made to quote attractive price. The present market conditions are expected to continue for some more time.

Biomass Power Plant

The performance of the Biomass Power Plant has been steadily improving since last two years. The generation from the plant during the year is higher by 50.56 lakh units, 18.84% over the previous year. The Govt. of A.P.

has provided tariff support by Rs. 1.50 per unit to the Biomass Power Plant Developers in addition to the applicable tariff fixed by APERC for a period of one year w.e.f. 01-04-2015. This has improved revenue from sale of power to the Company by Rs. 218.36 lakhs.

Wind Energy Generators (WEG)

Power generation during the year from the four Wind Energy Generators (WEGs) of 6.3 Mw capacity has been coming down year by year since 2012-13. During the year the power generation from all the four WEGs is 81.90 lakh units as against previous year 97.55 lakh units. The very same four WEGs have produced 164.18 lakh units in the year 2012-13. As a result the revenue from WEGs has come down. The major reason for fall in generation is the failure on the part of Tamil Nadu Electricity Generation and Distribution Corporation Limited (TANGEDCO) to evacuate power on priority basis. The back down of WEGs for want of evacuation facility amounts to 29% of available time during the year 2015-16, 22% in 2014-15 and 23% in 2013-14. The Indian Wind Power Association is fighting for 'must run' status to WEGs to avoid back down in future.

5. FINANCE AND STATUTORY COMPLIANCES

The Company availed working capital facilities under consortium arrangement from Andhra Bank and State Bank of India and the accounts are in order. The company complied with all the legal requirements and there are no outstanding statutory dues as on 31st March 2016. 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.

6. CREDIT RATING

The Credit Rating Agency CARE reaffirmed the credit rating of working capital facilities availed from the banks 'CARE A+' (adequate degree of safety regarding timely servicing of financial obligations) for long term facilities, 'CARE A1' (strong degree of safety regarding timely payment of financial obligations) for short term facilities and 'CARE A1 (FD)' (Strong degree of safety regarding timely payment of financial obligations) for Fixed Deposits accepted by the Company.

7. 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. A Committee has been set up to redress the complaints received regarding sexual harassment. During the year the Company has not received any complaints on sexual harassment of women at the workplace.

8. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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.

9. 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 Mullapudi Thimmaraja, Director and Shri K. Srinivasa Rao, Director retire by rotation and being eligible offer themselves for re-election.
- b) The Company held five Board Meetings during the year and 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. Tipineni, Independent Director. The Board accepted all the recommendations of the Audit Committee during the year.
- e) Shri J. Murali Mohan, Managing Director and Shri P. Kesavulu Reddy, President & Secretary are the Key Managerial Personnel appointed under Sec. 203 of the Companies Act, 2013.

10. AUDITORS

M/s.Brahmayya & Co., Chartered Accountants, Guntur were appointed as Auditors for a period of 3 years at the 36th Annual General Meeting held on 6th September 2014 subject to ratification by the shareholders at the ensuing Annual General Meeting to continue as Auditors for the year 2016-17.

11. COST AUDITORS

M/s. Narasimha Murthy & Co., Cost Accountants, Hyderabad carried out the cost audit for the applicable products during the year. They are eligible for re-appointment as Cost Auditors for the year 2016-17.

12. 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 2015-16 under Sec. 204 of the Companies Act, 2013 and they have submitted their report.

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

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	Risk management policy for the company including identification therein of elements of risk if any.	134 (3) (n)		5
6	Corporate Social Responsibility policy and initiatives taken during the year . Companies (Corporate Social Responsibility policy) Rules, 2014	134 (3) (o)	8 (1)	6
7	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)	7

Sl.No.	Particulars	Section	Rule	Annexure No.
8	Financial summary or highlights. Companies (Accounts) Rules, 2014	134 (3) (q)	8 (5) (i)	8
9	Conservation of energy, technology absorption and Foreign Exchange earnings and outgo. Companies (Accounts) Rules, 2014	134 (3) (m)	8 (3) (A), (B) &(C)	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	Variation in the market capitalization of the company, price earnings ratio and percentage increase over decrease in the market quotations of the shares of the company etc. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	197 (12)	5 (1) (vii)	12
13	Particulars of employees in receipt of remuneration not less than Rs. five lakhs per month or Rs. sixty lakhs per year etc. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	197 (12)	5 (2)	13
14	Secretarial Audit Report in Form MR-3. Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	204 (1)	9 (1)	14

14. 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 given below.

Sl.No.	Particulars	Para	Annexure No.
1	Related Party Disclosures	A	15
2	Management Discussion and Analysis Report	B	16
3	Report on Corporate Governance	C	17
4	Declaration by the Managing Director that all Board Members and Senior Management Personnel affirmed their compliance to the Code of Conduct.	D	18
5	Compliance Certificate from Auditors on Corporate Governance	E	19
6	Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account	F	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.31 on Accounts for disclosures in compliance with the Accounting Standards on 'Related Party Disclosures.'

15. 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; and
- 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.

16. 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.

17. 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.

Hyderabad
28th May 2016.

For and on behalf of the Board of Directors
P. NARENDRANATH CHOWDARY
Chairman

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31st March, 2016
(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	48.15
2	Soap Products	305.2	42.64

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									
g) Individual/HUF									
h) Central Govt									
i) State Govt (s)									
j) Bodies Corp.	4886500	0	4886500	55.02	4886500	0	4886500	55.02	0
k) Banks / FI									
l) Any Other....									
Sub-total (A) (1):-	4886500	0	4886500	55.02	4886500	0	4886500	55.02	0
2) Foreign									
a. NRIs - Individuals									
b. Other - Individuals									
c. Bodies Corp.									
d. Banks / FI									
e. Any Other....									
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter									
(A) = (A)(1) + (A)(2)	4886500	0	4886500	55.02	4886500	0	4886500	55.02	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0

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	176347	24008	200355	2.26	129330	24008	153338	1.73	0.53
ii) Overseas									
b. Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1208213	629118	1837331	20.69	1219615	622010	1841625	20.74	-0.05
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1393318	535396	1928714	21.72	1438790	535396	1974186	22.23	-0.51
c. Others									
i) Bodies (Clearing Mem.)	4242		4242	0.05	3471		3471	0.04	0.01
ii) NRIs'	24008		24008	0.27	22030		22030	0.25	0.02
Sub-total (B)(2):-	2806128	1188522	3994650	44.99	2813236	1181414	3994650	44.99	0
Total Public Shareholding									
(B)=(B)(1)+(B)(2)	2806128	1188522	3994650	44.99	2813236	1181414	3994650	44.99	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	7692628	1188522	8881150	100.00	7699736	1181414	8881150	100.00	0

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
Sl No.	Shareholder's Name	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	0	4886500	55.02	0	0

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

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	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 31.03.2016	31/03/2016		191090	2.15	191090	2.15
	During the year	No transactions					
2	Mohan Gupta During the year	01/04/2015		191090	2.15	191090	2.15
		31/03/2016		164000	1.85	164000	1.85
		14/08/2015	Purchase	2317	0.03	164000	1.85
		07/08/2015	Purchase	15683	0.18	161683	1.82
3	Anita Gupta During the year	01/04/2015		146000	1.64	146000	1.64
		31/03/2016		75000	0.84	75000	0.84
		During the year	No transactions				
4	Lakshmi Samrajyam Kandimalla During the year	01/04/2015		75000	0.84	75000	0.84
		31/03/2016		43818	0.49	43818	0.49
5	Rangappa N During the year	During the year	No Transactions				
		31/03/2016		43818	0.49	43818	0.49
		01/04/2015		43818	0.49	43818	0.49
		31/03/2016		39600	0.45	39600	0.45
		25/03/2016	Purchase	100	0	39600	0.45
		18/03/2016	Purchase	500	0.01	39500	0.44
		04/03/2016	Sale	-600	-0.01	39000	0.44
		26/02/2016	Purchase	1600	0.02	39600	0.45
		19/02/2016	Purchase	400	0	38000	0.43
		12/02/2016	Purchase	1000	0.01	37600	0.42
		05/02/2016	Purchase	600	0.01	36600	0.41
29/01/2016	Sale	-1000	-0.01	36000	0.41		
25/12/2015	Sale	-1000	-0.01	37000	0.42		

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	Vinodchandra Mansukhlal Parekh During the year	27/11/2015	Purchase	2000	0.02	38000	0.43		
		20/11/2015	Sale	-2000	-0.02	36000	0.41		
		13/11/2015	Sale	-600	-0.01	38000	0.43		
		06/11/2015	Purchase	200	0	38600	0.43		
		31/10/2015	Sale	-600	-0.01	38400	0.43		
		04/09/2015	Sale	-1700	-0.02	39000	0.44		
		28/08/2015	Sale	-2800	-0.03	40700	0.46		
		21/08/2015	Sale	-2500	-0.03	43500	0.49		
		14/08/2015	Purchase	1000	0.01	46000	0.52		
		24/07/2015	Purchase	500	0.01	45000	0.51		
		17/07/2015	Purchase	400	0	44500	0.50		
		10/07/2015	Purchase	4400	0.05	44100	0.50		
		03/07/2015	Purchase	2100	0.02	39700	0.45		
		26/06/2015	Purchase	200	0	37600	0.42		
		19/06/2015	Purchase	400	0	37400	0.42		
		12/06/2015	Purchase	200	0	37000	0.42		
		05/06/2015	Purchase	2800	0.03	36800	0.41		
		29/05/2015	Sale	-2000	-0.02	34000	0.38		
		25/05/2015	Purchase	1200	0.01	36000	0.41		
		15/05/2015	Purchase	4300	0.05	34800	0.39		
		01/05/2015	Purchase	179	0	30500	0.34		
		24/04/2015	Purchase	121	0	30321	0.34		
		10/04/2015	Sale	-800	-0.01	30200	0.34		
		01/04/2015				31000	0.35	31000	0.35
				31/03/2016		38214	0.43	38214	0.43
				No transactions					
				01/04/2015		38214	0.43	38214	0.43
7	Rajat Lodha During the year	31/03/2016		37724	0.42	37724	0.42		
		No transactions							
		01/04/2015		37724	0.42	37724	0.42		
8	Bipin Dahyalal Savla During the year	31/03/2016		36000	0.41	36000	0.41		
		No transactions							
		01/04/2015		36000	0.41	36000	0.41		
9	Sadineni Tulasamma During the year	31/03/2016		35000	0.39	35000	0.39		
		No transactions							
		01/04/2015		35000	0.39	35000	0.39		
10	Kandimalla Lakshmi Samrajyam During the year	31/03/2016		34,180	0.38	34,180	0.38		
		No transactions							
		01/04/2015		34,180	0.38	34,180	0.38		

