

Unique



J. B. CHEMICALS & PHARMACEUTICALS LIMITED

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CIN : L24390MH1976PLC019380

StockExchange-BSE letters/MM:SA:561

July 16, 2015

BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

BSE Scrip Code : 506943

Dear Sir,

- Sub: (1) Submission of Annual Report for the year 2014-15 pursuant to clause 31(a) of the Listing Agreement**
(2) Submission of the Consolidated Financial Statement pursuant to clause 32 of the Listing Agreement

Enclosed are six copies of Annual Report of the company for the year 2014-15, *inter alia*, containing standalone financial statement for the year ended on March 31, 2015 and report of the board of directors and auditors thereon. The information in Form-A is as under.

FORM - A

1	Name of the company:	J.B. Chemicals & Pharmaceuticals Limited
2	Annual Financial Statements for the year ended:	31st March, 2015
3	Type of Audit Observation:	Unqualified
4	Frequency of observation:	Not Applicable

The enclosed Annual Report also contains audited consolidated financial statement as required under clause 32 of the Listing Agreement.

We request you to take the above on record.

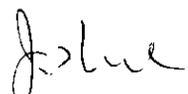
Thanking you,

Yours faithfully,

For J.B. Chemicals & Pharmaceuticals Ltd.


J.B. Mody
Chairman & Managing Director


Vijay D. Bhatt
Chief Financial Officer


J. K. Shah & Co.
Auditor of the company


Durga Dass Chopra
Audit Committee Chairman



Moving towards a
promising
tomorrow



J. B. Chemicals & Pharmaceuticals Limited
Annual Report 2014-15

JBCPL, one of India's leading pharmaceutical companies, manufactures and markets a diverse range of pharmaceutical formulations, herbal remedies and APIs. JBCPL exports to many countries worldwide with a strong presence in Russia, Ukraine, CIS countries and South Africa. The Company continues to invest in growing its share in the regulated markets in USA, Europe and Australia. JBCPL has a strong R&D and regulatory set-up for the development of new drug delivery system and formulations, filing of ANDAs and DMFs. Its state-of-the-art manufacturing facilities are approved by health authorities of regulated markets.

FORWARD LOOKING STATEMENTS

In this annual report, we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward looking statements that set out anticipated performance/results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and realization of assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

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YES, THE FUTURE IS NOT ABOUT INTUITION OR CHANCE, IT IS ABOUT STRATEGIC THINKING AND FOCUSED PREPARATION.

At JBCPL, our every thought and action is aligned to this philosophy, and is centred on building the framework for tomorrow on our foundation of strengths. Our preparedness is evident in our robust empirical base and our framework of objectives clearly aligned to the future.

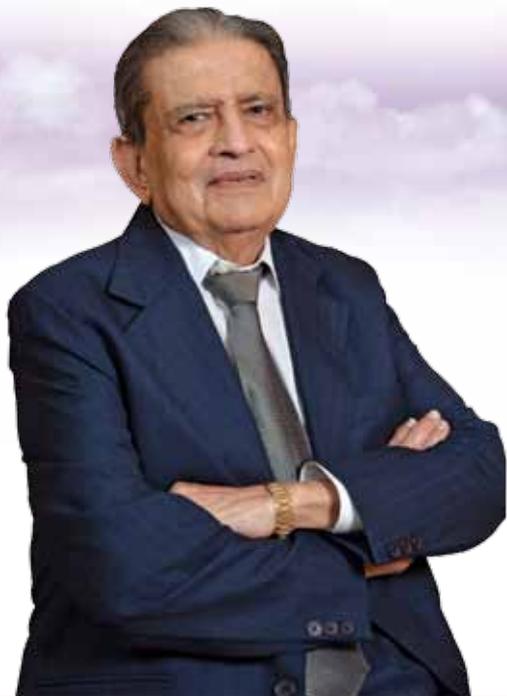
The future holds for us the promise of greater progress and, as we dedicatedly move towards it, we do so with ease and confidence, backed by the steady advancement of our businesses during the year.

With positive traction in domestic formulations, exports and API business, we continued to strengthen our business fabric as we transitioned towards a more promising tomorrow.

It is a future that carries with it the promise of more opportunities and growth which has inspired us to look beyond today and be well prepared to address the needs of tomorrow. And we have crafted the nucleus of our capacity expansion plans and strategy to expand our businesses to leverage more opportunities to our best advantage to create wealth and value for our shareholders.



Chairman's Statement



SHRI J.B. MODY

Chairman & Managing Director

PERFORMANCE

The year 2014-15 saw the company crossing important milestone of sales crossing ₹ 1000 crores on standalone basis. I would say the performance of the company during 2014-15 was satisfactory. My management team along with myself strive hard to deliver superior performance.

Overall, it has been a very satisfactory year for the company. Total revenue from operations for FY 2014-15 stood at ₹ 1061.42 crores, which represents a growth of 11%. Profit before tax (PBT) stood at ₹ 159.10 crores, marginally higher than PBT before exceptional item (₹158.48 crores) in the previous year. However, the PBT of last year included write back of excess provision made for expenses in relation to the sale of Russia-CIS OTC business undertaking as well as the higher profit on sale of investments. Profit after tax for the year stood at ₹ 113.58 crores against ₹ 68.42 crores in the previous year which was lower due to an exceptional item. Thus, the profits are strictly not comparable.

The consolidated revenue from operations for the 12 month period ended on 31st March, 2015 stood at ₹ 1144.21 crores, a growth of 12%. The consolidated profit before tax at ₹ 145.54 crores was lower than last year due to sharp depreciation of the Russian ruble against the US dollar during the year. This impacted the

profits of our Russian subsidiary by over ₹ 14 crores. However, by now, the Russian currency has stabilized against US dollar. We are hopeful that the stability will continue, enabling us to drive higher performance.

I shall now touch upon the company's main businesses, their performance and our plans going forward.

DOMESTIC FORMULATIONS BUSINESS

I am delighted to share that the domestic formulation business of the company has been registering impressive performance. With sales of ₹ 374.44 crores, the domestic formulations business achieved robust growth of 16% with focus products group registering growth of 22%, against the industry growth of 12%. The company plans to continue its focused pursuit to harness the potential of its existing products, particularly the focus brands, launch new products selectively and achieve increased productivity. We are optimistic that this strategy will enable us to strengthen our brands and capitalize further on our market performance.

The contrast media products business grew by 8%. The performance was satisfactory keeping in mind the competitive pressure. The company plans to introduce new products and work towards improved coverage to boost the top line and bottom line in this business.

During the year, the industry has received its main growth from new product introductions and increase in volumes. I believe these are positive growth indicators and augur well for the company's business. Thus, the future outlook for the industry as well as the growth expectations of the company remains positive. Increasing per capita consumption of drugs, increasing health awareness and improved healthcare access are expected to aid the growth going forward. The company continues to invest in products, people and processes to achieve its growth objective.

EXPORTS

Exports of formulations amounted to ₹ 501.75 crores during the year, a growth of 8% over the previous year. Exports to Rest of the World markets (other than Russia-CIS) at ₹ 350.11 crores achieved a growth of 17% in Rupee terms. The company's focus markets viz. US, Australia and African markets showed good response and aided the growth. In terms of products, ANDAs, branded generics including contrast media products and contract manufacturing of various dosage forms helped to drive growth. Growth in the US market has been a major thrust area for the company in this business. The company's 6 ANDAs are pending for approval with US FDA and the company is working on few more submissions. It is expected that US market will supplement the growth in the medium to long term. The company's investment in manufacturing infrastructure of international standards for various pharmaceutical preparations, some of which are approved by health authorities such as US FDA, MHRA UK, TGA Australia, MCC South Africa and MOH Ukraine, establish quality credentials in this space. All these are expected to boost exports, moving ahead.

The consolidated revenue from operations at ₹ 1144.21 crores during the year registered growth of 12%.

The exports for Russia-CIS region amounted to ₹ 69.26 crores. Though this is lower than last year, the same is not comparable as the company's wholly owned subsidiary in Dubai commenced sales and distribution of products in Russia-CIS markets during the year. Further, the company adopted a very conservative approach to protect the bottom line in view of political developments in Russia and Ukraine region and the sharp depreciation of the Russian ruble against the US dollar. Nevertheless, the company continues to invest in these potential markets to expand its reach and to realize the potential of its existing products basket in this market. Driven by these interventions, the company is hopeful of improving its business performance in this region.

Our South African joint venture, Biotech Laboratories (Pty.) Ltd. ("Biotech") performed well in last financial year. South Africa and SADC countries hold good growth potential, and with the strong marketing reach of Biotech, both JBCPL and Biotech expect to expand and strengthen their presence in this region.

API BUSINESS

The API business with sales of ₹ 103.76 crores registered a growth of 4% over the previous year.

NEW CAPEX PROGRAMME

The new capex plan for creation of additional capacity for the formulations business including tablets, liquid, ointments, vials, eye drops and lozenges and creation of additional capacity for the API business for its Diclofenac Sodium plant is progressing well. This investment is expected to generate additional growth in the near future. This capex is being funded out of internal accruals.

SPECIAL DIVIDEND

I am happy to inform you that in view of the company having distributable profits, the Board of directors has recommended special dividend of ₹ 10 per share of FV 2. I hope, you will all appreciate this gesture.

CASH SURPLUS

We continue to evaluate proposals for inorganic growth. However, the expectations of sellers are extremely high and hence we have not been able to close on any transaction. I wish to reiterate that we plan to use cash surplus for growth of our pharmaceutical business or such other fruitful purpose as the Board determines. Until then, it will remain safely invested.

RESEARCH & DEVELOPMENT (R&D)

The R&D division continues to play an important role in the company's growth. R&D is currently focused on the development of new formulations for ANDAs filings, new drug delivery systems and new formulations and APIs. Our R&D has been playing an important role in the growth of exports. Let me underline that R&D activities will continue to remain in the forefront for driving future growth of the company. During the current year, we have increased our R&D spend as it is lifeline of any pharmaceutical company. We are hopeful that our initiatives today will generate the required returns in the coming years

CHALLENGES AHEAD

Undoubtedly, the road to growth is not without challenges. In fact, the business faces challenges such as increasing span of price control, intense competition, increasing regulatory requirement and growing input costs, to name a few. However, through our focus on building a robust organization, we are hopeful of successfully meeting these challenges and enhancing value for our shareholders.

STAKEHOLDERS' SUPPORT

I take this opportunity to thank members of the medical profession, trade, institutions, government & semi-government hospitals, customers and shareholders for their continued trust and support. On behalf of the management of JBCPL, I would also like to thank all the employees of the company for their deep commitment to achieving the company's objectives. I am confident with this commitment and support, the company will continue to surge ahead on the path to greater growth and value delivery.



J.B. Mody
Chairman & Managing Director

DOMESTIC FORMULATIONS



MR. SHIRISH B. MODY

Whole-time director (Marketing)

- ▶ During 2014-15, the domestic formulations sales at ₹ 374.44 crores registered robust growth of 16% against industry growth of 12%. The focus products registered growth of 22%. The growth strategy adopted for this business has been consistently yielding good results. The continued focus on brand building has helped grow brands. During the year, all the regions the company operates in have shown growth.
- ▶ The contrast media products business with sales of ₹ 35.13 crores achieved growth of 8%. The company plans launch of new products and improve coverage of the existing products for growth during the current year.
- ▶ The company is ranked 35th in the Industry (IMS MAT March 2015) with the company's three brands viz. Rantac (anti-peptic ulcerant), Cilacar (calcium channel blocker) and Metrogyl (amoebicides), featuring among top 300 brands

(IMS MAT March 2015) in terms of value. The formulations industry grew by 12% during 2014-15 with main growth coming from new product introductions and increase in volumes. These are good indicators for growth going forward.

- ▶ The company accords high priority to domestic formulations business, which offers significant value proposition. During the current year, the company plans to continue to pursue focus on harnessing potential of the existing products, launch new products selectively and achieve increased productivity. This endeavour is supported by scientific promotion initiatives.
- ▶ Gastro intestinal, cardiovascular, pain management and anti-infective are currently the fastest growing therapeutic segments in Indian market where the company has its presence. The company's brands in cardiovascular, gastrointestinal and anti-infective segment have been particularly performing well.



The company is ranked
35th in the Industry
 with **3 brands**
 among top 300
 brands.



MR. PRANABH MODY

President & Whole-time director (Operations)

- ▶ The increase in per capita income and in turn the increase in per capita consumption of drugs, improved health care access and increasing health awareness are expected to continue to aid growth opportunity in domestic formulations business. As successful penetration into newer markets will accelerate next level of growth, the company believes that its well established brands will facilitate the growth going forward.
- ▶ The increasing fund allocation by the government for public health and an increasing investment by the private sector in hospitals make the institutional business more attractive. The company, with several injectable products in its portfolio, expects to well expand the business in this segment.
- ▶ The company recognizes the important role played by field force in growth of domestic formulations business. The company has concentrated on enhancing productivity by honing skill continually to realize potential of the people and the products.
- ▶ The company believes that the domestic formulations business has good growth prospects. However, the increasing price controls, intense competition and increasing input cost, etc. pose growth challenges in this business segment.
- ▶ This business witnessed further improvement in working capital management. The stringent initiatives being taken are expected to result in further improvement.



MR. D. B. MODY RECEIVING IDMA AWARD

"IDMA Chief Mentor of the year" Award being presented to Shri D. B. Mody by Dr. V. K. Subburaj (fourth from left), Secretary, Dept. of Pharmaceuticals and Shri. S. V. Veeramani (third from left), President of IDMA.



EXPORTS



MR. DINESH B. MODY
Whole-time director (Administration)

In view of consistent growth achieved, the company has enhanced its focus on **US market**.



MR. D. B. MODY FELICITATED AT PHARMEXCIL
Shri D. B. Mody, Past President & Founder Chairman of Pharmexcil being felicitated by Shri Rajeev Kher (third from left), Secretary, Dept. of Commerce and Shri Sudhanshu Pandey (second from left), Jt. Secretary, Dept. of Commerce.

Our US Business Partner

- ▶ The company's total exports income amounted to ₹ 623.34 crores, which represents 60% of net sales of 2014-15.
- ▶ The exports to Rest of the World markets (other than Russia-CIS region) at sales of ₹ 350.11 crores grew by 17%. The US, Australia and African markets aided the growth. In terms of activities, ANDAs, branded generics including contrast media products and contract manufacturing performed well.
- ▶ In view of consistent growth achieved, the company has enhanced its focus on US market. The company's 6 ANDAs are pending for approval with US FDA, while the company is working on few more submissions in the current year. The company has enhanced its R&D spend on products and people for the current year. This initiative will help generate additional revenue in coming years.
- ▶ The exports for Russia-CIS market amounted to ₹ 69.26 crores. Though it is lower than the last year, the same is not comparable as the company's wholly owned subsidiary commenced sales and distribution in these markets. The sales were also impacted by political turmoil in Russia and depreciation of Russian currency against US dollar.



MR. SHEKHAR NADKARNI



MR. RAVI GULGULE



MR. SANDEEP NASA
Head - Russia-CIS business



MR. JAY MEHTA

Sr. Vice President - (International Division)

The company considers this as very potential market and accordingly continues to invest to grow the business in this market. The company is hopeful that its well established brands and new products coupled with focused marketing will help achieve growth going forward.

- ▶ The API exports at ₹ 102.25 crores registered growth of 3%
- ▶ New capex plan for creation of additional capacity for the formulations business including tablets, liquid, ointments, vials, eye drops and lozenges and creation of additional capacity for the API business for its Diclofenac Sodium plant is progressing well. This is being funded by internal accruals. This will help grow exports of both formulations and APIs.
- ▶ The company has placed high focus on contract manufacturing for multinationals and growth of niche branded generics to strengthen stable revenue stream. The company's state-of-the-art manufacturing facilities with approvals from international health authorities such as US FDA, UK MHRA, EU GMP, TGA



MR. NIRAV MODY

Sr. Vice President - Strategic Marketing and Business Development

Australia, MCC South Africa, MOH Ukraine and MOH Japan and wide range of products across injectable, lozenges, solid and semi-solid along with strong regulatory and development support give company the needed platform to succeed in international business.

- ▶ Biotech Laboratories Pty. Ltd. ('Biotech'), a South African marketing and distribution company in which your company holds 49% equity stake, is amongst the top 15 Pharma companies of South Africa. The company has been able to increase its footprint in South Africa and SADC countries due to excellent performance of Biotech. For the year ended August 2014, Biotech registered 10 % growth in income and 22% growth in profit before tax. Biotech's existing business and product pipeline hold high growth potential.
- ▶ The international business poses challenges such as increased competition, rapidly changing regulatory environment and increasing span of price controls in some markets. However, the company is optimistic about its good growth prospects.



DR. OMER ABDELRAHMAN ALI (third from left), Director of Al Haitham, Sudan with company's Senior Management Team.



MR. SHAD MAPETLA
Chairman & CEO



MR. SIMON MORULE
Regulatory and
Technical Director



MR. STEWART BARKER
Chief Operating
Officer



MR. BHARAT P. MEHTA

Whole-time director (Planning & Development)



State-of-the-art Tablets manufacturing facility at Panoli, Gujarat

Sr. No.	Health Authority	Facility Approved
1	US FDA	Tablets, APIs
2	MHRA,UK	Tablets, Lozenges
3	EU GMP	Tablets
4	MCC, South Africa	Tablets, Injections, Lozenges
5	TGA, Australia	Tablets, Lozenges
6	PIC/S (MOH, Ukraine)	Tablets, Lozenges, Injections, Liquid, Ointments
7	Health Canada	Herbal and OTC products
8	MOH, Japan	APIs



MR. KAMLESH L. UDANI
Executive Director (Technical & Production)



State-of-the-art Formulations manufacturing facility at Panoli, Gujarat



State-of-the-art US FDA approved API facility at Panoli, Gujarat



State-of-the-art Tablets and Lozenges manufacturing facility at Kadaiya, Daman

Corporate Social Responsibility

The company's philosophy is to conduct its business in socially, environmentally and ethically responsible manner and contribute to the society and environment in which it operates; with aim to assist people at large to improve their life or condition.

The promoters of the company have long been involved in 'giving back to society' and have regularly supported and contributed to a variety of causes including relief and rehabilitation, promotion of education, making available free or affordable medical facilities, child and women development schemes, etc. The operating philosophy of the company has been guided by this approach and the company too has been regularly contributing to socially responsible activities as an integral part of its governance.

Some of the activities undertaken during the year are as under.

- ▶ The company contributed to Ankleshwar Industrial Development Society for upgradation of facilities for treatment of poor patients at 110 bed Smt. Jayaben Mody hospital. The company regularly contributes to the hospital for the benefit of needy people in and around Ankleshwar area.



Smt. Jayaben Mody Hospital at Ankleshwar, Gujarat.

- ▶ The company provided medicines to directly help the poor and needy people including responding to humanity call in natural disasters. The company contributed medicines for the benefit of victims of Jammu-Kashmir flood and earthquake in Nepal.
- ▶ The company contributed to Tata Memorial Hospital for treatment of poor children suffering from cancer, National Burns Centre for treatment of poor people with burn injuries and for skin donation awareness programme and Vision Foundation of India for reducing avoidable blindness in needy people especially from rural areas and urban slums.
- ▶ The company contributed to Ashoka University established by International Foundation for Research and Education, for providing scholarships to needy students at undergraduate/post graduate level.
- ▶ The company contributed to MESCO Education Society for providing scholarships to students belonging to lower/lowest economic strata for pursuing vocational training courses.

- ▶ The company contributed to Institute of Chemical Technology (ICT) (earlier known as University Department of Chemical Technology) for setting up of Nano Drug Delivery Laboratory. This will promote education and research in the field of pharmaceuticals.



Institute of Chemical Technology (ICT) placed a plaque in recognition of the company's support to Nano Drug Delivery Laboratory - Mr. S. B. Mody, Prof. Dr. G. S. Yadav, Vice Chancellor of ICT and Prof. Dr. Padma Devarajan, Head - Dept. of Pharmaceutical Sciences & Technology (to the left of Mr. S. B. Mody) at unveiling ceremony.

- ▶ The company contributed to Iskon Food Relief Foundation for supporting mid-day meal programme of Government of Maharashtra that provides nutritious meals to underprivileged students in government aided and municipal schools in Maharashtra, Light of Life Trust to support their initiative of setting up old age homes and Indian Cancer Society for treatment of cancer patients.
- ▶ As in the past, the company sponsored participation of 40 employees of the company in 12th edition of Standard Chartered Mumbai Marathon to support the noble cause of Shrimad Rajchandra Love & Care, an NGO engaged in focused activities across the areas of health care, educational care, child care, woman care, tribal care, community care, humanitarian care, animal care, environmental care and emergency relief care, benefitting the entire spectrum of life.
- ▶ The company provided medicines at medical camps in Peren and Kohima districts of Nagaland organized by Governor of Nagaland, Assam and Tripura.



Financial Highlights

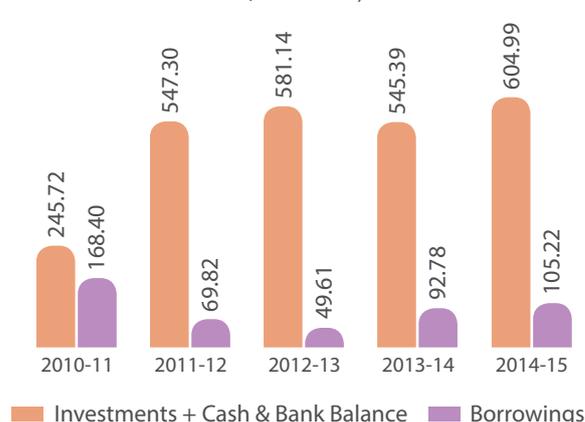
NET SALES & PROFIT BEFORE EXCEPTIONAL ITEM AND TAX

(₹ in crores)



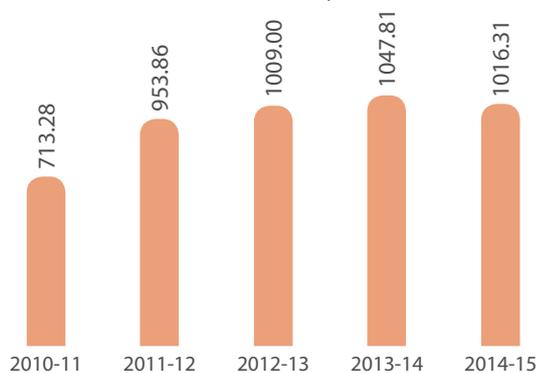
INVESTMENTS + CASH & BANK BALANCE/ BORROWINGS

(₹ in crores)



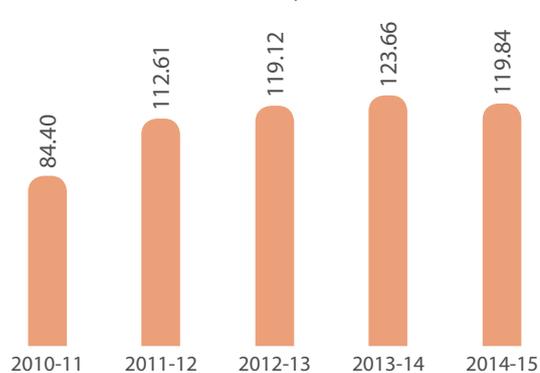
SHARE CAPITAL + RESERVES & SURPLUS

(₹ in crores)

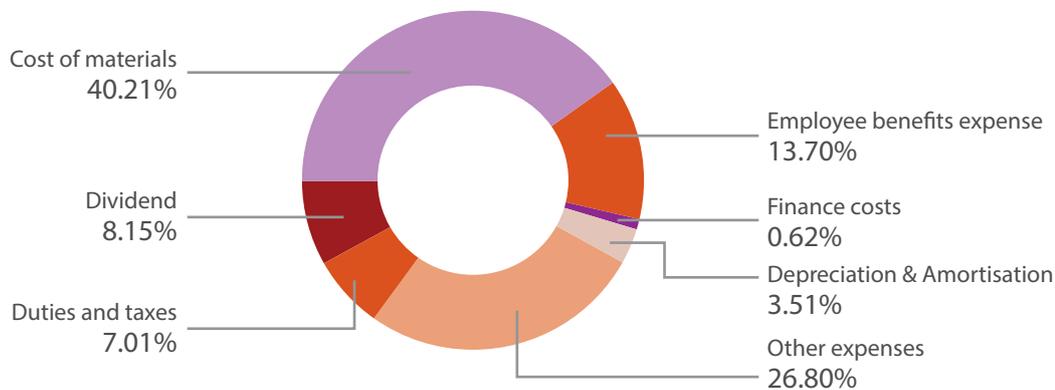


BOOK VALUE

(in ₹)



DISTRIBUTION OF REVENUE 2014-15



Board of Directors



JYOTINDRA B. MODY
*Chairman & Managing
director*



DINESH B. MODY
*Whole-time director
(Administration)*



SHIRISH B. MODY
*Whole-time director
(Marketing)*



DURGA DASS CHOPRA
Independent director



BHARAT P. MEHTA
*Whole-time director
(Planning & Development)*



PRANABH MODY
*President & Whole-time
director (Operations)*



RAJIV C. MODY
Independent director



KAMLESH L. UDANI
*Executive director
(Technical & Production)*



**DR. SATYANARAIN
AGARWALA**
Independent director



**DR. NIRANJAN N.
MANIAR**
Independent director



MAHESH K. SHROFF
Independent director



JASHVANTRAI B. JOSHI
Independent director



KRUPA R. GANDHI
Independent director



DEVANG R. SHAH
Independent director

CORPORATE INFORMATION

AUDIT COMMITTEE

Mr. Durga Dass Chopra (Chairman)
Mr. Dinesh B. Mody
Dr. Satyanarain Agarwala
Dr. Niranjan N. Maniar
Ms. Krupa R. Gandhi

CORE TECHNICAL TEAM

Mr. Bharat P. Mehta, Whole-time director (Planning & Development)
Mr. Kamlesh Udani, Executive director (Technical & Production)
Dr. Milind Joshi, President - Regulatory Affairs
Mr. Parmeshwar Bang, Vice President - Works
Mr. Vijaysinh V. Chauhan, Vice President - Research & Development
Mr. M. K. Karve, Quality Controller - Corporate QA

COMPANY SECRETARY

M. C. Mehta

AUDITORS

J. K. Shah & Co.
Chartered Accountants
Mumbai

BANKERS

Bank of India
BNP Paribas
Standard Chartered Bank

BUSINESS MANAGEMENT TEAM

Mr. Jyotindra B. Mody, Managing director
Mr. Dinesh B. Mody, Whole-time director (Administration)
Mr. Shirish B. Mody, Whole-time director (Marketing)
Mr. Pranabh Mody, President & Whole-time director (Operations)
Mr. P. K. Singh, President - Global Business
Mr. Nirav Mody, Sr. Vice President - Strategic Marketing and Business Development
Mr. Jay Mehta, Sr. Vice President (International Division)
Mr. Anupam Mehta, Sr. Vice President - Purchase
Mr. Savya Sachi, Director - Marketing & Sales
Mr. Bhushan Sachdev, Vice President – Supply Chain Management
Mr. Vijay D. Bhatt, Chief Financial Officer
Mr. B. K. Dhar, General Manager - API (Marketing)
Mr. Mitesh Kothari, General Manager - Diagnostic

REGISTERED OFFICE

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4th Floor, Hind Cycle Road,
Worli, Mumbai 400 030.
Tel No.(022) 2482 2222/2493 0918
Fax No.(022) 2493 0534
Website : www.jbcpl.com
Email id for investors:
secretarial@jbcpl.com
investorelations@jbcpl.com

REGISTRARS & SHARE TRANSFER AGENT

Datamatics Financial Services Ltd.
Plot No. B- 5, Part- B,
Cross Lane, M.I.D.C., Andheri (East),
Mumbai 400 093.
Tel No. (022) 6671 2001-06
Fax No.(022) 2821 3404

DIRECTORS' REPORT

Your directors are pleased to present the thirty-ninth report and audited financial statement of the company for the year ended on March 31, 2015.

1. FINANCIAL HIGHLIGHTS

The following is the highlight of financial performance of the company during the year under review as well as appropriation of profits.

	2014-15	2013-14
		(₹ in lakhs)
Revenue from Operations (Net)	106,142.12	95,653.39
Other Income	1,040.88	3,753.77
Total Income	107,183.00	99,407.16
Profit before finance cost and depreciation	20,335.42	19,177.99
Less: Finance cost	665.01	612.70
Less: Depreciation & Amortisation expense	3,759.99	2,716.51
Profit before extraordinary item and tax	15,910.42	15,848.78
Less: Exceptional Item: Revision of purchase price in respect of sale of Russia-CIS OTC Business Undertaking	-	6,450.00
Profit before tax	15,910.42	9,398.78
Provision for tax:		
Current Tax	4,200.00	3,550.00
Earlier year's tax	-	(572.98)
Deferred tax	352.17	(208.56)
MAT Credit of earlier years	-	(212.23)
Profit for the period after tax	11,358.25	6,842.55
Balance brought forward from previous year	47,725.65	44,542.81
Amount available for appropriation	59,083.90	51,385.36
Appropriations:		
Proposed dividend	11,873.15	2,543.23
Tax on proposed dividend	2,417.09	432.22
Transfer to General Reserve	-	684.26
Less: Residual value of assets without useful life adjusted against opening balance	347.40	-
Less: Adjustment pursuant to the Scheme of Amalgamation and Arrangement	204.80	-
Balance carried forward to balance sheet	44,241.46	47,725.65
Total	59,083.90	51,385.36

2. DIVIDEND

Your directors recommend a dividend of ₹ 14 (₹ 3 per equity share in the previous year) per equity share of face value of ₹ 2, comprising of special dividend of ₹ 10 per share and regular dividend of ₹ 4 per share for the year 2014-15. This dividend would be paid on the total number of equity shares issued by the company as on the date of book closure for the purpose. This dividend of ₹ 14 per share together with dividend distribution tax will absorb ₹ 142.90 crores.

3. OPERATIONS/STATE OF AFFAIRS

The net sales during the year at ₹ 1,038.14 crores were 11.10% higher over the previous year, while the total revenue for the year at ₹ 1,071.83 crores was 7.82% higher over the previous year. The previous year's other income included ₹ 17.64 crores being write back of excess provision for expenses in relation to

Russia-CIS OTC business sold by the company. While the profit before tax at ₹ 159.10 crores was marginally higher when compared against profit before tax and exceptional item of the previous year, the profit after tax for the year stood at ₹ 113.58 crores.

The domestic formulations business continued to do well and achieved overall sales of ₹ 409.57 crores that represents growth of 15.22%. The prescription products business at sales of ₹ 373.43 grew by 15.95% over the previous year, while the contrast media business sales of ₹ 35.13 crores grew by 7.95%. The company plans to continue to focus on brand building and therapy building with aim of increasing the share of focus products.