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
B	As on 01.04.2015 (other than under A above)						
1	Kandimalla Bhaskar	31/03/2016		21,220	0.24	21,220	0.24
	During the year	10/04/2015	Sale	-25,000	0.28	21,220	0.24
		01/04/2015		46,220	0.52	46,220	0.52
2	Sri Rajarajeswari Kandimalla	31/03/2016		30,000	0.34	30,000	0.34
	During the year	26/02/2016	Sale	-5,000	0.06	30,000	0.34
		19/02/2016	Sale	-5000	0.06	35,000	0.39
		22/01/2016	Sale	-5872	0.07	40,000	0.45
		01/04/2015		45,872	0.52	45,872	0.52
3	Hemanth Gullapalli	31/03/2016		27,900	0.31	27,900	0.31
	During the year	21/08/2015	Sale	-1550	0.02	27900	0.31
		14/08/2015	Sale	-1981	0.02	29450	0.33
		07/08/2015	Sale	-1200	0.01	31431	0.35
		05/06/2015	Sale	-1000	0.01	32631	0.37
		29/05/2015	Sale	-2050	0.02	33631	0.38
		24/04/2015	Sale	-630	0.00	35681	0.40
		01/04/2015		36,311	0.41	36,311	0.41
C	During the year (other than under A & B)						
1	M G Shares and Stocks Pvt Ltd	31/03/2016		0	0	0	0
	During the year	18/12/2015	Sale	-10000	-0.11	0	0
		11/12/2015	Sale	-60000	-0.68	10000	0.11
		20/11/2015	Purchase	20000	0.23	70000	0.79
		30/09/2015	Purchase	5000	0.06	50000	0.56
		25/09/2015	Purchase	5000	0.06	45000	0.51
		11/09/2015	Purchase	5000	0.06	40000	0.45
		04/09/2015	Purchase	5000	0.06	35000	0.39
		28/08/2015	Purchase	5000	0.06	30000	0.34
		21/08/2015	Purchase	15000	0.17	25000	0.28
		07/08/2015	Purchase	10000	0.11	10000	0.11
		01/04/2015		0	0	0	0
2	Garima Capital Private Limited	31/03/2016	Sale	-2500	-0.03	15500	0.17
	During the year	18/03/2016	Sale	-19400	-0.22	18000	0.2
		11/03/2016	Sale	-200	0	37400	0.42
		04/03/2016	Purchase	1000	0.01	37600	0.42
		12/02/2016	Purchase	795	0.01	36600	0.41
		05/02/2015	Sale	-195	0	35805	0.4
		22/01/2016	Purchase	11400	0.13	36000	0.41

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
3	Alka Jain During the year	15/01/2016	Purchase	11400	0.13	24600	0.28
		08/01/2016	Purchase	10200	0.11	13200	0.15
		31/12/2015	Sale	-2200	-0.02	3000	0.03
		25/12/2015	Sale	-200	0	5200	0.06
		18/12/2015	Purchase	5400	0.06	5400	0.06
		01/04/2015		0	0	0	0
		31/03/2016		0	0.00	0	0.00
		20/11/2015	Sale	-15987	-0.18	0	0.00
		23/10/2015	Sale	-3000	-0.03	15987	0.18
		16/10/2015	Purchase	3070	0.03	18987	0.21
		02/10/2015	Sale	-10000	-0.11	15917	0.18
		21/08/2015	Purchase	49	0.00	25917	0.29
		14/08/2015	Sale	-5139	-0.06	25868	0.29
		07/08/2015	Sale	-10550	-0.12	31007	0.35
		24/07/2015	Sale	-7460	-0.08	41557	0.47
		10/07/2015	Sale	-5000	-0.06	49017	0.55
		03/07/2015	Sale	-4550	-0.05	54017	0.61
		30/06/2015	Purchase	3563	0.04	58567	0.66
		19/06/2015	Purchase	4639	0.05	55004	0.62
		05/06/2015	Purchase	11156	0.13	50365	0.57
22/05/2015	Purchase	4560	0.05	39209	0.44		
17/04/2015	Purchase	7642	0.09	34649	0.39		
01/04/2015		27007	0.30	27007	0.30		

v. Shareholding of Directors and Key Managerial Personnel:

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
1	P. Narendranath Chowdary, Chairman During the year At the end of the year	01.04.2015		25000	0.28	25000	
		No change		-	-	-	
		31.03.2016		25000	0.28	25000	0.28
2	J. Murali Mohan, Managing Director During the year At the end of the year	01.04.2015		20100	0.23	20100	
		No change		-	-	-	
		31.03.2016		20100	0.23	20100	0.23

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
3	M.Thimmaraja, Director	01.04.2015		4500		4500	
	During the year	No change		-		-	
	At the end of the year	31.03.2016		4500		4500	0.05
4	K.Srinivasa Rao, Director	01.04.2015		325092	3.66	325092	
	During the year	No change		-		-	
	At the end of the year	31.03.2016		325092	3.66	325092	3.66
5	M.Mrutyumjaya Prasad, Director	01.04.2015		2250		2250	
	During the year	No change		-		-	
	At the end of the year	31.03.2016		2250		2250	0.00
6	Dr.Manjulata Dasari, Director	01.04.2015		1006		1006	
	During the year	No change		-		-	
	At the end of the year	31.03.2016		1006		1006	0.00

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	4,52,59,470	1,62,77,907	4,35,78,403	10,51,15,780
ii. Interest due but not paid				
iii. Interest accrued but not due		6,35,322	8,36,680	14,72,002
Total (i+ii+iii)	4,52,59,470	1,69,13,229	4,44,15,083	10,65,87,782
Change in Indebtedness during the financial year				
-Addition		24,98,705	1,49,40,469	1,74,39,174
-Reduction	3,13,07,688			(3,13,07,688)
Net Change	3,13,07,688	24,98,705	1,49,40,469	(1,38,68,514)
Indebtedness at the end of the financial year				
i. Principal Amount	1,39,51,782	1,86,11,578	5,77,96,543	9,03,59,903
ii. Interest due but not paid				
iii. Interest accrued but not due		8,00,356	15,59,009	23,59,365
Total (i+ii+iii)	1,39,51,782	1,94,11,934	5,93,55,552	9,27,19,268

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	65,38,114
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,06,161
	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 (at 2.5% subject to a maximum of annual salary)	42,88,965
	- others, specify...	
5.	Others, please specify	
	Total (A)	1,23,33,240
	Ceiling as per the Act at 5% of the net profits of the company calculated under section 198 of Companies Act 2013 (Excluding perquisites as per Schedule V of the Companies Act 2013) Rs.1,42,28,956	

B. Remuneration to other directors:

3. 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	1,10,000	50,000	1,10,000	40,000	40,000	3,50,000
2.	Commission	-	-	-	-	-	-
3.	Others (incidental & daily allowance)	25,000	20,000	20,000	14,000	17,000	96,000
	Total (a)	1,35,000	70,000	1,30,000	54,000	57,000	4,46,000

4. 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	1,00,000	1,60,000	40,000	70,000	3,70,000
2.	Commission	-	-	-	-	-
3.	Others (incidental & daily allowance)	30,000	25,000	20,000	30,000	1,05,000
	Total (b)	1,30,000	1,85,000	60,000	1,00,000	4,75,000
	Total (B)=(a+b)					9,21,000
	Total Managerial Remuneration (A+B)					1,32,54,240
Overall Ceiling as per the Act at 6% of the net profits of the company calculated under section 198 - Rs.1,70,74,747						

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

Sl. no.	Particulars of Remuneration	Total Amount Rs.
1.	PKesavulu Reddy, President & Secretary Gross salary 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	29,95,700 - -
2.	Stock Option	
3.	Sweat Equity	
4.	Commission - as % of profit - others, specify...	
5.	Others, please specify	
	Total (A)	29,95,700

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			

Annexure - 2

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 :

- 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.
- 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.
- 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.
- 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, 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 and if it is not able to comply 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.

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	3,00,00,000	To meet working capital requirements
2.	The Andhra Petrochemicals Limited, Venkatarayapuram, Tanuku	8,00,00,000 (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)

Form for 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

Hyderabad
28th May 2016.

P. NARENDRANATH CHOWDARY
Chairman

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 2015-16

(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.40 lakhs was paid in 2014-15 and the balance will be released depending on the progress in construction of the building. Further, during the current year 2015-16 Rs.40 lakhs was contributed to M/s. Sree Mullanpudi Venkataramanamma Memorial Hospital' TANUKU, W.G.Dist for providing medical services to the public.

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
Mullanpudi 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.
2014-15	19,67,90,985
2013-14	16,30,45,887
2012-13	22,89,42,270
Total for 3 years	58,87,79,142
Average profit per year	19,62,59,714

4. Prescribed CSR Expenditure (two per cent of the amount as in items 3 above) : Rs.39,25,194
5. Details of CSR spent during the financial year;
 - (a) Total amount to be spent for the financial year; Rs.39,25,194
 - (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	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads :	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency*
1	2	3	4	5	6	7	8
1.	Promotion of health care by way of contribution to medical institutions rendering service to the public.	Promoting health care including preventive health care	Venkatarayapuram, TANUKU-534215, West Godavari District, Andhra Pradesh	Rs.40,00,000	Rs.40,00,000 (Direct expenditure)	Rs.40,00,000	Through implementing agency- 'M/s. Sree Mullapudi Venkataramanamma Memorial Hospital' TANUKU, W.G.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 objectives and policy of the company.

J. MURALI MOHAN
Managing Director

P. NARENDRANATH CHOWDARY
Chairman, CSR Committee

Annexure - 7

STATEMENT ON EVALUATION OF BOARD, ITS 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.

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 31st March									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
OPERATING RESULTS										
Gross Sales & Other Income	9616	13009	21660	32694	42226	43634	46088	42201	37014	43543
Operating Profit	1461	1737	2078	3773	3790	3090	3677	2819	2730	3631
Depreciation	589	527	523	511	682	888	1001	1026	667	804
Interest	5	24	34	55	263	342	382	163	95	113
Profit before Tax	867	1226	1521	3207	2845	1860	2294	1630	1968	2714
Profit after Tax	556	869	969	2137	1943	1250	1462	1133	1311	1794
Dividend paid	266	311	355	444	355	444	533	444	533	622
Dividend rate (%)	60	70	80	100	80	50	60	50	60	70
Retained Earnings	250	505	554	1619	1530	734	838	614	670	1045
Earning per Share (Rs.)	12.53	18.70	21.82	48.12	21.87	14.08	16.46	12.75	14.76	20.20
Return on Net worth(%)	6.27	9.28	9.73	18.49	14.75	8.98	9.92	7.45	8.31	10.73
Debt Equity Ratio	0.04	0.03	0.06	0.10	0.35	0.22	0.24	0.08	0.07	0.05
Book Value (Rs.)	199.68	210.82	224.36	260.00	296.67	156.72	165.95	171.25	177.58	188.20
SOURCES OF FUNDS										
Equity Capital	444	444	444	444	444	888	888	888	888	888
Reserves	8425	8917	9519	11114	12730	13030	13850	14320	14883	15826
Borrowings	333	271	608	1130	4623	3008	3569	1211	1051	904
Net Capital Employed	9202	9632	10571	12688	17797	16926	18307	16419	16822	17618
APPLICATION OF FUNDS										
Gross Fixed Assets	9846	10821	11090	12846	15211	16324	17391	17433	17502	17882
Depreciation	5087	5595	6105	6594	7263	8141	9037	10011	10705	11502
Net Fixed Assets	4759	5226	4985	6252	7948	8183	8354	7422	6797	6380
Net Current Assets & Investments	4443	4406	5586	6436	9849	8743	9953	8997	10025	11238
Net Assets Employed	9202	9632	10571	12688	17797	16926	18307	16419	16822	17618
TO EXCHEQUER										
Excise Duty & Service Tax	2790	2528	3430	2876	4566	4986	5320	4576	4866	4430
Sales Tax and Other Taxes	185	329	620	824	1139	1156	961	741	604	629
Income Tax	100	263	504	1100	830	600	850	650	700	1025
Total Taxes & Duties	3075	3120	4554	4800	6535	6742	7131	5967	6170	6084

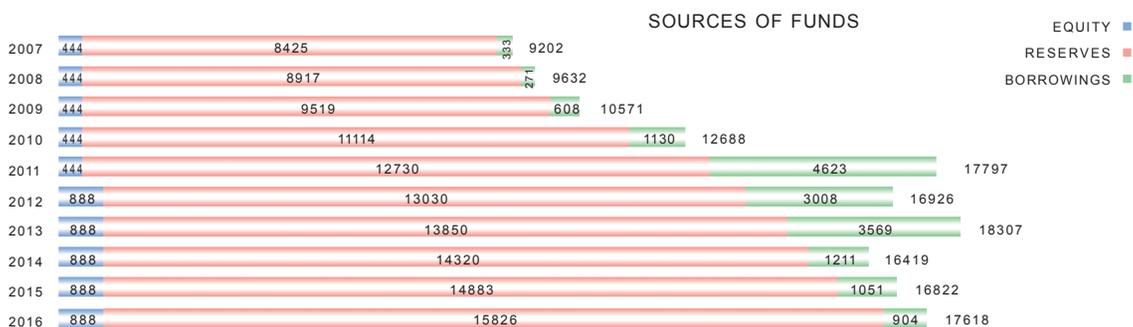
TEN YEAR HIGHLIGHTS

Year ending 31st March
(Rs. in Lakhs)

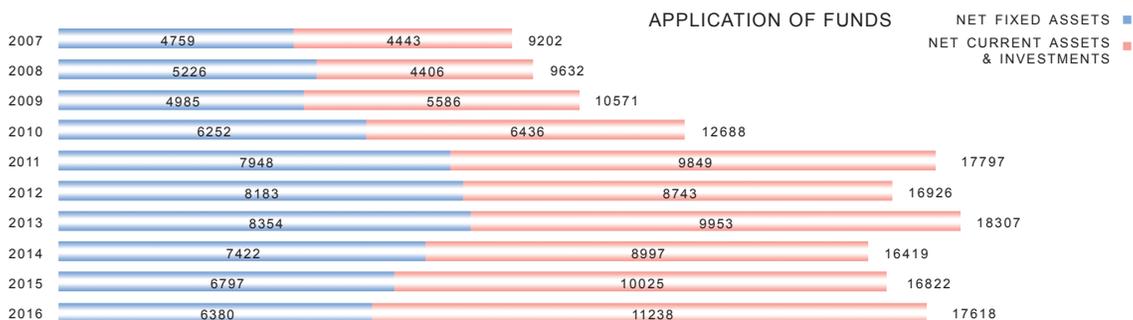
EARNINGS



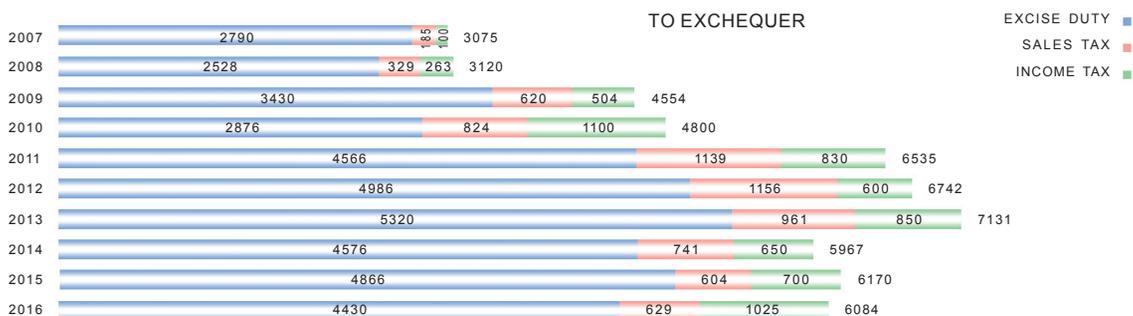
SOURCES OF FUNDS



APPLICATION OF FUNDS



TO EXCHEQUER



**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. Third party audid was conducted on steam lines and distribution of steam in the plant and necessary steps are being taken for reduction of transmission losses.
2. Waste Heat is successfully utilised for sweet water evaporation. |
| 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 compny's overall performance has improved due to collective efforts to satisfy requirements of customers. |
| 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. 67,16,85,571 |
| ii. | the Foreign Exchange outgo during the year in terms of actual outflows | : | Rs. 44,22,02,827 |

—

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]

iv.	The details, relating to deposits covered under Chapter V of the Companies Act, 2013	
		Rs.
a.	Deposits accepted during the year	: 7,64,08,121
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-	
i.	At the beginning of the year	: NIL
ii.	Maximum during the year	: NIL
iii.	At the end of the year	: NIL
v.	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 (all the other directors are non-executive directors)	: 65 : 1
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 Shri P. Kesavulu Reddy, President & Secretary	: 10.43 Nil
iii.	The percentage increase in the median remuneration of employees in the financial year	: 10.19
iv.	The number of permanent employees on the rolls of company	: 734
v.	The explanation on the relationship between average increase in remuneration and company performance	: Average increase in remuneration of employees is 26.51%. Profit Before Tax increased by 37.91%

- | | | | |
|-------|--|---|--|
| vi. | Comparison of the remuneration of the Key Managerial Personnel against the performance of the company | : | Increments to employees aged above 60 years are considered periodically and not every year. Hence, there is no increase in remuneration of Key Managerial Personnel. Profit Before Tax increased by 37.91% |
| vii. | (Please see Annexure – 12) | | |
| viii. | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | : | The increase in percentage of remuneration of employees other than managerial personnel is 9.65% and that of managerial personnel 10.43%. |
| ix. | Comparison of each remuneration of the Key Managerial Personnel against the performance of the company | : | There is no increase in remuneration of Key Managerial Personnel |
| x. | The key parameters for any variable component of remuneration availed by the directors | : | The Managing Director is entitled for commission upto 2% of the net profits of the company subject to a maximum of annual salary. |
| xi. | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year | : | None of the employees receive remuneration in excess of the remuneration paid to the Managing Director. |
| xii. | Affirmation that the remuneration is as per the remuneration policy of the company | : | Yes |

Annexure - 12

VARIATION IN THE MARKET CAPITALISATION OF THE COMPANY

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

a.	Variation in the market capitalisation of the Company –		Rs.in lakhs
	As on 31-Mar-2016	:	14573.97
	As on 31-Mar-2015	:	9227.51
		Variation	5346.45
b.	Variation in the price earnings ratio of the equity shares of the company		
	As on 31-Mar-2016	:	8.12 times
	As on 31-Mar-2015	:	7.04 times
		Variation	1.08 times
c.	Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer. (Last public issue was on 03-02-1981 at Rs.10 per equity share of face value Rs.10).		
	Percentage increase (at the highest price during the year on 18.09.2016)	:	Rs.236 - 2360%
	Percentage Decrease (at the lowest price during the year on 15.05.2016)	:	Rs.95 - 950%
	Percentage increase over decrease		148.42%

**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.1,23,33,240
iv.	Nature of employment, whether contractual or otherwise;	:	Contractual for a period of three years
v.	Qualifications	:	B.Tech (Chem. Engg.) & MBA
vi.	Experience	:	37 Years
vii.	Date of commencement of employment	:	16-02-1990
viii.	Age	:	66 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-

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[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,
JOICL Limited, Dokiparru,
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 31st March, 2016 ("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 Jocil Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (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; and (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
- ii. Listing Agreements entered into by the Company with the National Stock Exchange.

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 thereunder
- c. Legal Metrology Act, 2009 and rules made thereunder

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 process 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.P.No.7839

Place : Hyderabad

Date : 19th May 2016.

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.P.No.7839

Place : Hyderabad

Date : 19th May 2016.

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 31-03-2016	Max. amount of loans / advances / investments outstanding during the year 2015-16
1.	Sree Akkamamba Textiles Limited, Tanuku.	3,00,00,000	5,00,00,000
2.	The Andhra Petrochemicals Limited, Tanuku – Loans	- -	- 8,00,00,000
3.	The Andhra Petrochemicals Limited, Tanuku – Investments	1,22,92,694	1,22,92,694

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. Non-edible 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 Ltd. (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 are set up for processing Crude Vegetable Oils like Palm Oil imported from Malaysia and Indonesia. By-products generated from these refineries viz., Palm Fatty Acid Distillate, Crude Palm Stearine are the raw material 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 discourage exports in order to ensure 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 (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 Company undertook expansion cum modernization programme for increasing capacity and upgrading technology of Fatty Acid, Soap Noodles and Glycerine Plants by investing about Rs.50 crores in the last few years. As a result, the Company is able to produce quality products to meet the requirements of various customers. During the year the Company also added animal feed in its product range to meet the requirements of some new customers.

The fuels intended for running the biomass power plant are Rice Husk, field residues like Cotton Stalk, Chili Stalk 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. During the year the Company was able to procure a good quantity of Rice Husk and Cotton Stalk. The capacity utilization of the power plant during the year is also satisfactory due to improved procurement of fuels. 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 reduce dependence on outside sources.

Continuous development efforts are being made to absorb the latest technologies and practices. Quality Management Systems (QMS) Standard ISO 9001:2008 obtained from a renowned certification agency, Det Norske Veritas (DNV) is being followed by the Company. DNV also confirmed ISO 22716:2007 on the Company for following GMP Guidelines of Standard in the manufacture of Glycerine.

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 prices. Competitors having backward integration have an edge over the Company because of cheap 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.

The earlier rate of Excise Duty at 12.36% was further increased to 12.5% in the March 2015. All most all the goods manufactured by the Company attract 12.5% duty. The disadvantage experienced in cost of production by the units located in non exempted areas as compared to the units located in duty exempted areas is further aggravated to the extent of difference in duty.

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. As a result very little of the soap plant capacity is being utilised during the year.

The generators of power from biomass have been receiving from the State Government additional support price of Rs. 1.50 per kwh since November 2012 in addition to the price fixed by APERC subject to certain conditions till 31-03-2016. This was very helpful to meet the increased cost of fuel. Extension of same benefit by the State Government for the year 2016-17 is awaited.

The generation of power from WEGs has come down to 81.90 lakh units, even below the previous year's generation of 97.55 lakh units. During the year 2012-13 the generation from the same WEGs was 164.18 lakh units. The main reason for lower generation is back down of WEGs for want of evacuation facilities. Evacuation facilities are not available for 29% of available time in 2015-16 and 22% in 2014-15 which resulted in loss of revenue by about Rs. 237.82 lakhs in 2015-16 as compared to 2012-13, a drop of 50%. TANGEDCO has not been giving priority for power generated by WEGs when other sources of cheaper power supply is available to it. TANGEDCO is also delaying payments for power supplied 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.28 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 are expected to help to improve the operations of the Company. The Company will have to face increased challenges from new and existing players in the industry which may affect its profitability.

e. Risks and Concerns:

Any increase in Excise Duty on the goods manufactured by the Company may be unfavourable to the Company as it may result in increase in cost of production of goods manufactured by the Company as compared to similar goods manufactured in the Excise exempted areas.

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 and its cost. 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 by 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 2015-16 is satisfactory as compared to 2014-15. While the operations have gone up by about 24%, the Profit Before Interest and Depreciation increased by 33.03% due to favourable market conditions.

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

The Company employed 734 persons as on 31st March 2016 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 philosophy on code of Corporate Governance aims at upholding 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.

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) Number of Board Meetings held and the dates on which held

c) 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 given below:

Sl. No.	Date of Board Meeting
1	25-05-2015
2	23-07-2015
3	12-11-2015
4	29-01-2016
5	14-03-2016

Name of the Director & Designation	Shares held in the company by Non-Executive Director as on 31-3-2016	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	1	3	6	2	4	Y	
J. Murali Mohan, Managing Director		E	1	-	-	3	2	5	Y	
Mullapudi Thimmaraja, Director	4,500	NE	2	-	-	3	-	4	-	Related to Mullapudi Mrutyumjaya Prasad
V.S. Raju, Director	Nil	INE	2	-	-	4	2	5	Y	
K. Srinivasa Rao, Director	3,25,092	NE	-	6	-	-	-	4	-	
M. Gopalakrishna, Director	Nil	INE	5	3	1	8	1	5	-	
Subbarao V. Tipirneni, Director	Nil	INE	-	3	-	-	-	5	-	
Mullapudi Mrutyumjaya Prasad, Director	2250	NE	-	1	-	-	-	4	Y	Related to Sri Mullapudi Thimmaraja
P.Venkateswara Rao, Director	Nil	INE	-	-	-	-	-	3	-	
Dr. Manjulata Dasari, Director	1006	INE	2	1	-	-	-	4	-	

E – Executive

NE – Non-Executive

INE – Independent & Non-Executive

3. Audit Committee :

The Audit Committee comprises three members, Chairman is an Independent Director and 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 25-05-2015, 23-07-2015, 12-11-2015 and 29-01-2016.