The total formulations exports during the year at ₹ 501.76 crores were 8.09% higher over the previous year. Out of this,

DIRECTORS' REPORT (Contd.)

the exports to rest of the world countries at ₹ 350.11 crores grew by 16.83% in Rupee terms, while the exports for Russia-CIS market at ₹ 69.26 crores, though not strictly comparable with the previous year, were lower. The sales of bulk drugs at ₹ 103.76 crores were 4.45% higher over the previous year.

4. RESPONSIBILITY STATEMENT

The directors confirm:

- (i) that in the preparation of the annual accounts for the year under review, the applicable accounting standards have been followed;
- (ii) that they have selected appropriate accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year 2014-15 and of profit of the company for that year;
- (iii) that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that they have prepared the annual accounts for the year ended on March 31, 2015 on a going concern basis;
- (v) that they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

5. SUBSIDIARIES AND JOINT VENTURE

The report on financial performance and financial position of the subsidiary companies and a joint venture as on March 31, 2015 is presented in Annexure-A. During the year, J.B. Chemicals & Pharmaceuticals Private Limited, Singapore, ceased to be the company's subsidiary consequent to its dissolution.

6. CORPORATE GOVERNANCE

A certificate from auditors of the company on compliance of conditions of corporate governance is annexed to this report. The management discussion and analysis report and compliance report on corporate governance as required by Clause 49 of the Listing Agreement form part of this annual report. The corporate governance report contains information as on and has been prepared in accordance with the provisions as applicable on March 31, 2015.

7. PUBLIC DEPOSITS

At the commencement of the year, the company had aggregate fixed deposits of ₹ 1088.45 lakhs accepted from public and shareholders of the company. Pursuant to the provisions of Section 74 of the Companies Act, 2013, the company during the year has repaid the entire amount along with interest to the deposit holders. The company did not accept or renew any deposit during the year. Accordingly, no deposit accepted by the company prior to the commencement of the Companies Act, 2013 remained unpaid at the end of the year.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with provisions of the Companies Act, 2013, Mr. Bharat P. Mehta retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment.

All independent directors have given a declaration to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement.

During the year, the Board appointed Mr. Devang R. Shah as an additional director on December 16, 2014. He is an independent director and holds office up to the date of ensuing annual general meeting. It is proposed to appoint Mr. Devang Shah as independent director of the company. The company has received, pursuant to Section 160 of the Companies Act, 2013, a notice from a member proposing candidature of Mr. Devang Shah to the office of director of the company.

During the year, Mr. B.S. Mehta and Mr. Sanjay Asher, independent directors, resigned from the Board. Mr. Bhavesh Joshi who was appointed as a Chief Financial Officer resigned from services of the company and the Board has in his place appointed Mr. Vijay D. Bhatt as Chief Financial Officer. 6 meetings of the Board of directors of the company were held during the year 2014-15.

9. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

The company's policy on directors' appointment is set out in Annexure-B. The company's policy on directors' remuneration including criteria for determining qualifications, positive attributes and independence of a director as well as policy relating to remuneration of Key Managerial Personnel and other employees is set out in Annexure-C.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in Annexure-D.

DIRECTORS' REPORT (Contd.)

11. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the requirement of Section 135 of the Companies Act, 2013, the Board of the company has constituted Corporate Social Responsibility (CSR) Committee comprising of Dr. Satyanarain Agarwala, independent director, Mr. Bharat P. Mehta and Mr. Pranabh Mody. The CSR Committee has formulated and recommended CSR Policy of the company to the Board, which the Board has approved. The details and contents of CSR policy and annual report on CSR in the prescribed form are set out in Annexure-E.

12. AUDIT COMMITTEE AND VIGILANCE MECHANISM

The Board has constituted audit committee comprising of Mr. Durga Dass Chopra, Dr. Satyanarain Agarwala, Mr. Dinesh B. Mody, Dr. N.N. Maniar and Ms. Krupa Gandhi. There has been no instance of non-acceptance of recommendation of audit committee by the Board.

The Board of directors has established vigil mechanism in the form of Whistle Blower Policy to enable directors, employee and other stakeholders to make written Protected disclosures (as defined in the policy) to the Chairman of the Redressal Committee for evaluation and investigation. The Policy empowers the Redressal Committee to investigate if the issue raised constitutes Protected disclosure, complete the investigation in a time bound manner and recommend, after consultation with audit committee, necessary corrective action to the concerned manager for implementation. The policy provides for access of whistle blower to the chairman of the audit committee in appropriate or exceptional circumstances. The policy provides for adequate safeguards of whistle blowers against any kind of victimisation or unfair treatment but also provides for taking stern disciplinary action against who abuses the protection so granted. This functioning of vigil mechanism is periodically reviewed by the audit committee. The company has posted the Whistle Blower Policy on its website www.jbcpl.com.

13. ANNUAL PERFORMANCE EVALUATION

The Board of directors has laid down the criteria for evaluation of performance of individual directors, Board of directors and committees of the Board. The Nomination and Remuneration Committee first carried out evaluation of performance of each director during the year against the criteria. The result of this process was placed before the Board at its meeting held on May 20, 2015, which (excluding the director being evaluated) also independently carried out evaluation of performance of each director. The Board at the said meeting also carried out performance evaluation of each Board constituted committee (excluding the members of the committee being evaluated) against the criteria. The Board's own performance was also evaluated by each individual director based on the criteria.

The chairman of the Board then reviewed the outcome of entire performance evaluation process and shared the same with the Board members.

14. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the company with related parties during the year were pursuant to the contract or arrangement approved by the audit committee and the board of directors. The transactions so entered into were in the ordinary course of business of the company and on arm's length basis. The contract or arrangement or transactions were neither material in terms of policy on materiality of related party transactions adopted by the company nor it exceeded the threshold limit prescribed pursuant to first proviso to Section 188(1) of the Companies Act, 2013. Therefore, provision of information in Form AOC-2 is not applicable. However, every contract or arrangement approved by the Board pursuant to Section 188(1) of the Companies Act, 2013 during the year under review is referred to in Annexure-F pursuant to Section 188(2) of the Companies Act, 2013. These contracts or arrangements are on arm's length basis and in ordinary course of business.

15. EXTRACT OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013, the extract of the annual return as provided under Section 92(3) of the Companies Act, 2013, as on March 31, 2015 is given in Annexure-G.

16. PARTICULARS OF EMPLOYEES AND OTHER REMUNERATION RELATED DISCLOSURES

A statement showing name and other particulars of employees in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in Annexure-H.

The remuneration related and other disclosure required in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in Annexure-I.

17. EMPLOYEE STOCK OPTION PLAN

The disclosure of details in respect of the company's Employee Stock Option Plan, as required under the Companies (Share Capital and Debentures) Rules, 2014 are set out in Annexure-J to this report.

18. LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 during the year and outstanding as at the year-end are given in Annexure-K.

DIRECTORS' REPORT (Contd.)

19. RISK MANAGEMENT

The Board of directors has developed and implemented risk management policy for the company. Pursuant to the Listing Agreement, the Board has constituted risk management committee and delegated monitoring and reviewing of the risk management plan to the committee. The status of mitigation measure in respect of risk management plan is reviewed by the risk management committee periodically.

20. INTERNAL FINANCIAL CONTROLS

The Board has adopted internal financial controls encompassing policies and procedures for ensuring the orderly and efficient conduct of the business, including adherence to company's policies, the safeguarding of the company's assets, prevention and detection of fraud and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information. The specific internal financial controls with reference to financial statements include internal audit of important activities and processes relating to preparation of financial statements, adoption of well defined standard operating procedure for business transactions and compliance relating thereto, use of ERP for accuracy and control, review of periodically prepared financial statements with objective to ensure that financial statements present true and fair view and are correct, sufficient, credible and in compliance with legal and regulatory requirement.

21. SIGNIFICANT AND MATERIAL ORDERS

No significant or material order has been passed by the regulators or courts or tribunals against the company.

22. AUDITORS

The board of directors recommends re-appointment of M/s J.K. Shah & Co., Chartered Accountants, as auditors of the company, to hold office after conclusion of ensuing annual general meeting until conclusion of the next annual general meeting. M/s J.K. Shah & Co., being eligible, have submitted their written consent and certificate of eligibility.

23. SCHEME OF AMALGAMATION AND ARRANGEMENT

The Scheme of Amalgamation and Arrangement between Jyotindra Mody Holdings Private Limited and Ansuya Mody Securities Private Limited and Dinesh Mody Securities Private Limited and Kumud Mody Securities Private Limited and Shirish B. Mody Investments Private Limited and Bharati S. Mody Investments Private Limited ("Transferor Companies") and J. B. Chemicals & Pharmaceuticals Limited ("Transferee Company") and their respective shareholders under Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956 and Section 55 of the Companies Act, 2013 and

any other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 ("Scheme"), which was approved by the Board on 15/4/2014 and members of the company at court convened meeting held on 14/10/2014 and public shareholders through postal ballot and e-voting on 16/10/2014, was sanctioned by the Hon'ble Bombay High Court on 27/2/2015. The Scheme has become effective on 13/4/2015 with appointed date of 1/4/2014.

Accordingly, the Transferor Companies stand merged with the company and the merger has been given effect to in the financial statements of the company for the year ended on March 31, 2015. Consequently, 4,33,42,270 equity shares of FY ₹ 2 held by the Transferor Companies in the company have been cancelled and the company has allotted 4,33,42,270 equity shares of ₹ 2 each credited as fully paid up to the shareholders of the Transferor Companies in accordance with the fair share entitlement ratio specified in the Scheme.

24. SECRETARIAL AUDIT REPORT

Ashish Bhatt & Associates, company secretaries, secretarial auditor of the company, carried out secretarial audit as provided under Section 204 of the Companies Act, 2013 and the rules made there under for the financial year 2014-15. The secretarial audit report given by the said auditor is annexed to this report as Annexure-L.

25. HEALTH AND SAFETY

The company continues to accord high priority to health and safety of employees at all manufacturing locations. During the year under review, the company conducted safety training programmes for increasing disaster preparedness awareness among all employees at the plants. Training programmes and mock drills for safety awareness were also conducted for all employees at the plants.

26. APPRECIATION

Your directors record their sincere gratitude to the banks for their assistance and shareholders, business associates, medical professionals and customers for their continued support and faith in the company and to employees of UNIQUE FAMILY for their valuable services and commitment.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 20, 2015

J. B. Mody
Chairman & Managing Director

ANNEXURE - A

Report on financial performance of the subsidiary companies and a joint venture during the year ended on March 31, 2015 and their financial position as on that date.

(₹ in lakhs)

	Unique Pharmaceutical Laboratories FZE, Dubai	OOO Unique Pharmaceutical Laboratories, Russia	Unique Pharmaceutical Laboratories LLC, Ukraine	J.B. Healthcare Pvt. Ltd., Jersey	Biotech Laboratories (Pty.) Ltd., South Africa.
Share capital	59.46	2,480.12	16.69	2,668.12	0.29
Reserves and Surplus	0.13	(1,115.06)	(14.12)	484.44	3,208.41
Total Assets	6,263.96	6,710.96	2.58	3,159.30	9,591.78
Total Liabilities	6,263.96	6,710.96	2.58	3,159.30	9,591.78
Investments	-	-	-	3,051.38	-
Turnover	8,359.11	5,495.02	-	-	13,958.36
Other Income	-	-	17.00	72.83	28.78
PBT	(1.91)	(1,489.28)	9.50	29.42	821.76
Provision for tax	-	-	-	-	186.88
Deferred Tax	-	(147.07)	-	-	35.97
PAT	(1.91)	(1,342.21)	9.50	29.42	598.91
Proposed Dividend	-	-	-	-	-
% shareholding	100	100	100	100	49

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 20, 2015

J. B. Mody
Chairman & Managing Director

ANNEXURE – B

Company's Policy on directors' appointment

Policy Statement:

The following shall be followed/kept in view, to the extent possible and practicable while selecting any person for a position of a director of the company.

- (a) The appointment of any director should be such as to help maintain/achieve diversity of thought, experience, knowledge, perspective and gender in the board of directors.
- (b) A candidate proposed for appointment as a director should be a person of integrity.
- (c) A candidate proposed for appointment as independent director shall:
 - (i) be independent of management;
 - (ii) shall possess appropriate skills, experience and knowledge in fields such as finance and financial advisory, law, management, sales, marketing, administration, corporate governance, taxation, regulatory affairs, drugs and medicine, technical operations and any other discipline related to the company's business;
 - (iii) be such that brings in appropriate balance of skills, experience and knowledge in the board of directors;

- (iv) be willing to devote time for the affairs and activities of the board and its committee(s) and otherwise to enable the board of directors to discharge its functions and duties effectively; and
- (v) satisfy criteria of independence as mentioned in the Companies Act, 2013 and the Listing Agreement from time to time.

(d) For independent directors, requisite professional qualification in the area of expertise is preferred. However, experience and expertise in a given field should be determining factor.

(e) A candidate proposed for position of executive director may be from the promoter group or outside. Such candidate should have enough experience or potentially fit for the executive responsibilities.

Observance of the Policy: Besides the board of directors, this Policy will also be followed by the Nomination and Remuneration Committee.

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 20, 2015

J. B. Mody

Chairman & Managing Director

ANNEXURE – C

Company's Policy on remuneration of directors, Key Managerial Personnel and other employees.

General:

The objective of remuneration for managing director, whole-time directors, other key managerial personnel and other employees of the company is to focus them on achieving objectives and improving performance, to motivate and retain them and to be able to attract qualified, talented and competent executives and employees to the company, when required. Besides this, achievement of long-term objectives of the company and protecting and enhancing stakeholders' interest are added policy objectives in case of remuneration of managing director and whole-time directors. Further, it is also the objective to create a strong performance oriented culture within the company that rewards achievement of the company's short term and long term objectives and goals.

Remuneration for Executive Directors:

The Nomination and Remuneration Committee ("Committee") shall endeavour to fix the base salaries (fixed salaries) keeping in view

practices prevailing in the industry and also variety of other factors such as experience, past performance, scope of responsibilities and complexity of functions.

The Committee shall also consider incentive pay (in the form of commission, bonus or variable pay of any other description) to strike balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the company and its goals.

The annual increments in the base salaries shall be determined keeping in view performance of the company and shall also reflect appropriate performance benchmarks.

The remuneration of managing directors and whole-time directors shall be subject to provisions of the Companies Act, 2013 ("Act"). However, the base salaries shall be paid as minimum remuneration in the event of loss or inadequacy of profits, subject to provisions of the Act.

Remuneration for Non-Executive Directors:

Non-Executive directors shall be entitled to receive remuneration by way of fee for attending meetings of the board of directors

ANNEXURE – C (Contd.)

or committee thereof or any other purpose whatsoever as may be decided by the Board from time to time within the maximum limit prescribed under the rules made under the Act and also reimbursement of expenses for participation in the Board and other meetings. Subject to the provisions of the Act, Non-Executive directors may also receive profit related commission as may be decided by the Board.

Remuneration for other Key Managerial Personnel (KMP) Senior Management Personnel (SMP):

The Committee shall endeavour to fix the base salaries (fixed salaries) for KMP and SMP at the time of appointment keeping in view practices prevailing in the industry and also variety of other factors such as qualifications, experience, scope of responsibilities, complexity of functions and geographical area.

The Committee shall also consider incentive pay (in the form of commission, bonus or variable pay of any other description) to strike balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the company and its goals. The annual increments in the base salaries of KMP and SMP shall be determined by the company management keeping in view performance of the company and performance of the employees based on appropriate benchmarks and practices prevailing in the industry. The company management shall place annual increment of key executives before the board of directors for approval.

Remuneration for other employees:

The company management shall endeavour to fix the base salaries (fixed salaries) for other employees keeping in view qualifications, experience, scope of responsibilities, complexity of functions, geographical location and practices prevailing in the industry. The company management shall also evaluate and explore for other employees in general or employees in any specific department or function an element of variable pay in the form of incentive, bonus etc. keeping in view short term and long term objectives of the company. The company management shall determine annual increments of other employees based on performance of employees, performance of the company and practices prevailing in the industry.

Common Consideration:

While fixing the remuneration, the Committee shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, KMP and SMP of the quality required to run the company successfully. Further, the Committee

or the company management, as the case may be, shall endeavour to ensure that the remuneration and/or annual increment determined is affordable to the company and competitive with due consideration to industry trends and the company's own position, consistently followed practices.

All employees shall be entitled to loan as per the scheme formulated by the company and group personal accident insurance as per the prevailing practice.

The Committee/company management may also recommend grant of stock options in appropriate cases, subject to provisions of the Act and SEBI Regulations. The Committee or the company management, as the case may be, may also undertake mid-term review of remuneration if the circumstances so warrant.

Criteria for determining qualifications, positive attributes and independence of a director.

- (a) The appointment of any person as a director shall be as per the policy on appointment of directors laid down by the Board. The Nomination and Remuneration Committee (NRC) has also to ensure that the proposed candidate does not have any conflict of interest.
- (b) For independent directors, requisite professional qualification in the area of expertise is preferred. However, experience and expertise in a given field should be determining factor. A candidate proposed for executive director should have enough experience or be potentially fit for the executive responsibilities.
- (c) Through personal interaction with the candidate proposed for position of director, the NRC shall ascertain positive attributes such as leadership, strategic, decision making, flexibility and communication. For candidate proposed for executive director, the NRC shall ascertain additional positive attributes such as entrepreneurship, quality & customer focus, anticipation & speed, passion for superior performance and people orientation.
- (d) Candidate proposed as independent director should satisfy criteria of independence specified in the Companies Act, 2013 and the Listing Agreement from time to time.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 20, 2015

J. B. Mody
Chairman & Managing Director

ANNEXURE – D

Conservation of energy, technology absorption, foreign exchange earnings and outgo.

(A) Conservation of energy:

(i) Steps taken or impact on conservation of energy:

The company continually takes measures for conservation of energy. During the year, the company (i) replaced the boiler at its API plant at Panoli with high efficiency boiler (ii) enhanced batch size at its intravenous plant at Panoli leading to optimisation in energy use, and (iii) replaced vacuum dryer with higher capacity dryer.

(ii) The steps taken by the company for utilising alternate sources of energy:

The company has undertaken feasibility study for use of solar energy for generation of steam in place of gas.

(iii) The capital investment on energy conservation equipment:

During the year, the company made capital investment of ₹ 125 lakhs on energy conservation equipment.

(B) Technology absorption:

(i) Efforts made towards technology absorption:

Formulations:

- Development of Novel drug delivery system (NDDS) for formulation of various therapeutic categories.
- Manufacture at commercial scale formulations based on OROS technology.
- R&D is working to have platform technology like MUPS (Multi unit particles systems) for better patient compliance and avoid dose dumping and local irritation of drugs.

Active Pharmaceutical Ingredients (API):

- R&D is in process of developing new methods to reduce cost and make the existing processes more eco-friendly. The efforts are aimed at developing zero effluent manufacturing facilities. Another area of work is to have import substitution and to be self sufficient.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The company derived the following benefits due to the above:

- Commercialization of the formulations based on the technology absorption as detailed above e.g. OROS and MUPS offers benefits like product improvement and import substitution.
- Successful development of Novel drug delivery systems (NDDS) offers benefits like product improvement and better patient compliance.
- Successful cost reduction in formulation development.
- Improvement in technology results in minimization of environmental hazards.

(iii) The company has not imported any technology during the last three years.

(iv) The expenditure incurred on Research and Development during the year is as under:

	(₹ in lakhs)
(a) Capital	401.39
(b) Recurring	1,941.83
(c) Total	2,343.22

(C) Foreign exchange earnings and outgo:

The foreign exchange earned in terms of actual inflows during the year and foreign exchange outgo in terms of actual outflows during the year was ₹ 63,516.42 lakhs and ₹ 13,131.17 lakhs respectively.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 20, 2015

J. B. Mody
Chairman & Managing Director

ANNEXURE – E

Details and contents of corporate social responsibility policy and annual report on CSR

The objective of the CSR policy is to strive to create and/or encourage, directly or indirectly, positive impact on the society at large through the CSR activities or projects undertaken by the company.

The company intends to undertake all or any of the activities prescribed in Schedule VII to the Companies Act, 2013. Accordingly, CSR Policy specifies activities to be undertaken by the company from time to time in terms of Schedule VII to the Companies Act, 2013. The scope of CSR Policy has been kept as wide as possible to enable the company to choose the activity as it deems fit and also allow the company to respond to different situations and challenges appropriately. Besides, the policy also specifies criteria and modalities of undertaking CSR activities through partnering organizations.

Currently, the company plans to focus on the activities/projects in the area of promotion of education, promoting health care including preventive health care, eradication of hunger, poverty and malnutrition and empowering women and children. The role of the CSR Committee includes review of CSR Policy, recommendation of the amount of expenditure to be incurred on the CSR activities, formulation of transparent monitoring mechanism to ensure effective implementation of the project/programme/activity to be undertaken by the company and monitor and implement CSR Policy from time to time. The company has posted the CSR policy on its website and web link thereto is <http://www.jbcpl.com/wp-content/uploads/2014/12/Corporate-Social-Responsibility-Policy.pdf>

Annual Report on CSR Activities

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.	The Policy recognises CSR as a part of governance philosophy. The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013. Without limiting the aforesaid scope, the policy provides for undertaking activities/projects in the area of promotion of education, eradication of hunger, poverty and malnutrition and empowering women and children. The weblink to the CSR Policy is http://www.jbcpl.com/wp-content/uploads/2014/12/Corporate-Social-Responsibility-Policy.pdf and CSR activities/projects for 2014-15 is http://www.jbcpl.com/wp-content/uploads/2015/05/CSR-Projects.pdf
2. The Composition of the CSR Committee	Dr. Satyanarain Agarwala, Mr. Bharat P. Mehta and Mr. Pranabh Mody.
3. Average net profit of the company for last three financial years	₹ 10,485.73 lakhs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	₹ 209.71 lakhs
5. Details of CSR spent during the financial year	
(a) Total amount to be spent for the financial year;	₹ 209.71 lakhs
(b) Amount unspent, if any;	Nil
(c) Manner in which the amount spent during the financial year is detailed below.	

(1) S.No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency
1	Contribution to corpus of Ankleshwar Industrial Development Society towards upgradation of facilities and treatment of poor patients at Smt. Jayaben Mody hospital run by the society.	Promoting health care including preventive healthcare	Ankleshwar, District: Bharuch, Gujarat State	77.50	77.50 (1) 77.50 (2) Nil	77.50	Direct

(₹ in lakhs)

ANNEXURE – E (Contd.)

(₹ in lakhs)

(1) S.No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency
2	Contribution to National Burns Centre for treatment of burn injuries of poor patients and spreading awareness about skin donation.	Promoting health care including preventive healthcare	Airoli, Navi Mumbai, Maharashtra State	15.00	15.00 (1) 15.00 (2) Nil	15.00	Through Implementing Agency
3	Contribution to corpus of Tata Memorial Hospital for treatment of poor children suffering from cancer.	Promoting health care including preventive healthcare	Mumbai, Maharashtra State	5.00	5.00 (1) 5.00 (2) Nil	5.00	Direct
4	Donation of medicines directly to charitable hospitals and poor and affected people.	Promoting health care including preventive healthcare	Jammu & Kashmir, Dharampur, Gujarat State and Solapur, Maharashtra State	7.50	7.78 (1) 7.78 (2) Nil	7.78	Direct
5	Contribution to corpus of Vision Foundation of India towards treatment of visually impaired poor people.	Promoting health care including preventive healthcare	Mumbai, Maharashtra State	5.00	5.00 (1) 5.00 (2) Nil	5.00	Direct
6	Contribution to Ashoka University corpus of International Foundation for Research and Education for Scholarships to poor students at undergraduate/post graduate level.	Promotion of education	Rajiv Gandhi Education city, Kundli, Haryana, National Capital Region.	40.00	40.00 (1) 40.00 (2) Nil	40.00	Direct
7	Contribution to corpus of Institute of Chemical Technology for setting up of Nano Drugs Delivery Laboratory in the Department of Pharmaceutical Sciences and Technology.	Promotion of education	Mumbai, Maharashtra State	25.00	25.00 (1) 25.00 (2) Nil	25.00	Direct
8	Contribution to corpus of MESCO Education Society for vocational training activities.	Promotion of education	Mumbai, Maharashtra State	10.00	10.00 (1) 10.00 (2) Nil	10.00	Direct

ANNEXURE – E (Contd.)

(₹ in lakhs)

(1) S.No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent: Direct or through implementing agency
9	Contribution to Iskcon Food Relief Foundation to supplement mid-day meal to students in Maharashtra.	Eradication of poverty and malnutrition	Mumbai, Maharashtra State	15.00	15.00 (1) 15.00 (2) Nil	15.00	Direct
10	Contribution to corpus of Light of Life Trust for setting up of old age homes.	Setting up of old age homes	Karjat Taluka, Maharashtra State	10.00	10.00 (1) 10.00 (2) Nil	10.00	Direct
Total				210.00	210.28	210.28	

The CSR committee of the company states that the implementation and monitoring of the CSR Policy is in compliance with CSR objectives and policy of the company.

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

Place: Mumbai
Date: May 20, 2015

Dr. Satyanarain Agarwala
Chairman, CSR Committee

ANNEXURE – F

Details of related party contracts or arrangements

Name of the related party	Nature of the contracts or arrangements	Duration of the contracts or arrangements	Broad terms of the contract or arrangement	Justification for the contract or arrangement
Unique Pharmaceutical Laboratories FZE, Dubai (UPL FZE) ¹	Supply Agreement	Ongoing	The company to manufacture and supply the products to UPL FZE for marketing and distribution thereof by UPL FZE in Russia-CIS markets.	The arrangement would facilitate focused marketing of the products in Russia-CIS markets
	Re-imbusement of expenses	Ongoing	Re-imbusement of expenses in the normal course of business.	This arrangement is in conformity with the normal trade practice.
Lekar Pharma Limited (Lekar)	Purchase Agreement for purchase of agreed finished pharmaceutical formulations by the company	Ongoing	Lekar to supply the agreed finished pharmaceutical formulations to the company at price based on agreed formula.	Timely availability of quality products at competitive price for domestic market.
Unique Pharmaceutical Laboratories Limited (UPLL)	License Agreements for license of certain brands and logo to the company.	Ongoing	The company is licensed the use of certain brand names and 'Unique' Logo by UPLL on payment of royalty @ 1% for use of brand names and @1% for use of aforesaid logo, calculated in the manner laid down in the agreements.	To be able to continue to market the products and grow the sales and profits.
Jyotindra Family Trust	Leave and license agreement for various immovable properties ²	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid under certain agreements in line with market practice.	To continue to use the commercial premises as office and residential premises as residence for the company's executives at arm's length license fee.
Dinesh Family Trust	Leave and license agreement for various immovable properties ³	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid under certain agreements in line with market practice.	To continue to use the commercial premises as office and residential premise as residence for the company's executives at arm's length license fee.
D. B. Mody (HUF)	Leave and license agreement for various immovable properties ⁴	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid under certain agreements in line with market practice.	To continue to use the commercial premises as office and residential premise as residence for the company's executives at arm's length license fee.
Shirish Family Trust	Leave and license agreement for various immovable properties ⁵	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid under certain agreements in line with market practice.	To continue to use the commercial premises as office and residential premise as residence for the company's executives at arm's length license fee.

ANNEXURE – F (Contd.)

Name of the related party	Nature of the contracts or arrangements	Duration of the contracts or arrangements	Broad terms of the contract or arrangement	Justification for the contract or arrangement
S. B. Mody (HUF)	Leave and license agreement for various immovable properties ⁶	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid under certain agreements in line with market practice.	To continue to use the commercial premises as office and residential premise as residence for the company's executives at arm's length license fee.
J. B. Mody Enterprises LLP	Leave and license agreement for office premises at Neelam Centre, Worli, Mumbai	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid in line with market practice.	To continue to use the premises as office of the company at arm's length license fee.
Dinesh Mody Ventures LLP	Leave and license agreement for office premises at Neelam Centre, Worli, Mumbai	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid in line with market practice.	To continue to use the premises as office of the company at arm's length license fee.
Shirish Mody Enterprises LLP	Leave and license agreement for office premises at Neelam Centre, Worli, Mumbai	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid in line with market practice.	To continue to use the premises as office of the company at arm's length license fee.
Mehul Transport Co.	Leave and license agreement for office premises at Neelam Centre, Worli, Mumbai	3 years from November 1, 2014	License fee payable monthly in advance and security deposit paid in line with market practice.	To continue to use the premises as office of the company at arm's length license fee.
Mody Brothers	Leave and license agreement for office premises at Worli, Mumbai	3 years from November 1, 2014	License fee payable monthly in advance.	To continue to use the premises as office of the company at arm's length license fee.
Lekar Pharma Limited (Lekar)	Loan License Agreement for manufacture of products on loan license basis.	Ongoing	The company to manufacture certain formulations on loan license basis for Lekar and also supply certain raw material and packing materials at agreed processing charges/basis of charge respectively.	Utilisation of available capacity at processing charges levied in line with industry-wide accepted formula and reasonable margin.
Boxcare Packagings Private Limited	Purchase agreement for purchase of corrugated boxes	Ongoing	Purchase by the company of boxes of different sizes and specifications.	Reliability in timely supply and boxes of required quality and specification at arm's length prices to serve domestic and export orders.
Namplas Chemicals Private Limited (Namplas)	Job Work Agreement for processing of intermediate by Namplas	Ongoing	Namplas to process intermediate Sodium Methoxide 25% in Methanol on job work basis based on raw materials provided by the company.	Processing at arm's length charges and supply of the processed material through pipeline resulting in optimisation in inventory holding and saving of transportation cost.

ANNEXURE – F (Contd.)

Name of the related party	Nature of the contracts or arrangements	Duration of the contracts or arrangements	Broad terms of the contract or arrangement	Justification for the contract or arrangement
Ifiunik Pharmaceuticals Limited	Inter-corporate deposit of ₹ 65 accepted	On call	Interest payable on quarterly basis.	Borrowing at competitive market driven interest rate.
Synit Drugs Pvt. Ltd.	Inter-corporate deposit of ₹ 40 lakhs accepted	On call	Interest payable on quarterly basis.	Borrowing at competitive market driven interest rate.
Kruti Finance and Holdings Private Limited	Inter-corporate deposit of ₹ 40 lakhs accepted	3 years from May 23, 2013	Interest payable on quarterly basis.	Borrowing at competitive market driven interest rate.
Mr. B.S. Mehta	Deposit of ₹ 0.50 lakhs accepted	1 year from May 10, 2014 (Since repaid).	Interest on quarterly basis.	Borrowing at competitive market driven interest rate.
Bansi S. Mehta & Co.	Arrangement for provision of advisory services	Financial year 2014-15	Availment of advisory services in the area of corporate laws and taxation laws	Competent advice in the area of corporate and taxation laws.

¹ This arrangement became operational in May 2014. Prior thereto, the company supplied the products to OOO Unique Pharmaceutical Laboratories, Russia, a subsidiary company, pursuant to existing supply arrangement, which arrangement was also approved by the Board of directors. The justification of the arrangement was to exploit the market and at the same time also have a better control over inventory and debtors.