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

President & Secretary acts as a Secretary to the Committee.

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

- 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.
- Board’s Report and matters required to be included in the Directors’ Responsibility Statement in it.
- Compliance with listing and other legal requirements relating to financial statements.
- Appointment of CFO.
- 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 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
V.S. Raju	Chairman – NED	2	2
P. Narendranath Chowdary	Member – NED	2	2
Mullapudi Thimmaraja	Member – INED	2	2
Subbarao V. Tipirneni	Member – INED	2	2

INED – Independent Non-Executive Director

NED – Non-Executive Director

During the period under review, 2 meetings of the Committee were held on 25-05-2015 and 12-11-2015.

The Managing Director attended the meetings to answer the queries raised by the Committee members.

President & Secretary 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
P. Narendranath Chowdary	1,00,000
Mullapudi Thimmaraja	1,60,000
K. Srinivasa Rao	40,000
V.S. Raju	1,10,000
M. Gopalakrishna	50,000
Subbarao V. Tipirneni	1,10,000
Mullapudi Mrutyumjaya Prasad	70,000
P.Venkateswara Rao	40,000
Dr.Manjulata Dasari	40,000

None of the Directors are provided with Stock options.

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.	42,88,965
House Rent Allowance	: Rs.	21,44,483
Commission	: Rs.	42,88,965
Contribution to Provident Fund and other Funds	: Rs.	11,58,021
Other Perquisites	: Rs.	3,48,140
Value of Earned Leave provided	: Rs.	1,04,666
Contribution to Group Gratuity	: Rs.	-
Total		<u>Rs. 1,23,33,240</u>

The appointment of Managing Director is on a contract for a period of 3 years w.e.f. 16-02-2015 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	6
J. Murali Mohan	Member	4	4
Mullapudi Thimmaraja	Member	4	4
M.Mrutyumjaya Prasad	Member	4	3

During the period under review four meetings of the Committee were held on 25-05-2015, 23-07-2015, 12-11-2015 and 29-01-2016.

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). Shri P. Kesavulu Reddy, President & Secretary of the Company acts as the Compliance Officer to the Committee.

The Company received a total number of thirty one letters 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 31-3-2016 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
2012-2013	24-08-2013	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.
2013-2014	06-09-2014	3.30 PM	Regd. Office, Dokiparru, Guntur Dist., A.P.
2014-2015	19-09-2015	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) 2012-13 – Nil

(B) 2013-14 – 1. Reappointment of Managing Director

2. Variation in terms of appointment of Managing Director

(C) 2014-15 - Nil

There was no occasion to pass Special Resolutions through postal ballot on any of the matters required to be so passed under the provisions 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 Line (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 : 03-09-2016 at 3.30 pm

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

b) Financial Year : 2015 -16

c) Dividend Payment Date : 29-03-2016

Date of Book Closure : 23-03-2016

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 2016-2017 to NSE.

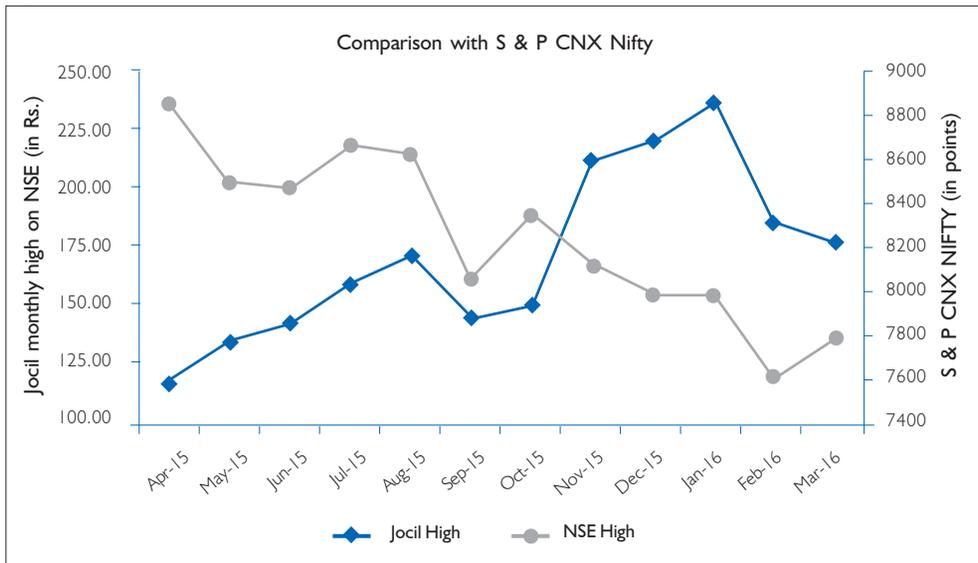
e) Stock Code : ISIN – INE839G01010

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-15	116.90	99.25	101.50	105.88	38,587
May-15	135.00	95.00	128.80	119.60	1,27,885
Jun-15	142.00	120.10	138.40	133.50	80,322
Jul-15	159.00	136.20	153.05	149.42	2,57,614
Aug-15	170.95	120.10	135.00	142.02	2,16,336
Sep-15	144.85	125.10	134.95	134.97	51,348
Oct-15	150.00	133.00	142.85	141.95	44,048
Nov-15	211.80	139.50	193.80	181.70	6,20,569
Dec-15	219.90	182.30	215.30	205.83	7,19,585
Jan-16	236.00	170.00	184.45	196.82	3,43,589
Feb-16	185.00	140.90	142.20	156.03	1,36,403
Mar-16	176.50	144.40	164.10	161.67	1,21,850

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 31st March, 2016.

Category	No. of Shares held	% of Shareholders
Promoters		
The Andhra Sugars Ltd. (Holding Company)	48,86,500	55.02
Institutions & Banks	--	--
Bodies Corporate	1,55,338	1.73
Public	38,41,312	43.25
Total	88,81,150	100.00

Distribution of Shareholding as on 31st March, 2016 :

Shareholdings of nominal value of shares held (Rs.)	Shareholders		Share Amount	
	Nos.	%	No.of shares	%
Upto 5,000	2787	77.33	40,67,300	4.58
5,001 - 10,000	309	8.57	24,32,250	2.74
10,001 - 20,000	191	5.30	28,54,030	3.21
20,001 - 30,000	102	2.83	25,79,810	2.90
30,001 - 40,000	44	1.22	15,39,900	1.73
40,001 - 50,000	35	0.97	15,95,890	1.80
50,001 - 1,00,000	65	1.80	46,01,460	5.18
1,00,001 & above	71	1.98	6,91,40,860	77.86
Total :	3604	100.00	8,88,11,500	100.00

l) Dematerialisation of Shares

Electronic / Physical	%
NSDL - 17,70,782	19.94
CDSL - 59,28,954	66.76
Physical - 11,81,414	13.30

86.70% of Company's Paid-up Equity Share Capital has been dematerialised upto March, 31, 2016 (86.62% upto March 31, 2015). Trading in Equity Shares of the Company is permitted only in dematerialized form.

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

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 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 Code : 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
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
2015-16	14-03-2016	7.00	After issue of bonus shares at 1:1
2014-15	19-09-2015	6.00	
2013-14	06-09-2014	5.00	
2012-13	24-08-2013	6.00	
2011-12	25-08-2012	5.00	
2010-11	17-09-2011	8.00	
2009-10	07-08-2010	10.00	
2008-09	08-08-2009	8.00	Inerim dividend considered as final

- r) Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund During the year under review. The Company has credited Rs. 1,30,018/- being the unpaid/unclaimed dividend for the year 2007-08 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.

10. Other Disclosures :

- a) 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.

- b) 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.
- c) 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.
- d) The Company has complied with all the mandatory requirements. The non mandatory requirements not complied with will be adopted at the appropriate time.
- e) The Company is not having any subsidiaries.
- f) Policy on dealing with related party transactions of the Company is available at www.jocil.in
- g) 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, Directors and the Senior Management 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).

**DECLARATION BY THE MANAGING DIRECTOR UNDER
PARA D OF SCHEDULE V OF 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 of Listing Regulations with the Stock Exchanges. Board Members and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said code for the financial year ended 31st March 2016.

Guntur,
28th May 2016

J. MURALI MOHAN
Managing Director.

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 31st March, 2016, 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.

Hyderabad
28th May 2016

For BRAHMAYYA & CO.,
Chartered Accountants
Firm Regn. No. 000513S

K. RAJAJ
Partner
ICAI Memb. No. 202309

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

Shares in the Demat Suspense Account or Unclaimed Suspense Account -- Nil.

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 March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for prevention and detection of frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 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. 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 there under. We conducted our audit 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 disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 we have obtained 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 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:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

- b) In the case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the cash flows of the Company 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 sub-section (11) of section 143 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, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 and
 - 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, in our opinion and to the basis 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 in Annexure 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.
 - iii. There were no amounts which were required to be transferred to the Investor Education Protection Fund by the company.

For Brahmayya & Co
 Chartered Accountants
 Firm Registration No. 000513S
(Karumanchi Rajaj)
 Partner
 ICAI Membership No: 202309

Place: Hyderabad
 Date : 28th May 2016

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of JOCIL Limited ("Company") for the year ended March 31, 2016.

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) According to the information and explanations furnished to us, the Company has not physically verified its fixed assets during the year. However, the Company has adopted a phased programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - 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 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, Value added tax, Wealth tax, Service tax, Customs duty, Excise duty, Cess and any other statutory dues applicable to it. 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 Income tax, Value added tax, 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
Income Tax Act, 1961	Treating disputed sale price of power as Income and other additions	21,80,030 40,67,510	Asst.yr 2012-13 Asst.yr 2013-14	Commissioner of Income Tax (Appeals), Guntur
Central Excise Act, 1944	Duty on valuation of Fa Soap Duty on captive consumption	88,97,229 1,65,900	2008 2008	CESTAT, Bangalore Commissioner of Customs and Central Excise (Appeals), Guntur
AP VAT	Availment of Input tax credit	10,40,037	2005-06	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) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
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 year.
11. According to the information and explanation given to us and based on examination of the records of the company, the company has 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 of the company.
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 Brahmayya&Co
Chartered Accountants
Firm Registration No. 000513S
(Karumanchi Rajaj)
Partner
ICAI Membership No: 202309

Place : HYDERABAD
Date : 28th May 2016

Independent Auditors' Report

Report on the Internal Financial Controls 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 2016 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditors' Responsibility

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 2016, 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.