² Ten leave and license agreements have been entered into in respect of different office premises in Neelam Centre, Worli (Mumbai), one leave and license agreement has been entered into in respect of office premises at T.V. Industrial estate at Worli, (Mumbai) and one leave and license agreement each has been entered into in respect of residential premises at Mumbai and Bharuch (Gujarat).

³ Four leave and license agreements have been entered into in respect of different office premises in Neelam Centre, Worli (Mumbai) and one leave and license agreement has been entered into in respect of office premises at T.V. Industrial estate at Worli, (Mumbai) and residential premises at Bharuch (Gujarat).

⁴ Six leave and license agreements have been entered into in respect of different office premises in Neelam Centre, Worli (Mumbai) and one leave and license agreement has been entered into in respect of residential premises at Mumbai.

⁵ Four leave and license agreements have been entered into in respect of different office premises in Neelam Centre, Worli (Mumbai) and one leave and license agreement each has been entered into in respect of office premises at T.V. Industrial estate at Worli, (Mumbai) and residential premises at Bharuch (Gujarat).

⁶ Six leave and license agreements have been entered into in respect of different office premises in Neelam Centre, Worli (Mumbai) and one leave and license agreement has been entered into in respect of residential premises at Mumbai.

ANNEXURE – G

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2015

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L24390MH1976PLC019380
ii	Registration Date	18/12/1976
iii	Name of the Company	J. B. Chemicals & Pharmaceuticals Ltd.
iv	Category/Sub-category of the Company	Public Company/ Limited by shares
v	Address of the Registered office & contact details	Neelam Centre, "B" Wing, 4th Floor, Hind Cycle Road, Worli, Mumbai, Maharashtra : 400 030 Tel No. (022) 2482 2222/ 2493 0918 Fax : (022) 2493 0534 email : secretarial@jbcpl.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrars & Transfer Agent, if any.	Datamatics Financial Services Ltd. Plot No. B-5, Part – B, Cross Lane, M.I.D.C., Andheri (E), Mumbai 400 093. Tel No. (022) 6671 2001-06 Fax : (022) 2821 3404 email :satish_patil@dfssl.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activity contributing 10% or more of the total turnover of the company is given below:

Sl. No	Name and description of main products	NIC Code of the Product	% to total turnover of the company
1	Manufacture of pharmaceutical products	2100	83.74%
2	Trading in pharmaceutical products	46497	15.45%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/ GLN	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1	J B Healthcare Pvt. Ltd. No 2, The Foru Grenville Street St Helier, Jersey JE14HH.	N.A.	Subsidiary	100%	2(87)
2	OOO Unique Pharmaceutical Laboratories 127944, Moscow, Tverskaya Str., 18, bldg. 1, office 609.	N.A.	Subsidiary	100%	2(87)
3	LLC Unique Pharmaceutical Laboratories Vasylkivska Street, office 005, Kyiv, Ukraine.	N.A.	Subsidiary	100%	2(87)
4	Unique Pharmaceutical Laboratories FZE Office No. LB181205, LOB-18, Jebel Ali Free Zone, Dubai, UAE.	N.A.	Subsidiary	100%	2(87)

ANNEXURE – G (Contd.)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3,042,111	-	3,042,111	3.59	3,021,250	-	3,021,250	3.56	(0.03)
b) Bodies Corporate	43,474,960	-	43,474,960	51.31	43,474,960	-	43,474,960	51.26	(0.04)
c) Any other : Firms and Trusts	522,610	-	522,610	0.62	522,610	-	522,610	0.62	0.00
SUB TOTAL:(A) (1)	47,039,681	-	47,039,681	55.52	47,018,820	-	47,018,820	55.44	(0.07)
(2) Foreign									
a) NRI- Individuals	286,517	-	286,517	0.34	286,517	-	286,517	0.34	0.00
SUB TOTAL (A) (2)	286,517	-	286,517	0.34	286,517	-	286,517	0.34	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	47,326,198	-	47,326,198	55.85	47,305,337	-	47,305,337	55.78	(0.07)
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	13,428	2,550	15,978	0.02	1,278,060	2,550	1,280,610	1.51	1.48
b) Banks/FI	64,358	4,500	68,858	0.08	18,253	4,500	22,753	0.03	(0.05)
c) Insurance Companies	1,750,000	3,000	1,753,000	2.07	1,700,000	3,000	1,703,000	2.01	(0.06)
d) FIs	2,423,640	-	2,423,640	2.86	3,382,212	-	3,382,212	3.99	1.13
SUB TOTAL (B)(1):	4,251,426	10,050	4,261,476	5.03	6,378,525	10,050	6,388,575	7.53	2.50
(2) Non-Institutions									
a) Bodies corporate									
i) Indian	2,216,379	19,966	2,236,345	2.64	261,5077	17,966	263,3043	3.10	0.47
ii) Overseas	7,500	-	7,500	0.01	7,500	-	7,500	0.01	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	16,775,247	1,753,730	18,528,977	21.87	15,102,383	1,626,300	16,728,683	19.73	(2.14)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	11,344,672	-	11,344,672	13.39	10,717,220	-	10,717,220	12.64	(0.75)
c) Others : Non-Resident Indians	1,020,257	6,200	1,026,457	1.21	1,021,667	6,200	1,027,867	1.21	0.00
SUB TOTAL (B)(2):	31,364,055	1,779,896	33,143,951	39.12	29,463,847	1,650,466	31,114,313	36.69	(2.43)
Total Public Shareholding (B)= (B)(1)+(B)(2)	35,615,481	1,789,946	37,405,427	44.15	35,842,372	1,660,516	37,502,888	44.22	0.07
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	82,941,679	1,789,946	84,731,625	100	83,147,709	1,660,516	84,808,225	100	

Note : The difference in capital represents shares allotted by the company under ESOP.

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Jyotindra B. Mody	473,490	0.56	0	473,490	0.56	0	0.00
2	Dinesh B. Mody/ Kumud D. Mody	300	0.00	0	300	0.00	0	0.00
3	Shirish B. Mody/ Bharati S. Mody	227,550	0.27	0	227,550	0.27	0	0.00
4	Kumud D. Mody/ Dinesh B. Mody	104,865	0.12	0	104,865	0.12	0	0.00

ANNEXURE – G (Contd.)

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
5	Bharati S. Mody/ Shirish B. Mody	148,435	0.18	0	148,435	0.18	0	0.00
6	Bharati S. Mody	5,220	0.01	0	5,220	0.01	0	0.00
7	Pallavi B. Mehta/ Bharat P. Mehta	310,890	0.37	0	310,890	0.37	0	0.00
8	Pranabh Dinesh Mody/ Dinesh B. Mody	90,000	0.11	0	90,000	0.11	0	0.00
9	Pranabh Dinesh Mody/ Sejal P. Mody	87,325	0.10	0	87,325	0.10	0	0.00
10	Sejal Pranabh Mody/ Pranabh D. Mody	50,000	0.06	0	50,000	0.06	0	0.00
11	Nirav Shirish Mody/ Shirish B. Mody	218,500	0.26	0	218,500	0.26	0	0.00
12	Jinali Pranabh Mody	3,000	0.00	0	3,000	0.00	0	0.00
13	Purvi Uday Asher/ Uday M. Asher	375,000	0.44	0	375,000	0.44	0	0.00
14	Jay Bharat Mehta/ Shilpi Jay Mehta	2,050	0.00	0	2,050	0.00	0	0.00
15	Dinesh Bhagwanlal Mody/ Jyotindra B. Mody (held for D B Mody HUF)	502,500	0.59	0	502,500	0.59	0	0.00
16	Uday M. Asher/ Purvi U. Asher	120,900	0.14	0	120,900	0.14	0	0.00
17	Uday Madhavdas Asher	14,100	0.02	0	14,100	0.02	0	0.00
18	Kantaben Vinaychandra Gosalia	19,420	0.02	0	19,420	0.02	0	0.00
19	Kantaben Vinaychandra Gosalia / Bhakti Ashok Patel	6,460	0.01	0	6,460	0.01	0	0.00
20	Rajen D. Shah	10,000	0.01	0	10,000	0.01	0	0.00
21	Bharat P. Mehta/ Pallavi B. Mehta	171,810	0.20	0	171,810	0.20	0	0.00
22	Bharat P. Mehta	29,715	0.04	0	29,715	0.04	0	0.00
23	Vibha Anupam Mehta/ Anupam P. Mehta	9,500	0.01	0	9,500	0.01	0	0.00
24	Anupam Pravinchandra Mehta	5,000	0.01	0	5,000	0.01	0	0.00
25	P. D. Mody (held for P D Mody HUF)	7,000	0.01	0	7,000	0.01	0	0.00
26	Jyotindra Bhagwanlal Mody /Dinesh Bhagwanlal Mody (held for Mody Bros.)	19,125	0.02	0	19,125	0.02	0	0.00
27	Pallavi Bharat Mehta/ D. B. Mody / Bharati Shirish Mody (held for Mody Trading Co.)	53,485	0.06	0	53,485	0.06	0	0.00
28	Nirav Shirish Mody/ Shirish Bhagwanlal Mody (as a trustee of Priti Family Trust)	225,000	0.27	0	225,000	0.27	0	0.00
29	Nirav Shirish Mody/ Shirish Bhagwanlal Mody (as a trustee of Deepali Family Trust)	225,000	0.27	0	225,000	0.27	0	0.00
30	Synit Drugs Pvt. Ltd.	750	0.00	0	750	0.00	0	0.00
31	Jyotindra Mody Holdings Pvt. Ltd.	7,466,242	8.81	0	7,466,242	8.80	0	(0.01)
32	Dinesh Mody Securities Pvt. Ltd.	7,055,326	8.33	0	7,055,326	8.32	0	(0.01)
33	Shirish B. Mody Investments Pvt. Ltd.	6,530,601	7.71	0	6,530,601	7.70	0	(0.01)
34	Ansuya Mody Securities Pvt. Ltd.	7,234,882	8.54	0	7,234,882	8.53	0	(0.01)
35	Kumud Mody Securities Pvt. Ltd.	7,181,232	8.48	0	7,181,232	8.47	0	(0.01)
36	Bharati S. Mody Investments Pvt. Ltd.	7,873,987	9.29	0	7,873,987	9.28	0	(0.01)
37	Namplas Chemicals Pvt. Ltd.	123,110	0.15	0	123,110	0.15	0	0.00
38	Boxcare Packagings Pvt. Ltd.	8,830	0.01	0	8,830	0.01	0	0.00
39	Nisha Vinaychandra Gosalia	2,420	0.00	0	2,420	0.00	0	0.00
40	Nirmala Zaveri	4,500	0.01	0	4,500	0.01	0	0.00

ANNEXURE – G (Contd.)

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
41	Rajiniben Zaveri	11,500	0.01	0	11,500	0.01	0	0.00
42	Bharat K. Doshi	25,402	0.03	0	25,402	0.03	0	0.00
43	Nitin K. Doshi	261,115	0.30	0	261,115	0.30	0	0.00
44	Dilip Sukhlal Mehta	20,411	0.02	0	0	0.00	0	(0.02)
45	Nalini Rasiklal Mehta/ Ashwin Rasiklal Mehta	650	0.00	0	0	0.00	0	0.00
46	Ila Parekh	9,600	0.01	0	9,800	0.01	0	0.00
TOTAL		47,316,598	55.85	0	47,305,337	55.78	0	(0.07)

(iii) Change in Promoters' Shareholding

	Share holding at the beginning of the year		Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year	47,326,198	55.85		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer /bonus /sweat equity etc.)	(refer Note 2)		47,305,337	55.78
At the end of the year	47,305,337	55.78		

Note : 1) There has been no change in shareholding of the Promoter/ members of Promoter group mentioned at serial no. 1 to 43 in table IV(ii).

2) The details of Increase/ decrease in shareholding in respect of members in Promoter group at serial no. 44 to 46 in table IV(ii) are as under :

Sl. No.	Name	Shareholding		Date	Increase/ decrease in Share holding	Reason	Cumulative Share holding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning (01-04-2014)/ at the end of the year (31-03-2015)	% of total shares of the company				No of shares	% of total shares of the company
1	Dilip Sukhlal Mehta	20,411	0.02	01/04/2014				
				11/04/2014	-411	Sale	20,000	0.02
				08/05/2014	-1,343	Sale	18,657	0.02
				12/05/2014	-2,657	Sale	16,000	0.02
				16/05/2014	-6,000	Sale	10,000	0.01
				20/08/2014	-5,000	Sale	5,000	0.01
				12/09/2014	-5,000	Sale	0	0.00
				31/03/2015	0	0		
2	Nalini Rasiklal Mehta/ Ashwin Rasiklal Mehta	650	0.00	01/04/2014				
				21/11/2014	-650	Transmission	0	0.00
				31/03/2015	0	0.00		
3	Ila Parekh	9,600	0.01	01/04/2014				
				17/09/2014	741	Purchase	10,341	0.01
				26/11/2014	-541	Sale	9,800	0.01
				31/03/2015	9,800	0.01		

ANNEXURE – G (Contd.)

(iv) Shareholding pattern of top ten shareholders (other than directors, promoters & holders of GDRs & ADRs)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Share holding	Reason	Cumulative share holding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning (01/04/2014)/ at the end of the year (31/03/2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Ashish Dhawan	8,179,608	9.65	01/04/2014				
		8,179,608	9.64	31/03/2015	Nil	–	8,179,608	9.64
2	Franklin India Smaller Companies Fund	Nil	Nil	01/04/2014				
				30/06/2014	188,140	Purchase	188,140	0.22
				04/07/2014	213,059	Purchase	401,199	0.47
				11/07/2014	261,548	Purchase	662,747	0.78
				18/07/2014	112,253	Purchase	775,000	0.91
				05/09/2014	15,953	Purchase	790,953	0.93
				12/09/2014	28,394	Purchase	819,347	0.97
				19/09/2014	5,653	Purchase	825,000	0.97
				30/09/2014	100	Purchase	825,100	0.97
				31/10/2014	35,068	Purchase	860,168	1.01
				07/11/2014	50	Purchase	860,218	1.01
				14/11/2014	39,782	Purchase	900,000	1.06
				21/11/2014	50,000	Purchase	950,000	1.12
				28/11/2014	25,000	Purchase	975,000	1.15
				19/12/2014	94,230	Purchase	1,069,230	1.26
				06/02/2015	43,327	Purchase	1,112,557	1.31
		13/02/2015	56,673	Purchase	1,169,230	1.38		
		27/03/2015	28,620	Purchase	1,197,850	1.41		
		31/03/2015	66,943	Purchase	1,264,793	1.49		
		1,264,793	1.49	31/03/2015				
3	ICICI Lombard General Insurance Company Ltd.	Nil	Nil	01/04/2014				
				23/05/2014	24,786	Purchase	24,786	0.03
				30/05/2014	356,034	Purchase	380,820	0.45
				06/06/2014	68,000	Purchase	448,820	0.53
				13/06/2014	99,598	Purchase	548,418	0.65
				20/06/2014	14,282	Purchase	562,700	0.66
				25/07/2014	142,224	Purchase	704,924	0.83
				01/08/2014	145,076	Purchase	850,000	1.00
				28/11/2014	49,600	Purchase	899,600	1.06
				19/12/2014	50,000	Purchase	949,600	1.12
				23/01/2015	38,260	Purchase	987,860	1.17
				13/02/2015	37,140	Purchase	1,025,000	1.21
				20/02/2015	22,737	Purchase	1,047,737	1.24
				27/02/2015	20,906	Purchase	1,068,643	1.26
		06/03/2015	13,700	Purchase	1,082,343	1.28		
		1,082,343	1.28	31/03/2015				
4	General Insurance Corporation of India	951,000	1.12	01/04/2014				
				25/07/2014	(25,000)	Sale	926,000	1.09
				01/08/2014	(25,000)	Sale	901,000	1.06
		901,000	1.06	31/03/2015				

ANNEXURE – G (Contd.)