Place: Hyderabad
Date : 28th May 2016

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000513S
(Karumanchi Rajaj)
Partner
ICAI Membership No: 202309

BALANCE SHEET AS AT 31st March, 2016

	Note	As at 31-3-2016	(Amount in Rs.) As at 31-3-2015
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	8,88,16,250	8,88,16,250
Reserves & Surplus	3	149,83,17,280	139,37,74,677
		<u>158,71,33,530</u>	<u>148,25,90,927</u>
Non-current Liabilities			
Deferred tax liabilities (Net)	4	8,43,16,844	9,44,98,174
Other Long term liabilities	5	8,91,000	8,91,000
Long-term provisions	6	1,04,31,710	70,03,925
		<u>9,56,39,554</u>	<u>10,23,93,099</u>
Current Liabilities			
Short-term borrowings	7	9,03,59,903	10,51,15,780
Trade payables	8		
Total outstanding dues to micro and small enterprises		17,67,352	-
Total outstanding dues to creditors other than above		14,85,30,427	10,09,29,045
Other current liabilities	9	15,11,61,860	13,93,79,578
Short-term provisions	6	31,38,170	6,72,82,285
		<u>39,49,57,712</u>	<u>41,27,06,688</u>
Total		<u>207,77,30,796</u>	<u>199,76,90,714</u>
Assets			
Non-current Assets			
Fixed assets	10		
Tangible assets		63,15,43,772	66,70,25,694
Intangible assets		4,66,761	4,64,203
Capital Work-in-Progress		60,04,517	1,22,06,757
		<u>63,80,15,050</u>	<u>67,96,96,654</u>
Non-current investments	11	1,34,21,258	1,35,55,874
Long-term loans and advances	12	3,81,75,086	6,39,79,729
		<u>5,15,96,344</u>	<u>7,75,35,603</u>
Current Assets			
Current investments	11	5,11,144	5,23,990
Inventories	13	54,14,02,270	55,50,36,933
Trade receivables	14	61,32,38,407	47,75,63,278
Cash and cash equivalents	15	5,02,41,448	7,00,82,119
Short-term loans and advances	12	17,59,52,776	12,87,56,743
Other current assets	16	67,73,357	84,95,394
		<u>138,81,19,402</u>	<u>124,04,58,457</u>
Total		<u>207,77,30,796</u>	<u>199,76,90,714</u>
Significant accounting policies and notes forming integral part of Financial Statements	1-34		

As per our report of even date :
For BRAHMAYYA & Co.,
Chartered Accountants
Firm Regn. No. 000513S
K. RAJAJ, Partner
ICAI Memb. No. 202309
Hyderabad
28th May, 2016

For and on behalf of the Board
P. NARENDRANATH CHOWDARY
J. MURALI MOHAN
P. KESAVULU REDDY

Chairman
Managing Director
President & Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2016

		(Amount in Rs.)	
	Note	Year ended 31-3-2016	Year ended 31-3-2015
Revenue from Continuing Operations			
Revenue			
Sale of Products	17	424,43,13,952	358,54,61,673
Less : Excise Duty		<u>37,76,91,212</u>	<u>37,25,48,108</u>
		386,66,22,740	321,29,13,565
Processing charges received		<u>5,97,19,900</u>	<u>9,23,06,127</u>
		392,63,42,640	330,52,19,692
Other Income	18	<u>5,02,38,871</u>	<u>2,36,31,129</u>
Total Revenue		<u>397,65,81,511</u>	<u>332,88,50,821</u>
Expenses			
Cost of Material Consumed	19	261,02,13,775	227,74,07,469
Changes in Inventories of Finished Goods,	20	2,61,39,421	(87,92,572)
WIP and Stock in Trade			
Employee Benefit Expenses	21	25,14,65,187	19,87,71,194
Finance Costs	22	1,18,93,015	1,05,56,978
Depreciation and Amortisation Expenses	23	8,04,19,823	6,66,76,648
Other Expenses	24	<u>72,50,58,983</u>	<u>58,74,40,119</u>
Total Expenses		<u>370,51,90,204</u>	<u>313,20,59,836</u>
Profit Before Tax		27,13,91,307	19,67,90,985
Less : Tax expense : Current Tax		10,25,00,000	7,00,00,000
(Excess) / Short Provision in earlier years		(2,93,970)	-
Deferred tax (Credit)		<u>(1,01,81,330)</u>	<u>(42,73,723)</u>
Profit After Tax		<u>17,93,66,607</u>	<u>13,10,64,708</u>
No. of Equity Shares of Rs. 10 each		88,81,150	88,81,150
Earning per Share - Basic and Diluted (Profit after Tax/No. of Equity shares)	17,93,66,607 / 88,81,150	Rs.20.20	Rs.14.76
Significant accounting policies and notes forming integral part of Financial Statements	1-34		

As per our report of even date :
For BRAHMAYYA & Co.,
Chartered Accountants
Firm Regn. No. 000513S
K. RAJAJ, Partner
ICAI Memb. No. 202309
Hyderabad
28th May, 2016

For and on behalf of the Board

P. NARENDRANATH CHOWDARY

J. MURALI MOHAN

P. KESAVULU REDDY

Chairman

Managing Director

President & Secretary

CASH FLOW STATEMENT

		2015-16	2014-15
		Rs.	Rs.
I. Cash Flow from Operating Activities			
Net Profit before tax and extra-ordinary items		27,13,91,307	19,67,90,985
Add/Less: Adjustments for :			
Depreciation		8,04,19,823	6,66,76,648
Interest expense		1,12,63,015	94,55,533
Interest income		(2,15,95,700)	(1,48,98,085)
Assets Written off		2,657	7,014
Provision for diminution in value of investments		1,34,616	-
Loss on sale of assets		1,56,244	2,501
Profit on sale of assets		(30,341)	(25,40,429)
Dividends received		(10,23,478)	(5,23,846)
Operating profit before working capital changes		<u>34,07,18,143</u>	<u>25,49,70,321</u>
Add/Less: Adjustments for working capital			
Inventories		1,36,34,663	5,03,03,694
Trade and other receivables		(17,33,36,407)	(4,60,47,685)
Trade payables		6,51,97,300	(8,45,34,244)
Cash generated from operations		<u>24,62,13,699</u>	<u>17,46,92,086</u>
Less: Direct taxes paid		13,30,06,978	6,11,68,830
Net cash from Operating activities	A	<u>11,32,06,721</u>	<u>11,35,23,256</u>
II. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets/Capital work in progress		(3,42,93,582)	(1,55,66,157)
Proceeds from sale of fixed assets		88,008	27,97,117
Proceeds from redemption of / (Investment in) Mutual Funds		12,846	(20,522)
Investment in Inter-corporate Loans		2,00,00,000	(500,00,000)
Interest received		2,15,95,700	1,48,98,085
Dividend received		10,23,478	5,23,846
Net cash from / (used in) Investing activities	B	<u>84,26,450</u>	<u>(4,73,67,631)</u>
III. CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings		(1,47,55,877)	(1,59,67,883)
Interest paid		(1,12,63,015)	(94,55,533)
Dividends paid		(11,54,54,950)	(4,44,05,750)
Net cash used in financing activities	C	<u>(14,14,73,842)</u>	<u>(6,98,29,166)</u>
Net Decrease in cash and cash equivalents	A+B+C	<u>(1,98,40,671)</u>	<u>(36,73,541)</u>
Cash and cash equivalents at the beginning of the period		7,00,82,119	7,37,55,660
Cash and cash equivalents at the end of the period		<u>5,02,41,448</u>	<u>7,00,82,119</u>
Net Decrease in cash and cash equivalents		<u>(1,98,40,671)</u>	<u>(36,73,541)</u>

As per our report of even date :
For BRAHMAYYA & Co.,
Chartered Accountants
Firm Regn. No. 000513S
K. RAJAJ, Partner
ICAI Memb. No. 202309
Hyderabad
28th May, 2016

For and on behalf of the Board

P. NARENDRANATH CHOWDARY

Chairman

J. MURALI MOHAN

Managing Director

P. KESAVULU REDDY

President & Secretary

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 the same place 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 31-03-2016 ASL owned 55.02% of the Jocil's equity share capital.

I. SIGNIFICANT ACCOUNTING POLICIES

a. GENERAL

The financial statements are prepared under historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India. The financial statements are prepared to comply in all material respects with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of Companies (Accounts) Rules, 2014, the pronouncements of the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 2013 and Companies Act, 1956 to the extent applicable and guidelines issued by the Securities and Exchange Board of India. The Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard or amendments to the provisions of any statute which requires a change in the accounting policy hitherto in use.

b. USE OF ESTIMATES

The preparation of the financial statements requires management of the Company to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosures relating to the contingent liabilities and commitments. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

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. However, future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c. TANGIBLE FIXED ASSETS

Fixed Assets are stated at cost, net of Cenvat/VAT, less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of directly attributable cost of bringing the assets to their working condition for the intended use.

d. INTANGIBLE ASSETS

Intangible assets are stated at cost of acquisition less accumulated amortization.

e. 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.

f. DEPRECIATION AND AMORTISATION

The company has computed depreciation 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.

g. INVESTMENTS

Non-current investments are stated at cost and income thereon is accounted for on accrual. Provision towards decline in the value of long term investments is made only when such decline is other than temporary.

Current investments are stated at lower of cost and fair value. The classification of investment is made based on intention of the management and its period of holding.

h. 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., and excise duty wherever applicable.
- 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.
- vi. Machinery spares which can be used only in connection with an item of fixed assets and whose use is expected to be irregular are amortized over the estimated useful life of the principal assets.

i. 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 risks and rewards of ownership are transferred to the buyer under the terms of the contract which usually coincide on the dispatch of goods to the customer or when they are unconditionally appropriated under the terms of sale.
- ii. Sales include excise duty and Service charges recovered and are stated net of trade discounts and sales tax.
- 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 on investments and deposits is booked on a time proportion basis taking into account the amounts invested and the rate of interest.
- vi. Dividend income is accounted for in the year in which the right to receive the payment is established.

j. TAXES ON INCOME

Current tax is determined as per the provisions of Income Tax Act, 1961 in respect of taxable income for the year.

Deferred tax liability is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets arising on account of brought forward losses and unabsorbed depreciation as per Income Tax laws are recognized only when there is virtual certainty supported by convincing evidence that such assets will be realized. Deferred tax assets arising on other temporary differences are recognized only if there is a reasonable certainty of realization.

k. SEGMENT REPORTING

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

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".

l. 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.

Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. Annual contribution to the fund as determined by LIC is expensed in the year of contribution. The short fall between the accumulated funds available with LIC and liability as determined on the basis of actuarial valuation is provided for as at the year end. The actuarial valuation is done as per the Projected Unit Credit method. Actuarial gains/losses are immediately taken to Statement of Profit and Loss .

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.

Contribution to Superannuation Fund, a defined contribution scheme, is made to the LIC as per arrangement with them.

m. 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.

n. FOREIGN EXCHANGE TRANSACTIONS

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 monetary items are reported using the rate of exchange on that date.
- ii. Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.

o. IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of the same exceeds its recoverable amount. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

p. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. 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 recognised in the financial statements since this may result in the recognition of income that may never be realised.

2. SHARE CAPITAL

	As at 31-3-2016	As at 31-3-2015
	Rs.	Rs.
Authorised		
1,00,00,000 Equity Shares of Rs. 10/- each	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Issued, Subscribed and Paid up		
88,81,150 Equity Shares of Rs 10/- each fully paid up	8,88,11,500	8,88,11,500
Add: Forfeited Shares (amount originally paid up)	<u>4,750</u>	<u>4,750</u>
Total	<u>8,88,16,250</u>	<u>8,88,16,250</u>

a. Rights attached to Equity share holders :-

The company has only one class of Equity Shares having a par value of Rs.10/- each. Each holder of Equity Share is entitled to one vote on poll in proportion to their share in paid-up equity capital and has one vote on show of hands. The dividend proposed by the board of directors is subject to the approval of share holders in the annual general meeting, except in case of interim dividend. In the event of liquidation, the Equity share holders are eligible to receive the remaining assets of the company in proportion to their share holding after distribution of payments to preferential creditors.

- b. Details of shares held by share holders holding more than 5% of the aggregate shares in the Company.

Name of the Shareholder	As at 31-3-2016		As at 31-3-2015	
	Number of Shares held	% out of total number of shares of the company	Number of Shares held	% out of total number of shares of the company
The Andhra Sugars Ltd, Tanuku (Holding Company)	48,86,500	55.02	48,86,500	55.02
Total	<u>48,86,500</u>	<u>55.02</u>	<u>48,86,500</u>	<u>55.02</u>

- c. Out of total equity shares issued and subscribed, 48,86,500 shares are held by holding company, The Andhra Sugars Ltd, Tanuku.
- d. Reconciliation of Number of Shares outstanding at the beginning and at the end of reporting period.

	As at 31-3-2016		As at 31-3-2015	
	Number of Shares	Amount Rs.	Number of Shares	Amount Rs.
Shares outstanding at the beginning of the year	88,81,150	8,88,11,500	88,81,150	8,88,11,500
Add : Shares issued during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	88,81,150	8,88,11,500	88,81,150	8,88,11,500
Less : Shares bought back during the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Shares outstanding at the end of the year	<u>88,81,150</u>	<u>8,88,11,500</u>	<u>88,81,150</u>	<u>8,88,11,500</u>

- e. Particulars regarding bonus issues and other details during the period of last five financial years:

Out of last five financial years, the company issued and allotted 44,40,575 equity shares of Rs.10/- each as bonus shares in the ratio of 1:1 during the financial year 2011-12 by way of capitalisation of General Reserves.

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

3. RESERVES AND SURPLUS

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
a. Capital Reserve		
State Government Subsidy		
Figures as at the end of the current and previous reporting period	<u>39,66,150</u>	<u>39,66,150</u>
	<u>39,66,150</u>	<u>39,66,150</u>
b. Securities Premium Reserve		
Figures as at the end of the current and previous reporting period	<u>7,83,75,000</u>	<u>7,83,75,000</u>
	<u>7,83,75,000</u>	<u>7,83,75,000</u>

5. OTHER LONG TERM LIABILITIES

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
Refundable Security Deposits from agents	8,91,000	8,91,000
	<u>8,91,000</u>	<u>8,91,000</u>

6. PROVISIONS

	Long-term		Short-term	
	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
Employee Retirement benefits				
-Leave encashment (Unfunded)	1,04,31,710	70,03,925	31,38,170	25,19,671
-Group gratuity (Refer note no.12)	-	-	-	-
Others:				
a) Income Tax (Net of Taxes)	-	-	-	6,27,753
b) Proposed Dividend	-	-	-	5,32,86,900
c) Dividend Tax	-	-	-	1,08,47,961
Total	<u>1,04,31,710</u>	<u>70,03,925</u>	<u>31,38,170</u>	<u>6,72,82,285</u>

Disclosure required by AS - 15 (revised) - 'Employee benefits'

I. Defined contribution plans

During the year, as per AS-15 the Company has recognized the following contribution amounts in the Statement of Profit and loss.

	Year ended 31.3.2016 Rs.	Year ended 31.3.2015 Rs.
Employer's contribution to Provident Fund	1,62,79,649	1,45,15,269
Employer's contribution to Superannuation Fund	49,44,230	49,38,933
Employer's contribution to Employees State Insurance	50,92,171	47,99,188
Total recognized in the Statement of Profit and Loss	<u>2,63,16,050</u>	<u>2,42,53,390</u>

II. Defined benefit plans :

	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity Rs.	Leave Salary Rs.	Gratuity Rs.	Leave Salary Rs.
Present value of obligations at beginning of the year	7,16,97,071	95,23,596	6,57,42,495	80,94,929
Interest cost	57,35,765	6,29,752	52,59,400	6,24,626
Current Service cost	52,07,538	25,26,848	49,97,524	9,85,764
Benefits paid	(38,49,806)	(32,87,250)	(29,43,646)	(28,28,845)
Net actuarial (Gain)/loss	15,80,280	41,76,934	(13,58,702)	26,47,122
Present value of obligations at end of the year	<u>8,03,70,848</u>	<u>1,35,69,880</u>	<u>7,16,97,071</u>	<u>95,23,596</u>

Reconciliation for changes in fair value of plan assets

	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity	Leave Salary	Gratuity	Leave Salary
	Rs.	Rs.	Rs.	Rs.
Fair value of plan assets at beginning of the year	9,52,21,820	-	8,44,54,681	-
Expected return	77,09,547	-	75,90,954	-
Contribution by employer	36,70,600	-	61,19,831	-
Benefits paid	(38,49,806)	-	(29,43,646)	-
Fair value of plan assets at end of the year	<u>10,27,52,161</u>	<u>-</u>	<u>9,52,21,820</u>	<u>-</u>

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

	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity	Leave Salary	Gratuity	Leave Salary
	Rs.	Rs.	Rs.	Rs.
Present value of defined benefit obligations at end of the year	8,03,70,848	1,35,69,880	7,16,97,071	95,23,596
Fair value of plan assets at end of the year	10,27,52,161	-	9,52,21,820	-
Unfunded status at end of the year	-	1,35,69,880	-	95,23,596
Fund balance/(Plan liability) recognised in the Balance Sheet	<u>2,23,81,313</u>	<u>(1,35,69,880)</u>	<u>2,35,24,749</u>	<u>(95,23,596)</u>

Expenses recognized in the Statement of Profit and Loss

	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity	Leave Salary	Gratuity	Leave Salary
	Rs.	Rs.	Rs.	Rs.
Current service cost	52,07,538	25,26,848	49,97,524	9,85,764
Interest cost	57,35,765	6,29,752	52,59,400	6,24,626
Expected return	(77,09,547)	-	(75,90,954)	-
Net actuarial (Gain)/loss	15,80,280	41,76,934	(13,58,702)	26,47,122
Net expenses recognized in the Statement of Profit and Loss	<u>48,14,036</u>	<u>73,33,534</u>	<u>13,07,268</u>	<u>42,57,512</u>

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

	31.3.2016	31.3.2015	31.3.2014	31.3.2013	31.3.2012
	Rs.	Rs.	Rs.	Rs.	Rs.
Obligations at the end of each year	8,03,70,848	7,16,97,071	6,57,42,495	6,25,02,359	5,22,63,247
Plan assets at the end of each year	10,27,52,161	9,52,21,820	8,44,54,681	7,23,46,687	6,20,40,083
Fund status	<u>2,23,81,313</u>	<u>2,35,24,749</u>	<u>1,87,12,186</u>	<u>98,44,328</u>	<u>97,76,836</u>

In the absence of information regarding experience adjustments on plan assets and liabilities, disclosures has not been made.

Actuarial assumptions	Year ended March 31, 2016		Year ended March 31, 2015	
	Gratuity	Leave Salary	Gratuity	Leave Salary
	(In %)	(In %)	(In %)	(In %)
a. Discount rate	8	7.80	8	8
b. Salary escalation rate per unit	7-8	8-10	7-8	7-8

7. SHORT TERM BORROWINGS

	As at 31.3.2016 Rs.	As at 31.3.2015 Rs.
A. Secured		
Working Capital Loans from Banks:		
- Andhra Bank	1,32,60,733	3,59,57,141
- State Bank of India	6,91,049	93,02,329
(The above loans are secured by way of hypothecation on entire current assets of the company on pari passu basis. Also secured by second charge on fixed assets of the Company on pari passu basis.)		
Total A	<u>1,39,51,782</u>	<u>4,52,59,470</u>
B. Unsecured		
Fixed Deposits from		
- Shareholders	4,90,44,455	3,90,51,261
- Directors	1,86,11,578	1,62,77,907
- Others	87,52,088	45,27,142
Total B	<u>7,64,08,121</u>	<u>5,98,56,310</u>
Total A+B	<u>9,03,59,903</u>	<u>10,51,15,780</u>

Note:

- The working capital loans from Andhra Bank and SBI carries interest @10.75% and @10.20% respectively. No amounts were overdrawn exceeding the limits sanctioned by the banks.
- Fixed deposits accepted during the year carries interest @ 9.00%. The company made no defaults in repayment of fixed deposits.

8. TRADE PAYABLES

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
(Unsecured)		
Dues to : Micro and Small Enterprises	17,67,352	-
Others	14,85,30,427	10,09,29,045
Total	<u>15,02,97,779</u>	<u>10,09,29,045</u>

Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006.

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:

	2015-16 Rs.	2014-15 Rs.
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

9. OTHER CURRENT LIABILITIES

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
Interest accrued but not due on borrowings	23,59,365	14,72,002
Unclaimed dividends *	70,38,478	22,62,900
Advances received against sales	93,55,423	3,15,39,848
Other payables :		
- Employee related	2,16,21,104	1,52,08,003
- Statutory Liabilities	10,92,64,791	8,76,35,883
- Others	15,22,699	12,60,942
Total	<u>15,11,61,860</u>	<u>13,93,79,578</u>

* The unclaimed dividends represent those relating to the years 2008-09 to 2015-16 and no part thereof has remained unpaid or unclaimed for a period of seven years or more from the date they became due for payment requiring transfer to the Investor Education and Protection Fund.

10. FIXED ASSETS

(in Rs.)

Name of the Asset	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK		
	As at 1-4-2015	Additions during the year	Deductions during the year	As at 31-3-2016	As at 1-4-2015	For the year	On Deductions	As at 31-3-2016	As at 31-3-2015
a) Tangible									
Land	87,05,117	-	-	87,05,117	-	-	-	87,05,117	87,05,117
Factory Buildings	8,27,72,564	-	-	8,27,72,564	5,17,87,168	30,24,744	-	2,79,60,652	3,09,85,396
Non-Factory Buildings	3,98,93,142	5,47,211	-	4,04,40,353	1,86,81,308	25,32,272	-	1,92,26,773	2,12,11,834
Plant and Machinery	148,93,73,721	3,84,31,674	4,95,786	152,73,09,609	89,40,64,833	7,10,39,353	2,92,720	56,24,98,143	59,53,08,888
Electrical Installations	6,71,05,814	-	-	6,71,05,814	6,41,50,849	1,34,292	-	28,20,673	29,54,965
Wells & Water works	9,39,231	17,44,563	-	26,83,794	9,16,964	6,57,377	-	11,09,453	22,267
Laboratory Equipment	32,14,371	27,198	11,121	32,30,448	26,68,303	1,76,543	11,121	3,96,723	5,46,068
Furniture and Fixtures	1,31,04,141	6,28,648	76,808	1,36,55,981	1,09,53,228	10,09,565	76,123	17,69,311	21,50,913
Library	1,44,022	-	-	1,44,022	1,44,022	-	-	-	-
Vehicles	2,15,99,801	17,62,370	1,48,452	2,32,13,719	1,93,21,418	8,68,925	1,40,905	31,64,281	22,78,383
Office equipment	1,00,26,581	18,23,354	1,81,230	1,16,68,705	71,64,718	7,87,299	1,75,958	38,92,646	28,61,863
Total	173,68,78,505	4,49,65,018	9,13,397	178,09,30,126	106,98,52,811	8,02,30,370	6,96,827	63,15,43,772	66,70,25,694
Previous Year	173,76,48,022	32,51,718	40,21,235	173,68,78,505	100,06,45,111	7,29,62,732	37,55,032	66,70,25,694	73,70,02,911
b) Intangible									
Computer Software	10,79,740	1,92,011	-	12,71,751	6,15,537	1,89,453	-	4,66,761	4,64,203
Total	10,79,740	1,92,011	-	12,71,751	6,15,537	1,89,453	-	4,66,761	4,64,203
Previous Year	6,74,486	4,05,254	-	10,79,740	4,64,486	1,51,051	-	4,64,203	2,10,000