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in Share holding	Reason	Cumulative share holding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning (01/04/2014)/ at the end of the year (31/03/2015)	% of total shares of the company				No. of shares	% of total shares of the company
5	The New India Assurance Company Limited	800,000	0.94	01/04/2014				
		800,000	0.94	31/03/2015	Nil	–	800,000	0.94
6	Ashish Kacholia	812,147	0.96	01/04/2014				
				30/05/2014	37,583	Purchase	849,730	1.00
				20/03/2015	(99,730)	Sale	750,000	0.88
				31/03/2015	(40,293)	Sale	709,707	0.84
		709,707	0.84	31/03/2015				
7	Rajesh Ramu Deora	675,134	0.80	01/04/2014				
				08/08/2014	(10,000)	Sale	665,134	0.78
				05/09/2014	(15,695)	Sale	649,439	0.77
				12/09/2014	(20,000)	Sale	629,439	0.74
				10/10/2014	(10,500)	Sale	618,939	0.73
				17/10/2014	(3,534)	Sale	615,405	0.73
				31/10/2014	1,100	Purchase	616,505	0.73
		616,505	0.73	31/03/2015				
8	Morgan Stanley Asia (Singapore) Pte.	250,362	0.30	01/04/2014				
				18/04/2014	20,000	Purchase	270,362	0.32
				16/05/2014	26,779	Purchase	297,141	0.35
				23/05/2014	15,606	Purchase	312,747	0.37
				06/06/2014	48,933	Purchase	361,680	0.43
				13/06/2014	44,336	Purchase	406,016	0.48
				20/06/2014	21,637	Purchase	427,653	0.50
				19/12/2014	46,942	Purchase	474,595	0.56
				02/01/2015	14,525	Purchase	489,120	0.58
				09/01/2015	30,275	Purchase	519,395	0.61
				16/01/2015	7,200	Purchase	526,595	0.62
				06/02/2015	7,100	Purchase	533,695	0.63
		06/03/2015	53,463	Purchase	587,158	0.69		
		587,158	0.69	31/03/2015				
9	Dimensional Emerging Markets Value Fund	373,888	0.44	01/04/2014				
				06/03/2015	7,189	Purchase	381,077	0.45
				20/03/2015	5,790	Purchase	386,867	0.46
				27/03/2015	6,160	Purchase	393,027	0.46
		393,027	0.46	31/03/2015				
10	SLG International Opportunities, L.P	326,300	0.39	01/04/2014				
				11/04/2014	19,500	Sale	306,800	0.36
		306,800	0.36	31/03/2015				

Note : Date mentioned for Increase /decrease in shareholding is end-date of weekly beneficial ownership position provided by the depositories.

ANNEXURE – G (Contd.)

(v) Shareholding of Directors & Key Managerial Personnel (KMPs)

Sl. No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01/04/2014 to 31/03/2015)	
		No. of shares at the beginning (01/04/2014)/ at the end of the year (31/03/2015)	% of total shares of the company				No. of shares	% of total shares of the company
A DIRECTORS:								
1	Mr. Jyotindra B. Mody Chairman & Managing Director	473,490	0.56	01/04/2014	Nil	–	473,490	0.56
		473,490	0.56	31/03/2015				
2	Mr. Dinesh B. Mody Whole-time Director (Administration)	300	0.00	01/04/2014	Nil	–	300	0.00
		300	0.00	31/03/2015				
3	Mr. Shirish B. Mody Whole-time Director (Marketing)	227,550	0.27	01/04/2014	Nil	–	227,550	0.27
		227,550	0.27	31/03/2015				
4	Mr. Bharat P. Mehta Whole-time Director (Planning & Development)	201,525	0.24	01/04/2014	Nil	–	201,525	0.24
		201,525	0.24	31/03/2015				
5	Mr. Pranabh Mody President & Whole-time Director (Operations)	177,325	0.21	01/04/2014	Nil	–	177,325	0.21
		177,325	0.21	31/03/2015				
6	Mr. Durga Dass Chopra Director	307,930	0.36	01/04/2014	Nil	–	307,930	0.36
		307,930	0.36	31/03/2015				
7	Mr. Mahesh K. Shroff Director	57,505	0.07	01/04/2014	Nil	–	57,505	0.07
		57,505	0.07	31/03/2015				
8	Mr. Kamlesh L. Udani Executive Director (Technical & Production)	57,390	0.07	01/04/2014	Nil	–	57,390	0.07
		57,390	0.07	31/03/2015				
9	Dr. Niranjana N. Maniar Director	15,000	0.02	01/04/2014	Nil	–	15,000	0.02
		15,000	0.02	31/03/2015				
10	Dr. Satyanarain Agarwala Director	1,570	0.00	01/04/2014	Nil	–	1,570	0.00
		1,570	0.00	31/03/2015				
11	Mr. Rajiv C. Mody Director	Nil	Nil	01/04/2014	Nil	–	Nil	Nil
		Nil	Nil	31/03/2015				
12	Ms. Krupa R. Gandhi Director	Nil	Nil	01/04/2014	Nil	–	Nil	Nil
		Nil	Nil	31/03/2015				
13	Mr. Jashvantra B. Joshi Director	Nil	Nil	01/04/2014	Nil	–	Nil	Nil
		Nil	Nil	31/03/2015				
14	Mr. Devang R. Shah Additional director w.e.f 16/12/2014	14,890	0.02	16/12/2014	Nil	–	14,890	0.02
		14,890	0.02	31/03/2015				
B Key Managerial Personnel (KMPs) :								
1	M. C. Mehta Company Secretary	Nil	Nil	01/04/2014	Nil	–	Nil	Nil
		Nil	Nil	31/03/2015				
2	Mr. Vijay D. Bhatt Chief Financial Officer	Nil	Nil	01/04/2014	Nil	–	Nil	Nil
		Nil	Nil	31/03/2015				

ANNEXURE – G (Contd.)

V. INDEBTNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	5,880.14	2,309.47	1,088.45	9,278.06
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	78.21	78.21
Total (i+ii+iii)	5,880.14	2,309.47	1,166.66	9,356.27
Change in Indebtedness during the financial year				
Additions	5,400.00	4,726.95	–	10,126.95
Reduction	5,871.31	1,918.22	1,166.66	8,956.19
Net Change	(471.31)	2,808.73	(1,166.36)	1,170.76
Indebtedness at the end of the financial year				
i) Principal Amount	5,408.83	5,112.97	–	10,521.80
ii) Interest due but not paid	–	5.23*	–	5.23
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	5,408.83	5,118.20	–	10,527.03

* Not debited by the bank on 31-03-2015.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director and Whole-time directors :

Particulars of Remuneration	Name of the MD/WTD						Total Amount
	Mr. Jyotindra B. Mody	Mr. Dinesh B. Mody	Mr. Shirish B. Mody	Mr. Bharat P. Mehta	Mr. Pranabh Mody	Mr. Kamlesh L. Udani	
Gross salary							
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961	326.14	324.38	329.46	163.73	168.46	98.80	1410.97
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	34.01	35.77	30.69	22.25	17.51	7.70	147.93
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Stock option	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Commission:							
- As % of profit	Nil	Nil	Nil	Nil	Nil	Nil	Nil
- others	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total (A)	360.15	360.15	360.15	185.98	185.97	106.50	1,558.90
Ceiling as per the Act							1,715.76

ANNEXURE – G (Contd.)

B. Remuneration to other directors:

(₹ in lakhs)

Particulars of Remuneration	Name of the Directors										Total Amount
	Mr. Durga Dass Chopra	Dr. Satyanarain Agarwala	Dr. Niranjana Maniar	Mr. Mahesh K. Shroff	Mr. Rajiv C. Mody	Ms. Krupa R. Gandhi	Mr. Jashvantraai Joshi	Mr. Devang Shah ¹	Mr. Bansidhar S. Mehta (upto 29.10.14)	Mr. Sanjay K. Asher (upto 24.03.15)	
Independent Directors ²											
(a) Fee for attending board / committee meetings	4.70	6.30	4.60	4.10	0.70	4.50	0.50	0.50	0.60	0.80	27.30
(b) Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	4.70	6.30	4.60	4.10	0.70	4.50	0.50	0.50	0.60	0.80	27.30
Total Managerial Remuneration	4.70	6.30	4.60	4.10	0.70	4.50	0.50	0.50	0.60	0.80	27.30
Overall Ceiling as per the Act ³											

¹Mr. Devang Shah was appointed as Additional director w.e.f. 16.12.2014.

²The company does not have non-executive directors other than independent directors.

³The sitting fees paid by the company does not exceed the limit prescribed under Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

C. Remuneration to Key Managerial Personnel other than MD/ WTD

(₹ in lakhs)

Particulars of Remuneration	Key Managerial Personnel		Total Amount
	Company Secretary	CFO	
Gross Salary			
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	37.74	10.09*	47.82
(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil
Stock Option	Nil	Nil	Nil
Sweat Equity	Nil	Nil	Nil
Commission:			
- As % of profit	Nil	Nil	Nil
- others	Nil	Nil	Nil
Others	Nil	Nil	Nil
Total	37.74	10.09	47.82

*CFO has joined the employment from January 21, 2015.

ANNEXURE – G (Contd.)

VII COMPOUNDING OF OFFENCES

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Compounding fees imposed	Authority	Appeal made if any
A. COMPANY						
1	Compounding	Section 291(1) of the Companies Act, 1956	Deputy Registrar of Companies, Maharashtra, Mumbai vide show cause notice dated February 5, 2010 alleged that the company has written-off bad debts of ₹ 842.04 lacs and for that purpose the company has not passed any board resolution. Though the company did not accept and provided details evidencing compliance, the company later filed compounding application on 10/12/2013 in order to close the matter.	₹ 20,000 (vide order dated 14/11/2014).	Company Law Board	–
B. DIRECTORS						
Compounding						
1	Mr. J. B. Mody Mr. D. B. Mody Mr. S. B. Mody Mr. B. P. Mehta Mr. Pranabh Mody Mr. K. L. Udani	Section 291(1) of the Companies Act, 1956	The facts are the same as above. Though the directors did not accept and provided details evidencing compliance, the directors later filed compounding application on 10/12/2013 in order to close the matter.	₹ 20,000 per director (vide order dated 14/11/2014).	Company Law Board	–
2	Mr. J. B. Mody Mr. D. B. Mody Mr. S. B. Mody Mr. B. P. Mehta Mr. Pranabh Mody Mr. K. L. Udani	Section 211 (3A) of the Companies Act, 1956 read with Accounting Standard-2	Deputy Registrar of Companies, Maharashtra, Mumbai vide show cause notice dated February 5, 2010 alleged that 'Fuel' and 'stores' items out of the inventory as at 31/3/2006, 31/3/2007 and 31/3/2008 were valued at 'cost' and were 'written off' respectively which was at variance with AS-2 concerning Accounting Standard on valuation of inventories. Though the directors did not accept and provided details evidencing compliance, the directors later filed compounding application on 10/12/2013 in order to close the matter	₹ 5,000 per director (vide order dated 14/11/2014).	Company Law Board	–
3	Mr. J. B. Mody Mr. D. B. Mody Mr. S. B. Mody Mr. B. P. Mehta Mr. Pranabh Mody Mr. K. L. Udani	Section 211 read with Part II of Schedule VI to the Companies Act, 1956	Deputy Registrar of Companies, Maharashtra, Mumbai, vide show cause notice dated February 5, 2010 alleged that the company has accepted deposits from directors whose outstanding as on 31/3/2006, 31/3/2007 and 31/3/2008 was ₹ 1.50 lakhs, ₹ 1.50 lakhs and ₹ 85.50 lakhs respectively, and the Company has paid/provided interest of ₹ 14.78 lakhs and ₹ 5.37 lakhs during the year ended on 31-3-2006 and 31/3/2007 on the said deposits. But, the published profit and loss account does not contain disclosure as to the amount of interest paid to directors during each of the years as required under Part II of Schedule VI read with section 211 of the Act. Though the directors did not accept and provided details evidencing compliance, the directors later filed compounding application on 10/12/2013 in order to close the matter.	₹ 5,000 per director (vide order dated 14/11/2014).	Company Law Board	–
4	Mr. J. B. Mody Mr. D. B. Mody Mr. S. B. Mody Mr. B. P. Mehta Mr. Pranabh Mody Mr. K. L. Udani	Section 211 read with Schedule VI to the Companies Act, 1956	Deputy Registrar of Companies, Maharashtra, Mumbai vide show cause notice dated February 5, 2010 alleged that the company did not disclose audit fee and tax audit fee properly during the financial year ended on 31/3/2008, which was not shown separately as required under Schedule VI to the Act. Though the directors did not accept and provided details evidencing compliance, the directors later filed compounding application on 10/12/2013 in order to close the matter.	₹ 2,000 per director (vide order dated 14/11/2014).	Company Law Board	–

ANNEXURE – G (Contd.)

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Compounding fees imposed	Authority	Appeal made if any
5	Mr. J. B. Mody Mr. D. B. Mody Mr. S. B. Mody Mr. B. P. Mehta Mr. Pranabh Mody Mr. K. L. Udani	Section 209 (3) (b) of the Companies Act, 1956	Deputy Registrar of Companies, Maharashtra, Mumbai vide show cause notice dated February 5, 2010 alleged that Lekar Healthcare Limited, a 100% subsidiary of the company was making losses and the said losses as on 31/3/2006 exceeded its paid up capital. However, the Company did not provide for diminution in value of its investment of ₹ 5 lakhs in the said subsidiary as also the outstanding loan of ₹ 340.67 lakhs given to the said subsidiary; and the market value of 1.20 lakhs equity shares of Spectrum Pharmaceuticals Inc. of USA was ₹ 326.92 lakhs as on 31/3/2007 as against its acquisition cost of ₹ 449.30 lakhs. However, these losses were not provided for in the books of account. Though the directors did not accept and provided details evidencing compliance, the directors later filed compounding application on 10/12/2013 in order to close the matter.	₹ 2,000 per director (vide order dated 14/11/2014).	Company Law Board	–
C. OTHER OFFICERS IN DEFAULT						
Compounding						
1	Beejal Desai, company secretary	Same as above 5 matters	The same as above five matters. Though the company secretary did not accept and provided details evidencing compliance, he later filed compounding applications on 10/12/2013 in order to close the matter.	Same compounding fees as imposed on the directors as mentioned in above five matters.	Company Law Board	–

Note : No penalties/punishment imposed by any authority for the year ended on March 31, 2015.

ANNEXURE – H

Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 for the year ended on March 31, 2015.