11. INVESTMENTS

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
A. Non-Current		
a. i. Traded - Quoted		
Investments in Equity Instruments :		
13652 Equity Shares of Rs.10 each fully paid-up in Andhra Bank Limited	3,16,680	3,16,680
Total a	<u>3,16,680</u>	<u>3,16,680</u>
b. i. Others - Quoted		
Investments in Equity Instruments :		
i. 10,07,981 Equity Shares of Rs.10 each fully paid up in The Andhra Petrochemicals Limited	1,22,92,694	1,22,92,694
ii. 200 Equity Shares of Rs.10 each fully paid-up in The Industrial Finance Corporation of India	4,500	4,500
iii. 11,360 Equity Shares of Rs.10 each fully paid up in Industrial Development Bank of India	9,23,000	9,23,000
Less:- Provision for diminution in value	1,34,616	-
Total b (i)	<u>1,30,85,578</u>	<u>1,32,20,194</u>
ii. Others - Unquoted		
Investments in Government (or) Trust Securities :		
i. National Savings Certificates	19,000	19,000
Total b (ii)	<u>19,000</u>	<u>19,000</u>
Total b	<u>1,31,04,578</u>	<u>1,32,39,194</u>
Total a+b	<u>1,34,21,258</u>	<u>1,35,55,874</u>
Aggregate amount of : Quoted investments - Cost	1,35,36,874	1,35,36,874
- Market value	1,26,44,831	1,36,25,319
Aggregate amount of provision made for diminution in value of investments	1,34,616	-
Aggregate amount of unquoted investments	19,000	19,000
B. CURRENT		
Quoted and Non-trade		
Investments in Mutual Funds		
HDFC-Liquid Fund - Dividend - Daily Reinvest (501.210 Units @1019.82/- each) (Market value Rs. 5,11,144)	5,11,144	5,23,990
Total	<u>5,11,144</u>	<u>5,23,990</u>

12. LOANS AND ADVANCES

	Long-term		Short-term	
	As at	As at	As at	As at
	31.3.2016	31.3.2015	31.3.2016	31.3.2015
	Rs.	Rs.	Rs.	Rs.
Unsecured, considered good :				
Capital Advances	-	46,61,207	-	-
Security deposits with Government authorities and others	57,93,773	57,93,773	-	-
Inter Corporate Loan	1,00,00,000	3,00,00,000	2,00,00,000	2,00,00,000
Other loans and advances :				
Fund with LIC towards Group Gratuity (Net) (Refer note no.6 regarding disclosure)	2,23,81,313	2,35,24,749	-	-
Advance Income-tax and TDS (Net of Provision)	-	-	66,69,281	-
Taxes paid under protest	-	-	30,79,020	30,79,020
Excise Duty and Sales tax deposits	-	-	11,90,32,599	6,07,47,821
Advances paid against supplies of goods	-	-	2,51,16,177	4,00,56,466
Others	-	-	20,55,699	48,73,436
Total	3,81,75,086	6,39,79,729	17,59,52,776	12,87,56,743

13. INVENTORIES (valued at lower of cost or net realisable value)

	As at 31-3-2016	As at 31-3-2015
	Rs.	Rs.
Raw materials	5,31,71,481	10,19,93,323
Work-in-progress	17,21,86,793	16,67,13,583
Finished goods	16,65,59,181	20,11,68,341
Stores and spares	14,26,49,828	8,36,82,699
Loose tools	13,59,804	12,37,386
Raw material in transit	50,85,992	-
Others :		
Stationary	3,89,191	2,41,601
Total	54,14,02,270	55,50,36,933

14. TRADE RECEIVABLES

	As at 31-3-2016	As at 31-3-2015
	Rs.	Rs.
Trade receivables outstanding for a period exceeding 6 months		
Considered good	1,01,91,734	31,61,903
Considered doubtful	5,00,000	12,65,754
	1,06,91,734	44,27,657
Less: Provision for doubtful trade receivables	5,00,000	12,65,754
	1,01,91,734	31,61,903
Other debts considered good	60,30,46,673	47,44,01,375
Total	61,32,38,407	47,75,63,278

Movement of provision for doubtful debts

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
Provision as at beginning of the year	12,65,754	21,88,989
Provision made during the year	-	-
Reversed and written off as bad debts during the year	<u>7,65,754</u>	<u>9,23,235</u>
Provision as at end of the year	<u>5,00,000</u>	<u>12,65,754</u>

15. CASH AND CASH EQUIVALENTS

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
1. Cash on hand	1,91,020	10,56,678
2. Cash Equivalents		
Balances with banks		
a. In current accounts	3,09,44,882	49,43,980
b. In fixed deposit accounts	-	5,00,00,000
c. Earmarked balances with banks (for unpaid dividend)	70,38,478	22,62,900
d. Balances with banks held as margin money or security against guarantees and LC	30,67,068	28,18,561
e. Fixed Deposit repayment reserve	<u>90,00,000</u>	<u>90,00,000</u>
Total	<u>5,02,41,448</u>	<u>7,00,82,119</u>

16. OTHER CURRENT ASSETS

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
Interest accrued but not due on deposits	87,077	3,60,120
Prepaid expenses	<u>66,86,280</u>	<u>81,35,274</u>
Total	<u>67,73,357</u>	<u>84,95,394</u>

17. REVENUE FROM SALES:

Particulars of sale of products	2015-16		2014-15	
	MT	Rs.	MT	Rs.
Fatty Acids	36,954	204,37,64,630	28,832	192,50,37,683
Soap Products	30,866	181,01,83,742	19,533	135,47,45,872
Toilet Soap -	-	-	8	19,68,780
Glycerine	4,486	19,38,95,419	2,787	13,13,03,983
Pitch	2,836	4,89,92,716	2,441	7,21,63,396
Industrial Oxygen (cu.mtrs)	5,93,328	57,71,352	5,34,775	45,94,998
Wind Power (kWh)	81,89,633	2,34,92,492	97,54,843	2,79,66,187
Biomass Power (kWh)	1,45,57,300	11,37,52,071	98,04,800	6,37,43,600
Others		<u>44,61,530</u>		<u>39,37,174</u>
Total		<u>424,43,13,952</u>		<u>358,54,61,673</u>

Note: 1) Sale value of Biomass Power includes an amount of Rs.32,55,297/- (Previous year Rs. Nil) being differential sale price of power for earlier years received as per the interim order of Appellate Tribunal for electricity.

2) The sale of Biomass Power does not include 1,72,39,701 kWh value of Rs. 11,32,64,837/- (Previous year 1,69,36,089 kWh value of Rs. 11,00,84,582/-) consumed internally.

Processing charges received :

	2015-16		2014-15	
	MT	Rs.	MT	Rs.
Toilet Soap	472	29,38,587	1,722	1,14,83,223
Soap Noodles	7,482	5,08,51,942	11,677	8,08,22,904
Cattle Feed - Lysofat	1,031	59,29,371	-	-
Total		<u>5,97,19,900</u>		<u>9,23,06,127</u>

18. OTHER INCOME

	2015-16	2014-15
	Rs.	Rs.
Interest received from Banks & others	2,15,95,700	1,48,98,085
Dividend received - Current investment	9,87,154	5,20,522
- Non-current investment	36,324	3,324
Export incentives - Duty Drawback received	1,27,66,741	-
Rental charges received	1,46,391	1,45,401
Difference in Foreign Exchange (net)	96,72,689	-
Sale of scrap	29,94,359	47,09,326
Profit on sale of assets	30,341	25,40,429
Claims/Refunds received	4,53,208	1,27,454
Weighment Charges received	6,88,750	3,80,970
Credit balances written back	370	2,33,813
Excess provision of doubtful debts made in earlier years credited back	7,65,754	-
Miscellaneous receipts	1,01,090	71,805
Total	<u>5,02,38,871</u>	<u>2,36,31,129</u>

19. COST OF MATERIAL CONSUMED

	2015-16	2014-15
	Rs.	Rs.
Opening stock	10,19,93,323	14,66,01,324
Purchases	260,45,16,854	228,63,47,444
	270,65,10,177	243,29,48,768
Less: Sale of raw material	4,31,24,921	5,35,47,976
Closing stock	5,31,71,481	10,19,93,323
Total	<u>261,02,13,775</u>	<u>227,74,07,469</u>

Components of materials consumed :

	2015-16		2014-15	
	MT	Rs.	MT	Rs.
Non Edible Oils	35,692	130,92,68,736	33,966	146,29,74,748
Fatty Acid Distillates	30,936	129,01,81,540	14,999	80,94,96,339
Others		1,07,63,499		49,36,382
Total		<u>261,02,13,775</u>		<u>227,74,07,469</u>

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

	2015-16		2014-15	
	Value Rs.	%	Value Rs.	%
Imported	44,05,55,246	16.88	27,26,50,550	11.97
Indigenous	216,96,58,529	83.12	200,47,56,919	88.03
Total	<u>261,02,13,775</u>	<u>100.00</u>	<u>227,74,07,469</u>	<u>100.00</u>

20. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

		2015-16 Rs.	2014-15 Rs.
A. Opening stock			
Finished goods		20,11,68,341	16,74,82,472
Work-in-progress		16,67,13,583	18,85,47,085
Stock-in-trade		—	—
		<u>36,78,81,924</u>	<u>35,60,29,557</u>
B. Closing stock			
Finished goods		16,65,59,181	20,11,68,341
Work-in-progress		17,21,86,793	16,67,13,583
Stock-in-trade		—	—
		<u>33,87,45,974</u>	<u>36,78,81,924</u>
(Decrease)/Increase in stocks	B-A	(2,91,35,950)	1,18,52,367
Add/(Less): Variation in excise duty on stocks		29,96,529	(30,59,795)
Total		<u>(2,61,39,421)</u>	<u>87,92,572</u>

Details of Opening and Closing stock of finished goods

Particulars	2015-16		2014-15	
	MT	Rs.	MT	Rs.
Opening stocks:				
Fatty Acids	1,630	9,91,53,100	1,465	9,23,58,082
Soap Products	1,583	8,87,58,203	1,106	6,49,03,353
Glycerine	41	15,61,751	20	12,15,082
Industrial Oxygen (cu.mtrs)	2,888	26,974	2,946	21,539
Toilet Soap	-	-	21	24,07,559
Others		1,16,68,313		65,76,857
		<u>20,11,68,341</u>		<u>16,74,82,472</u>

Closing stocks:

Fatty Acids	1,694	8,42,41,115	1,630	9,91,53,100
Soap Products	1,368	7,15,28,434	1,583	8,87,58,203
Glycerine	32	13,19,445	41	15,61,751
Industrial Oxygen (cu.mtrs)	1206	11,264	2,888	26,974
Others		94,58,923		1,16,68,313
		<u>16,65,59,181</u>		<u>20,11,68,341</u>

Details of Opening and Closing stock of Work-in-Progress (WIP)

	2015-16	2014-15
	Rs.	Rs.
Opening WIP:		
Fatty Acids	8,81,82,715	9,34,47,541
Soap Products	1,91,91,961	1,67,89,110
Glycerine	2,98,12,097	3,02,05,582
Oils	2,95,06,310	4,77,08,206
Others	20,500	3,96,646
	<u>16,67,13,583</u>	<u>18,85,47,085</u>
Closing WIP:		
Fatty Acids	7,57,23,011	8,81,82,715
Soap Products	3,55,46,915	1,91,91,961
Glycerine	27,60,567	2,98,12,097
Oils	5,81,54,772	2,95,06,310
Others	1,528	20,500
Total	<u>17,21,86,793</u>	<u>16,67,13,583</u>

21. EMPLOYEE BENEFIT EXPENSES

	2015-16	2014-15
	Rs.	Rs.
Salaries, Wages and Bonus	21,44,71,720	16,78,94,886
Contribution to PF, Gratuity, ESI and other funds	3,17,62,812	2,54,43,061
Workmen and Staff Welfare Expenses	52,30,655	54,33,247
Total	<u>25,14,65,187</u>	<u>19,87,71,194</u>

22. FINANCE COSTS

	2015-16 Rs.	2014-15 Rs.
Interest paid to banks and others	1,12,63,015	94,55,533
Other borrowing costs	<u>6,30,000</u>	<u>11,01,445</u>
Total	<u>1,18,93,015</u>	<u>1,05,56,978</u>

23. DEPRECIATION AND AMORTISATION

	2015-16 Rs.	2014-15 Rs.
Depreciation	8,02,30,370	6,65,25,597
Amortisation	<u>1,89,453</u>	<u>1,51,051</u>
Total	<u>8,04,19,823</u>	<u>6,66,76,648</u>

24. OTHER EXPENSES

	2015-16 Rs.	2014-15 Rs.
Stores and Spares consumed (including Packing Materials)	27,15,87,793	18,18,14,962
Power and Fuel	25,98,40,108	23,30,19,847
Rents	12,18,762	12,03,014
Repairs to Machinery	4,75,56,199	4,04,48,484
Repairs to Buildings	72,72,916	48,35,991
Repairs to other Assets	11,75,249	6,77,030
Insurance	76,09,358	71,16,800
Rates & Taxes	36,45,837	33,74,849
Payment to auditors :		
As Auditors	2,75,000	2,50,000
As Tax Auditors	1,50,000	1,40,000
Fee for Tax representation & Certification	2,43,500	88,500
Fee to Cost Auditors	1,40,000	1,40,000
Other expenses:		
Tools written off	3,08,430	3,67,848
Advertisement and Sales Promotion expenses	7,12,450	7,55,032
Freight Outward, Export Sales & Consignment Expenses	7,26,71,912	5,94,77,807
Commission on Sales	2,18,51,814	2,80,41,268
Directors sitting fees and travelling expenses	10,66,867	11,43,631
Donations	55,05,000	35,05,000
CSR expenses	40,00,000	40,00,000

Difference in Foreign Exchange (net)	-	1,04,016
Bad Debts Written off (Net of provision)	-	9,30,020
Miscellaneous expenses	1,79,34,271	1,59,96,506
Assets written off	2,657	7,014
Loss on sale of assets	1,56,244	2,501
Provision for diminution in value of Investments	1,34,616	-
Total	<u>72,50,58,983</u>	<u>58,74,40,119</u>

25. PARTICULARS OF PRODUCTION

	Production	
	2015-16 (TPA)	2014-15 (TPA)
Fatty Acids	61424	49445
Cattle Feed	1078	-
Toilet Soap	471	1722
Soap Products	38134	31688
Glycerine	4963	2920
Industrial Oxygen (cu. mtrs)	596819	537986
Biomass Power (kWh)	31797001	26740889
Wind Power (kWh)	8189633	9754843

TPA = Tonnes per Annum

Note:

- Production of Fatty Acids includes 19,426 MT (Previous year 12,525 MT) utilized for captive consumption at Soap Plant and 4,980 MT (Previous year 7,877 MT) processed on behalf of others.
- Production of Soap Products includes 7,482 MT (Previous year 11,677 MT) consumed for production of Toilet Soap at Soap Plant and 471 MT (Previous year 1,722 MT) processed on behalf of others.
- Production of Glycerine includes 486 MT (Previous year 112 MT) consumed for captive consumption at Soap Plant.
- Production of Industrial Oxygen includes captive consumption of 5,173 cubic meters (Previous year 3,269 cu.mtrs).
- Power Generation includes 1,72,39,701 units (Previous year 1,69,36,089 units) utilized for captive consumption.

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

	2015-16 Rs.	2014-15 Rs.
Raw Materials	42,06,31,100	28,28,92,028
Stores and Spares	2,15,71,727	24,67,107
Total	<u>44,22,02,827</u>	<u>28,53,59,135</u>

- Company has not incurred expenditure in foreign currency on Consultancy Services and Travelling during the year and in the previous year.

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

	2015-16		2014-15	
	Value Rs.	%	Value Rs.	%
Imported	20,16,740	0.37	6,40,177	0.15
Indigenous	<u>53,71,42,452</u>	<u>99.63</u>	<u>43,13,57,419</u>	<u>99.85</u>
	<u>53,91,59,192</u>	<u>100.00</u>	<u>43,19,97,596</u>	<u>100.00</u>

28. SEGMENT INFORMATION

(Current year figures are in bold font)

	Chemicals Rs.	Soap Rs.	Power Rs.	Unallocated Rs.	Eliminations Rs.	Consolidated Rs.
Revenue						
External Revenue	212,21,08,517	166,29,04,240	14,13,29,883			392,63,42,640
	191,06,73,142	129,92,55,105	9,52,91,445			330,52,19,692
Inter-segment Revenue	91,12,26,880		16,60,24,280		(107,72,51,160)	
	69,83,48,772		16,76,93,509		(86,60,42,281)	
Total Revenue	303,33,35,397	166,29,04,240	30,73,54,163		(107,72,51,160)	392,63,42,640
(See Note below)	260,90,21,914	129,92,55,105	26,29,84,954		(86,60,42,281)	330,52,19,692
Result						
Segment result	15,91,19,040	10,77,85,585	4,81,06,163			31,50,10,788
	16,35,74,864	7,75,10,275	1,59,33,416			25,70,18,556
Unallocated expenditure net of unallocated income				5,33,22,166		5,33,22,166
				6,45,68,678		6,45,68,678
Operating Profit						26,16,88,622
						19,24,49,878
Interest expenses				1,18,93,015		1,18,93,015
				1,05,56,978		1,05,56,978
Interest income				2,15,95,700		2,15,95,700
				1,48,98,085		1,48,98,085
Profit before tax						27,13,91,307
						19,67,90,985
Provision for tax,						10,25,00,000
						7,00,00,000
Deferred Tax (Provision)/ Withdrawal						1,01,81,330
						42,73,723
Excess Provision of I.T. in earlier years						2,93,970
						(9,54,329)
Profit after Taxation						17,93,66,607
						13,10,64,708
Other Information						
Segment assets	94,13,09,363	48,98,31,642	33,15,30,428			176,26,71,434
	99,82,99,249	39,04,42,748	32,60,47,108			171,47,89,105

	Chemicals Rs.	Soap Rs.	Power Rs.	Unallocated Rs.	Eliminations Rs.	Consolidated Rs.
Unallocated corporate assets				31,50,59,362		31,50,59,362
				75,52,73,856		75,52,73,856
Total assets						207,77,30,796
						247,00,62,961
Segment liabilities	22,99,46,982	3,79,99,891	1,77,97,072			28,57,43,945
	7,24,98,644	3,42,19,991	1,31,96,266			11,99,14,901
Unallocated corporate liabilities				20,48,53,321		20,48,53,321
				86,75,57,133		86,75,57,133
Total liabilities						49,05,97,266
						98,74,72,034
Capital employed	71,13,62,381	45,18,31,752	31,37,33,356	11,02,06,041		158,71,33,530
	92,58,00,605	35,62,22,757	31,28,50,842	(11,22,83,277)		148,25,90,926
Capital expenditure during the year	1,94,03,441			1,13,50,143		3,07,53,584
	1,44,694	2,68,850	-	32,43,427		36,56,971
Depreciation for the year	4,40,07,463	1,15,04,057	1,69,41,063	79,67,240		8,04,19,823
	2,84,94,294	1,25,56,418	1,65,89,423	90,36,513		6,66,76,648

Note :

- 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 Generator (WEG)
- Segment revenue relating to each of the above domestic business segments includes income from processing on behalf of others wherever applicable.
- The above business segments have been identified considering :
 - the nature of products and services
 - the differing risks and returns
 - the organization structure and
 - the internal financing reporting systems
- 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.
- Inter segment transfers are priced at market related rates.

	As at 31-3-2016 Rs.	As at 31-3-2015 Rs.
29. 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)	36,25,52,471	24,71,43,792
b. Claims against the Company not admitted as debts relating to:		
i. Excise and Service Tax	1,21,83,303	89,80,179
ii. Income-tax	-	73,71,580
ii. State Levies	15,89,620	15,89,620
iii. Other Contracts	3,96,016	3,84,086
30. Foreign exchange earnings on exports during the year calculated on FOB basis Rs.67,16,85,571 (Previous year Rs.61,12,019).		

31. RELATED PARTY DISCLOSURES

a. List of related parties and description of relationship:

1. Holding Company	:	The Andhra Sugars Ltd.
2. Fellow Subsidiaries	:	The Andhra Farm Chemicals Corp. Ltd.
3. Key Managerial Personnel	:	a) J. Murali Mohan, Managing Director
4. 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)

(in Rs.)

Particulars	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Relatives of Key Managerial Personnel
Purchase of goods	3,84,81,214 (2,03,10,655)	-	-	-
Sale of goods	22,09,240 (13,90,348)	-	-	-
Receiving of services	-	-	-	-
J. Sunita Mohan				57,000 (57,000)

Particulars	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Relatives of Key Managerial Personnel
	Rs.	Rs.	Rs.	Rs.
Interest paid			16,93,982 (13,95,789)	
J. Sunita Mohan				4,81,289 (3,76,589)
J. Ganga Bhavani				2,70,935 (2,29,650)
J. Namrata				6,70,813 (3,22,537)
J. Murali Mohan (HUF)				6,76,037 (3,91,345)
Remuneration paid			1,23,33,240 (1,20,70,636)	
Dividend paid	6,35,24,500 (2,44,32,500)		33,280 (12,800)	
J. Murali Mohan (HUF)				2,28,020 (87,700)
J. Sunita Mohan				69,368 (26,680)
J. Ganga Bhavani				52,650 (20,250)
J. Namrata				23,400 (9,000)
V. Indira				97,500 (37,500)
Balances as at 31-3-2016				
a. Share Capital of the company held by	4,88,65,000 (4,88,65,000)		25,600 (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 from			1,86,11,578 (1,62,77,907)	
J. Sunita Mohan				52,73,877 (48,44,822)

Particulars	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Relatives of Key Managerial Personnel
	Rs.	Rs.	Rs.	Rs.
J. Ganga Bhavani				35,89,611 (20,36,279)
J. Namrata				75,30,241 (34,25,913)
J. Murali Mohan (HUF)				84,53,133 (49,17,628)
d. Remuneration Payable			46,33,621 (41,85,353)	

32. 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.
33. Previous year's figures have been regrouped wherever necessary to confirm to the current year classification.
34. Paise have been rounded off.

Signatures to Note Nos. 1 to 34 forming part of the Accounts

As per our report of even date : For BRAHMAYYA & Co., Chartered Accountants Firm Regn. No. 000513S K. RAJAJ, Partner ICAI Memb. No. 202309 Hyderabad 28th May, 2016	For and on behalf of the Board P. NARENDRANATH CHOWDARY J. MURALI MOHAN P. KESAVULU REDDY	Chairman Managing Director President & Secretary
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Jocil Limited

(A Subsidiary of The Andhra Sugars Limited)

Box 216, Arundelpet P.O., GUNTUR-522 002, AP. • Factory & Regd. Office : DOKIPARRU, GUNTUR-522 438, AP
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 Thirty Eighth Annual General Meeting of the Company to be held on Saturday, 3rd September, 2016 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 31st March, 2016.
2. Confirmation interim dividend paid as final dividend for the year 2015-16.

P.T.O.

3. Re-appointment of Shri Mullapudi Thimmaraja (DIN : 00016711) who retires by rotation.
4. Re-appointment of Shri K. Srinivasa Rao (DIN : 00381090) who retires by rotation.
5. Ratification of appointment of auditors and fixing their remuneration.
6. Ratification of Cost Auditor's remuneration.
7. Approval of acceptance of Fixed Deposits from the members and the public.
8. Approval of alteration of Articles of Association of the Company.

Signed this day of 2016.



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.



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)

Table with 5 columns: Nature of securities, Folio No., No. of securities, Certificate No., Distinctive No.

2. a. PARTICULARS OF THE NEW NOMINEE :

- i. Name
ii. Date of Birth
iii. Father's/Mother's/Spouse's name
iv. Nationality
v. Address
vi. E-mail id
vii. Relationship with the Security holder

b. IN CASE NEW NOMINEE IS A MINOR-

- i. Date of Birth
ii. Date of attaining majority
iii. Name of guardian
iv. Address of guardian

3. 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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