- (a) Name & age (years) (b) Designation (c) Gross remuneration received (₹) (d) Qualification(s) & experience (years) (e) Date of commencement of employment (f) Last employment held before joining the company
- (a) Bang P.B. (47) (b) Vice President (c) 6,147,192 (d) M.Pharm., DBM (23) (e) 28/08/2003 (f) Ankur Drugs & Pharmaceuticals Limited-General Manager (a) *Chauhan V.V.(44) (b) Vice President –R&D (c) 7,573,276 (d) M.Pharm. (22) (e) 12/06/2014 (f) Intas Pharmaceuticals Limited-Vice President-Manufacturing (a) Gopal B.K. (70) (b) General Sales Manager (c) 6,984,630 (d) B.Sc. (42) (e) 01/04/1973 (f) Pfizer Limited-P.S.R. (a) Joshi M.D. (Dr.) (51) (b) President-Global Regulatory Management (c) 12,489,057 (d) M.Sc., Ph.D (29) (e) 07/12/1989 (f) Adonis Labs Private Limited-Executive Quality Assurance (a) Mehta B.P. (67) (b) Whole-time director (Planning & Development) (c) 1,97,41,587 (d) B.Sc. (44) (e) 01/01/1977 (f) Unique Pharma Labs.-Production Manager (a) Mehta J.B. (37) (b) Senior Vice President (International Division) (c) 11,155,572 (d) B.Sc.(Chem.Engg.) (10) (e) 01/10/2004 (f) Allergan Pharmaceuticals-Research Project-In charge (a) Mody D.B. (79) (b) Whole-time director (Administration) (c) 37,909,236 (d) Exp. in Admn. (60) (e) 01/01/1977 (f) J.B. Chemicals & Pharmaceuticals Pvt. Ltd.-Whole-time director (Administration) (a) Mody J.B. (b) Managing Director (c) 37,909,236 (d) Inter Sc. (64) (e) 01/01/1977 (f) J.B. Chemicals & Pharmaceuticals Pvt. Ltd.-Managing Director (a) Mody N.S. (34) (b) Senior Vice President-Strategic Marketing & Business Development (c) 11,155,572 (d) B.Sc. in Business Admn. (10) (e) 13/07/2004 (f) Rodman & Renshaw-Equity Research Analyst (a) Mody P.D. (52) (b) President & Whole-time director (Operations) (c) 19,741,587 (d) B.Pharm., M.B.A. (USA) (28) (e) 25/06/1987 (f) First employment (a) Mody S.B. (74) (b) Whole-time director (Marketing) (c) 37,909,236 (d) B.Sc. (Tech.) (55) (e) 01/01/1977 (f) J.B. Chemicals & Pharmaceuticals Pvt. Ltd.- Director-Technical (a) **Sachi Savya (52) (b) Director- Marketing & Sales (c) 6,919,671 (d) B.Sc., LLB, DBM, ADM (29) (e) 17/02/2012 (f) Dr. Reddy's Laboratories Limited-Vertical Head-Acute (a) Singh P.K. (50) (b) President (Global Business) (c) 9,668,853 (d) M.Pharm (28) (e) 01/12/2001 (f) Coral Laboratories-General Manager (International Division) (a) Udani K.L. (61) (b) Executive Director (Technical & Production) (c) 11,350,016 (d) B.E. (Elect.), M.B.A. (35) (e) 01/02/2001 (f) Unique Pharmaceutical Laboratories Ltd.-Managing Director

Notes: (1) The nature of employment of the above employees is contractual in nature. The other terms and conditions of each of the above are as per the contract/letter of appointment and rules of the company. (2) Mr. J.B. Mody, Mr. D.B. Mody and Mr. S.B. Mody are related to each other as brothers. Mr. P.D. Mody is son of Mr. D. B. Mody. Mr. N.S. Mody is son of Mr. S. B. Mody. Mr. B.P. Mehta is son-in-law of Mr. J.B. Mody and Mr. J.B. Mehta is son of Mr. B.P. Mehta and grand-son of Mr. J.B. Mody. *(3) Employed for part of the year. ** (4) Not a member of the Board of directors. (5) An employee of the company in receipt of remuneration in excess of that drawn by the whole-time director does not hold himself or along with his spouse and dependent children more than two percent of the equity shares of the company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 20, 2015

J. B. Mody
Chairman & Managing Director

ANNEXURE - I

Disclosures pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) **The ratio of the remuneration of each executive director to the median remuneration, percentage increase in their remuneration and its comparison against performance of the company:**

Name	Designation	Remuneration paid in 2014-15 (₹ in lakhs)	Remuneration paid in 2013-14 (₹ in lakhs)	% increase in 2014-15 over 2013-14	Ratio of remuneration paid in 2014-15 to median remuneration	Remuneration paid as % of Net Sales	Remuneration paid as % of PBT
Mr. Jyotindra B. Mody	Chairman & Managing Director	379.09	403.60	(Refer to note)	178.51:1	0.37	2.38
Mr. Dinesh B. Mody	Whole-time director (Administration)	379.09	403.60	(Refer to note)	178.51:1	0.37	2.38
Mr. Shirish B. Mody	Whole-time director (Marketing)	379.09	403.61	(Refer to note)	178.51:1	0.37	2.38
Mr. Bharat P. Mehta	Whole-time director (Planning & Development)	197.42	175.48	12.50	92.96:1	0.19	1.24
Mr. Pranabh Mody	President & Whole-time director (Operations)	197.42	175.48	12.50	92.96:1	0.19	1.24
Mr. Kamlesh L. Udani	Executive director (Technical & Production)	113.50	100.89	12.50	53.45:1	0.11	0.71

Note: The remuneration of Mr. Jyotindra B. Mody, Mr. Dinesh B. Mody and Mr. Shirish B. Mody was increased by 12% from April 1, 2014. However, remuneration for February, 2015 and March, 2015 is not paid to them due to overall cap of 10% on managerial remuneration pursuant to Section 197 of the Companies Act, 2013.

- (ii) The non-executive directors were only paid sitting fees during the year for attending meetings of the Board and committees thereof. The information as to ratio of remuneration to the median remuneration of employees and percentage increase in remuneration is not relevant as the principles governing the increase in the remuneration of executive directors and sitting fees payable to non-executive directors as per the company's remuneration policy are different.
- (iii) **Increase in remuneration of Chief financial Officer and Company Secretary and comparison of their remuneration against company performance:**
- The increase in remuneration of the company secretary during the year was 14.26%. The current Chief Financial Officer has joined the employment in January 2015 and the increase in his remuneration would be considered during the current financial year. The company secretary's remuneration of ₹ 41.14 lakhs during the year was 0.04% of net sales and 0.26% of PBT for 2014-15, while Chief Financial Officer's remuneration of ₹ 56.74 lakhs (annualised) was 0.05% of net sales and 0.36% of PBT for 2014-15.
- (iv) The increase in the median remuneration of the employees in the financial year was 10.63%.
- (v) As on March 31, 2015, the company had 2,158 permanent employees on its rolls.
- (vi) **Explanation on the relationship between average increase in remuneration and company performance:**
- The average increase in the remuneration during 2014-15 was 12.48% against sales growth of 17.62% and growth in PBT (before exceptional item) of 31%. The performance of the company and performance of the employees are important determinants of the increase in remuneration besides other factors such as industry benchmarking, inflation index, company affordability and attrition.
- (vii) **Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- The average increase in the remuneration of employees other than the managerial personnel during the year 2014-15 was 12.48% as against the average increase of 12.25% granted

ANNEXURE – I (Contd.)

in the managerial remuneration. However, actual increase in managerial remuneration paid during 2014-15 was 1.04% due to reason of limiting the managerial remuneration within the limit set under Section 197 of the Companies Act, 2013. The average increases as above were the outcome of performance of the company, performance of the employee and the market practices. There were no exceptional circumstances for increase in the managerial remuneration.

(viii) **The key parameters of any variable component of remuneration availed by directors:**

The remuneration paid to directors do not have any variable component.

(ix) **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:**

Not applicable.

(x) **Variations in the market capitalisation, price earnings ratio and percentage increase in the market quotation in comparison to last public offer price:**

The market capitalisation of the company as on March 31, 2015 was ₹ 1,691.50 crores as against ₹ 1,085.41 crores as on March 31, 2014. The price earnings ratio of the company as on March 31, 2015 was 14.88 as against 15.85 as on March 31, 2014. The year-end closing market quotation of the company's equity shares of face value of ₹ 2 being ₹ 199.45 represents an increase of 9,872.50% (adjusted for split) over the last IPO price of ₹ 10 per share made in 1985. (the above information is based on NSE closing price of ₹ 199.45 as on the year-end)

(xi) It is affirmed that the remuneration of the directors and employees of the company is as per remuneration policy of the company.

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 20, 2015

J. B. Mody

Chairman & Managing Director

ANNEXURE - J

Disclosure of details in respect of company's Employee Stock Option Plan

	Year of Grant		
	2004	2005	2006
(a) Options granted	475,000	563,240	547,000
(b) Exercise price	63	84	95
(c) Options vested	475,000	563,240	547,000
(d) Options exercised	271,800	204,250	137,175
(e) The total number of shares arising as a result of exercise of option	271,800	204,250	137,175
(f) Options lapsed	203,200	358,990	373,950
(g) Variation of terms of options	Not Applicable	Not Applicable	Not Applicable
(h) Money realised by exercise of options	17,123,400	17,157,000	13,031,625
(i) Total number of options in force	Nil	Nil	35,875
(j) Employee wise details of options granted to:			
(i) Key Managerial Personnel;	Nil		
(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year;	No employee has received a grant in any one year of option amounting to 5% or more of option granted during that year.		
(iii) Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital of the company at the time of grant.	No employee has been granted options equal to or exceeding 1% of the issued capital of the company in any year.		

For and on behalf of the Board of Directors

Place: Mumbai

Date: May 20, 2015

J. B. Mody

Chairman & Managing Director

ANNEXURE - K

Particulars of loans, guarantees and investments

Name of entity	Relationship with the company	Nature of transaction and material terms	Amount
Unique Pharmaceuticals Laboratories FZE	Wholly owned subsidiary	Subscription to equity capital	₹ 59.92 lakhs
OOO Unique Pharmaceutical Laboratories	Wholly owned subsidiary	Subscription to equity capital	₹ 940.25 lakhs
Unique Pharmaceutical Laboratories LLC	Wholly owned subsidiary	Subscription to equity capital	₹ 6.08 lakhs
J. B. Healthcare Pvt. Ltd.	Wholly owned subsidiary	Subscription to equity capital	₹ 6.17 lakhs
Unique Pharmaceuticals Laboratories FZE	Wholly owned subsidiary	Corporate guarantee given to the banker in relation to working capital finance sanctioned to the said subsidiary. Guarantee commission charged @0.50%.	USD 4 million
Mukand Ltd.	Not related	Inter-corporate deposit @ 17% p.a.	₹ 100 lakhs
Hikal Ltd.	Not related	Inter-corporate deposit @ 15% p.a.	₹ 100 lakhs
Vadilal Industries Ltd.	Not related	Inter-corporate deposit @ 14% p.a.	₹ 25 lakhs

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 20, 2015

J. B. Mody
Chairman & Managing Director

ANNEXURE - L

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2015

[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,
J. B. Chemicals & Pharmaceuticals Limited
Neelam Centre, B wing,
4th Floor, Hind Cycle Road,
Worli, Mumbai 400030.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by J. B. Chemicals & Pharmaceuticals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment;
- (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 audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period);
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s);

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

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has passed following ordinary/ special resolutions which are having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. Enabling resolution passed to Increase in borrowing limits under section 180(1)(c) of the Companies Act, 2013;
2. Enabling resolution passed to sell, lease or dispose of whole or substantially the whole of the undertaking under section 180(1)(a) of the Companies Act, 2013, for creating security for borrowing.

For Ashish Bhatt & Associates

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date: May 20, 2015

ANNEXURE I

List of applicable laws to the Company

Under the Major Group and Head

1. Drugs & Cosmetics Act, 1940
2. Drugs (Prices Control) Order 2013.
3. Factories Act, 1948;
4. Industries (Development & Regulation) Act, 1951
5. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
6. Acts prescribed under prevention and control of pollution;
7. Acts prescribed under Environmental protection;
8. Acts as prescribed under Direct Tax and Indirect Tax
9. Labour Welfare Act of respective States;
10. Trade Marks Act 1999.
11. The Legal Metrology Act, 2000

For Ashish Bhatt & Associates

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date : May 20, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY DEVELOPMENTS

The domestic formulations industry at sales of over ₹ 90,000 crores for 12 months period ended March 2015, grew at around 12% (IMS). The market continues to show intense competition with increased number of brands and new combination being launched in the market.

OPPORTUNITIES & THREATS

Domestic Business:

The domestic formulations industry has been growing well for last several years and the prospects going forward seem robust. The future outlook for the industry and growth expectations remains positive in view of increased government and private spending on healthcare. The per capita consumption of drugs is on increase due to spurt in chronic diseases coupled with increase in literacy rate, increase in per capita income, improved healthcare access, increasing market penetration and increasing health awareness. All these are expected to provide growth opportunity in coming years. The brand building, new products introductions, product awareness programmes, price revisions and penetration in rural markets will remain growth enablers. For the company, the domestic formulations business is a thrust area and has consistently shown growth in last several years. In view of good long term growth prospects offered by the domestic industry and the company's strengths in this business, the company has good growth potential and is well poised to take advantage of the growing market.

During the year 2014-15, prescription products business of the company registered 15.95% growth. The company's growth strategy includes focusing on growing therapeutic segments like anti-peptic ulcerant, cardiovascular, pain management, anti-infective and gastrointestinal, new product introductions, deeper penetration in rural market and deeper penetration in hospital business. Despite the challenges, the company is quite hopeful of growing the business in this segment.

The company has already created good brands like Rantac (anti-peptic ulcerant), Cilacar (calcium channel blocker) and Metrogyl (amoebicides), which feature in top 300 brands (IMS) and otherwise enjoys strong brand equity in medical fraternity and trade. The sustained brand building efforts in cardiac, gastro, topical anti-infective and pain management segments have met with good success.

Your company's contrast media division performed well during the year. The company plans to enhance its focus on government tender business in view of significant spends planned under various healthcare schemes and selectively launch new products to further boost the sales.

The rising costs on one hand and price control on the other remain a concern.

International business:

The wide geographical presence in international market, State-of-the-art manufacturing facilities with approval from health authorities such as US FDA, UK MHRA, TGA Australia, MCC South Africa, MOH-Ukraine, MOH-Japan, etc. and wide range of products across injectable, solid and semi-solid along with strong regulatory and R&D backup present a good business opportunity and has good growth outlook.

The company's exports of formulations at ₹ 501.76 crores registered 8.09% growth over the previous year. The company has increased its focus on US business and has accordingly identified several potential products for this market and is working towards filing ANDAs. Besides this, the company's focus is on growth of contract manufacturing, branded generics products, lozenges and contrast media products. While in terms of market, the company's focus is on USA, South Africa, UK, Canada, Australia and semi-regulated markets.

Further, Russia-CIS markets, where your company has strong foothold, also offer good potential. Though the company will take some more time to consolidate business in this region, the company is hopeful of growth in this region in coming years.

The company does not perceive any major concern in the international business.

SEGMENT WISE PERFORMANCE

The company is engaged in one segment viz. pharmaceuticals. During the year under review, domestic formulations business, formulations exports and API business all achieved growth.

The domestic formulations business with sales of ₹ 374.44 crores registered growth of 15.95% against industry growth of about 12% during the year. The contrast media division with sales of 35.14 crores achieved growth of 7.95%. Harnessing the potential of existing products basket, penetration into existing and new markets, selective new product launches and focus on increase in productivity is expected to help achieve good growth in the current year.

The exports to rest of the world countries at ₹ 350.11 crores grew by 16.83% in Rupee terms. The sales in US and Australia, which are the part of focused markets, fared well. The enhanced focus on these markets is expected to yield positive results in the coming years.

The sales of active pharmaceutical ingredients at ₹ 103.76 crores registered growth of 4.45%.

OUTLOOK

In view of good business outlook both in domestic and international market as discussed above, the company's manufacturing infrastructure of international standard, strong products portfolio with high growth brands, strong marketing capability and strong balance sheet present good outlook for the company's business.

RISKS AND CONCERNS

Your company does not perceive any risks or concerns other than those that are common to the industry such as regulatory risks, exchange risk and other commercial and business related risks.

INTERNAL CONTROL SYSTEMS

Your company has an adequate system of internal controls, which ensures that its assets are protected from loss and unauthorized use as well as business affairs are carried out in accordance with established procedures. These systems of internal controls also ensure that transactions are carried out based on authority and are recorded and reported in line with generally accepted accounting principles. The company also has a system of regular internal audit carried out by competent professionals retained by the company. The internal audit programme is approved by the audit committee, and findings of the internal auditor are placed before the audit committee at regular interval.

FINANCIAL PERFORMANCE

The net revenue from operations stood at ₹ 1,061.42 crores as against ₹ 956.53 crores in the previous year, while the total revenue for the year stood at ₹ 1,071.83 crores against ₹ 994.07 crores in the previous year.

The profit before tax at ₹ 159.10 crores shows marginal growth as against profit before tax and exceptional item in the previous year. The profit after tax for the year stood at ₹ 113.58 crores against ₹ 68.42 crores in the previous year. The earnings per share for the year is ₹ 13.40 per equity share of face value of ₹ 2 each.

HUMAN RESOURCE

The relationship with employees and workers continued to be cordial at all levels. As on March 2015, employee strength was 2635.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company's philosophy on code of governance is aimed at assisting the management and the board of directors in efficient conduct of the business and in meeting its obligations to all stakeholders, and is guided by the principles of transparency, fairness, accountability and integrity. The philosophy also includes insistence on strict adherence to the governance mechanism laid down in the Companies Act, 2013 and the Listing Agreement. These practices are intended to achieve balance between enhancement of stakeholder value and achievement of financial objective.

2. BOARD OF DIRECTORS

The strength of the board of directors of the company as on the year end was fourteen. Six directors, including Mr. Jyotindra B. Mody, Chairman & Managing Director, are executive directors, while eight directors are non-executive and independent directors.

6 meetings of the board of directors were held during the year ended on March 31, 2015. These meetings were held on April 15, 2014, May 26, 2014, August 5, 2014, November 10, 2014, November 19, 2014 and February 4, 2015.

The information on composition and category of directors as well as attendance of each director at the meeting of the board of directors held during the year ended on March 31, 2015 and at the last annual general meeting and their directorships in other companies and committee membership in other public companies as of the year-end is as under:

Name of director	Category	No. of board meetings attended	Attendance at last AGM	No. of other director-ship(s)	Other committee position	
					Member	Chairman
Mr. Jyotindra B. Mody	Executive (Promoter)	6	Yes	6	-	-
Mr. Dinesh B. Mody	Executive (Promoter)	6	Yes	5	-	-
Mr. Shirish B. Mody	Executive (Promoter)	6	Yes	5	-	-
Mr. Bharat P. Mehta	Executive (Promoter Group)	6	Yes	4	-	-
Mr. Pranabh Mody	Executive (Promoter Group)	6	Yes	6	1	-
Mr. Kamlesh L. Udani	Executive	6	Yes	2	-	-
Mr. Bansidhar S. Mehta (up to 29/10/2014)	*Non-Executive	2	Yes	**_	**_	**_
Mr. Durga Dass Chopra	Non-Executive & Independent	5	No	1	-	-
Dr. Satyanarain Agarwala	Non-Executive & Independent	6	Yes	3	1	-
Dr. Niranjan N. Maniar	Non-Executive & Independent	6	Yes	-	-	-
Mr. Mahesh K. Shroff	Non-Executive & Independent	5	Yes	3	-	-
Mr. Rajiv C. Mody	Non-Executive & Independent	2	No	5	1	-
Mr. Jashvantrai B. Joshi	Non-Executive & Independent	1	No	-	-	-
Mr. Sanjay K. Asher (Alternate to Mr. Jashvantrai B. Joshi) (up to 24/03/2015)	Non-Executive & Independent	3	No	**_	**_	**_
Ms. Krupa R. Gandhi	Non-Executive & Independent	6	Yes	1	-	-
Mr. Devang R. Shah (appointed as additional director w.e.f. 16/12/2014)	Non-Executive & Independent	1	Not Applicable	4	-	-

*Non-Executive independent director upto May 9, 2014.

**Not applicable as not a director as on March 31, 2015.

Notes:

- (1) The directorships exclude directorships of bodies corporate incorporated outside India.
- (2) The committee positions pertain to position held on Audit Committee and Stakeholders Relationship Committee of public limited companies.

3. AUDIT COMMITTEE

The terms of reference of the audit committee are those prescribed under Clause 49 of the Listing Agreement as well as under Section 177 of the Companies Act, 2013.

The composition of the audit committee complies with the requirement laid down in Clause 49 of the Listing Agreement. Mr. D. D. Chopra, Chartered Accountant, is Chairman of the audit committee, while Mr. Dinesh B. Mody, Dr. S. Agarwala, Dr. N.N. Maniar and Ms. Krupa R. Gandhi are the other members of the audit committee. M.C. Mehta, Company Secretary, acts as secretary to the audit committee.

6 meetings of the committee were held during the year ended on March 31, 2015. These meetings were held on April 15, 2014, May 26, 2014, August 5, 2014, November 10, 2014, November 19, 2014 and February 4, 2015. The information with regard to attendance of the members is as under:

Name	Position held	Category	No. of meetings attended
Mr. Durga Dass Chopra	Chairman	Non-executive & independent director	5
Mr. Dinesh B. Mody	Member	Executive director (Promoter)	6
Dr. Satyanarain Agarwala	Member	Non-executive & independent director	6
Dr. Niranjn N. Maniar	Member	Non-executive & independent director	6
Ms. Krupa R. Gandhi	Member	Non-executive & independent director	6
Mr. Mahesh K. Shroff (upto 19/10/2014)	Member	Non-executive & independent director	3

The Chairman & Managing Director, President & Whole-time director (Operations), Chief Financial Officer, statutory auditor and internal auditor are regular invitees to the audit committee meetings.

4. NOMINATION AND REMUNERATION COMMITTEE AND DETAILS OF REMUNERATION

The Nomination and Remuneration Committee comprises of three independent directors namely Dr. Satyanarain Agarwala, Chairman, Mr. Mahesh K. Shroff and Mr. Rajiv C. Mody (w.e.f 01/04/2015). The terms of reference of the committee are those prescribed under the Companies Act and Clause 49 of the Listing Agreement. Two meetings of Nomination and Remuneration committee were held during the year on December 12, 2014 and February 2, 2015. The information with regard to attendance of the members is as under:

Name	Position held	Category	No. of meetings attended
Dr. Satyanarain Agarwala	Chairman	Non-executive & independent director	2
Mr. Mahesh K. Shroff	Member	Non-executive & independent director	2
Mr. Durga Dass Chopra (upto 19/10/2014)	Member	Non-executive & independent director	-
Dr. N. N. Maniar (upto 19/10/2014)	Member	Non-executive & independent director	-
Mr. Sanjay K. Asher (upto 24/03/2015)	Member	Non-executive & independent director	-

(i) Remuneration and shareholding of Non-executive directors

The non-executive directors at present are only paid sitting fees for attending meetings of the Board and committee(s) thereof. Role and responsibilities of non-executive directors being the criteria relied upon by the Board, the Board unanimously decides the amount of sitting fees to be paid from time to time, in accordance with the Remuneration Policy of the company. The sitting fee presently fixed does not require prior approval of the shareholders. The information on amount of sitting fees paid to the non-executive directors for attending meetings of the Board and committee(s) thereof held during the year ended on March 31, 2015 and the number of equity shares held by them in the company as on March 31, 2015 are as under:

Name	Sitting Fees (₹)	No. of shares held
Mr. Durga Dass Chopra	4,70,000	3,07,930
Dr. Satyanarain Agarwala	6,30,000	1,570

Name	Sitting Fees (₹)	No. of shares held
Dr. Niranjana N. Maniar	4,60,000	15,000
Mr. Mahesh K. Shroff	4,10,000	57,505
Mr. Rajiv C. Mody	70,000	–
Ms. Krupa R. Gandhi	4,50,000	–
Mr. Jashvantraï Joshi	50,000	–
Mr. Devang Shah	50,000	14,890
Mr. Bansidhar S. Mehta (up to 29/10/2014)	60,000	*–
Mr. Sanjay K. Asher (upto 24/03/2015)	80,000	*–

*Not applicable as not a director as on March 31, 2015.

During the year under report, the non-executive directors' neither had any other pecuniary relationship nor entered into any other transaction vis-à-vis the company except Mr. B.S. Mehta who placed deposit of ₹ 50,000 with the company during the year. None of the non-executive directors, other than as stated above, hold any shares in the company.

(ii) Remuneration of Executive directors

The remuneration paid to the executive directors of the company for the year ended on March 31, 2015 summarized under major elements is as under:

(₹ in lakhs)				
Name	Salary	Allowances & Perquisites	Retiral benefits	Total
Mr. Jyotindra B. Mody	149.48	189.25	40.36	379.09
Mr. Dinesh B. Mody	149.48	189.25	40.36	379.09
Mr. Shirish B. Mody	149.48	189.25	40.36	379.09
Mr. Bharat P. Mehta	86.97	86.97	23.48	197.42
Mr. Pranabh Mody	86.97	86.97	23.48	197.42
Mr. Kamlesh L. Udani	50.00	50.00	13.50	113.50

Notes:

- All the above remuneration components are fixed in nature.
- As per the company's Employee Stock Option Scheme, a director in employment of the company is not eligible to receive options under the Scheme.
- The appointment of each executive director is for a period of five years from the respective date of appointment.
- The company has entered into contract with each executive director setting out terms and conditions of appointment, which contract can be terminated by either party by giving three months notice to the other. The contract so entered into does not provide for payment of severance fees.

5. REMUNERATION POLICY AND PERFORMANCE EVALUATION CRITERIA

The policy relating to remuneration of directors, key managerial personnel and other employees of the company framed by the Board of directors has been disclosed in the Board's report by way of Annexure-C, which forms part of this Annual Report.

The Nomination and Remuneration Committee has, inter alia, laid down criteria for evaluation of performance of independent directors and the Board, which are also adopted by the Board for the purpose. The criteria for performance evaluation of the Independent directors are (1) active participation in board meetings and committee meetings (2) devotion of time to the company's affairs and regular attendance of board meetings and committee meetings (3) adequate preparation for the Board Meetings (4) objectivity and independent judgement to the proceedings and deliberations of the Board (5) observance and promotion of corporate governance (6) open and constructive communication, and (7) attendance at the meetings.

The criteria for performance evaluation of the Board are (1) review of corporate strategy, major plans of action and annual budget and business plans (2) periodical review of performance and achievement of plans (3) monitors senior members of the management and monitors succession plan (4) periodical review of risk management, compliances and corporate governance (5) exercise of independent objective judgement on corporate affairs (6) protection of stakeholders' interest, and (7) monitoring and managing potential conflict of interest.

6. POLICY RELATING TO RELATED PARTY TRANSACTIONS AND MATERIAL SUBSIDIARIES

The company has formulated (a) the policy on dealing with Related Party Transactions and has posted the same on its website www.jbcpl.com. The web link thereto is http://www.jbcpl.com/wp-content/uploads/2014/12/Related_Party_Transactions.pdf (b) the policy for determining material subsidiaries and has posted the same on its website www.jbcpl.com. The web link thereto is http://www.jbcpl.com/wp-content/uploads/2014/12/Material_Subsiadiaries.pdf

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consists of Mr. Mahesh K. Shroff, Chairman, Mr. Durga Dass Chopra, Mr. Jyotindra B. Mody and Mr. Dinesh B. Mody. M. C. Mehta, Company Secretary, acts as secretary to the committee, and is the compliance officer.

The complaints received from the investors are being regularly attended to and are believed to be resolved to their satisfaction. The status of the investors' complaints is reviewed by the Stakeholders Relationship Committee generally on quarterly basis. During the year, the company received 15 investor complaints all of which have been attended to before the end of the year, and believed to have been resolved to the satisfaction of the investors. One compliant which was pending at the beginning of the year was resolved to the satisfaction of the investor during the year.

The board of directors, in order to expedite share transfers, has delegated the power of share transfer to committee of directors, which meets regularly to consider and approve transfer of shares in physical form. During the year ended on March 31, 2015, the company received 9 share transfer requests for transfer of 9,730 shares held in physical form. All these share transfers have been timely processed. No valid share transfer request received during the year was pending at the year-end.

8. GENERAL BODY MEETINGS

The information relating to the location and time of last three annual general meetings and the special resolutions passed thereat is as under:

Year	Location	Date	Time	Whether any special resolution passed
11-12	Rama Watumull Auditorium, K.C. College, Dinshaw Wacha Road, Churchgate, Mumbai – 400020	July 30, 2012	3.30 p.m.	No.
12-13	Rama Watumull Auditorium, K.C. College, Dinshaw Wacha Road, Churchgate, Mumbai – 400020	August 14, 2013	3.30 p.m.	Yes. Six special resolutions passed.
13-14	Rama Watumull Auditorium, K.C. College, Dinshaw Wacha Road, Churchgate, Mumbai – 400020	September 15, 2014	3.30 p.m.	Yes. Four special resolutions passed.

Postal Ballot

During 2014-15, one special resolution was passed on October 16, 2014 through postal ballot for assent / dissent of the public shareholders of the company for utilization of capital redemption reserve account by the company. This utilisation of capital redemption reserve was a part of the accounting treatment of the Scheme of Amalgamation and Arrangement (referred to in the Board's Report) which was separately approved by the public shareholders by way of ordinary resolution. The company complied with the procedure for postal ballot in terms of Section 110(1) of the Companies Act, 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 and circulars bearing No. CIR/CFD/DIL/5/2013 dated February 4, 2013 and CIR/CFD/DIL/8/2013 dated May 21, 2013, issued by SEBI.

Mr. Ashish Bhatt, practicing company secretary, was appointed as the scrutinizer for conducting the postal ballot process in a fair and transparent manner. The details of voting pattern on the special resolution is as follows:

Sr. No.	Particulars	No. of postal ballot forms/ E-Votes	No. of shares	% of paid-up equity share capital held by public shareholders	% of total valid votes cast by the public shareholders
(a)	Total postal ballot forms received	1,107	14,768,707	39.43%	–
(b)	Less: Invalid postal ballot forms/E-votes	9	6,162	0.02%	–
(c)	Net valid postal ballot forms/E-votes	1,098	14,762,545	39.41%	–
(d)	Postal ballot forms/E-votes with assent	1,039	14,676,933	39.18%	99.72%
(e)	Postal ballot forms/E-votes with dissent	41	40,841	0.11%	0.28%

Note:- a) Eighteen Shareholders having 19,362 shares has not casted vote.
b) Five shareholders has casted 25,409 less votes than eligible votes.

The company at present does not propose to pass any special resolution through postal ballot during the current year.

9. DISCLOSURES

- The company has not entered into any materially significant related party transaction with any related party that may have potential conflict with the interest of the company at large.
- To the best of the company's knowledge, there has been no incidence of non-compliance with requirement of stock exchange, SEBI or other statutory authority, on matters relating to capital markets during last three years. During last three years, no penalty or stricture has been imposed on the company by the stock exchanges, SEBI or any statutory authority on any matter related to capital market.
- The board of directors has laid down the code of conduct for directors and senior management personnel including all functional heads, which they are bound to observe in the course of conduct of business of the company. This code of conduct has been posted on the website of the company. Each director of the company and senior management personnel including all functional heads, to whom the code has been made applicable, have affirmed their compliance with the code. A declaration by Mr. Jyotindra B. Mody, Chairman & Managing Director, to this effect forms part of this report.
- The board of directors of the company has formulated a whistle blower policy, the details whereof are provided in the Board's report, which forms part of this Annual Report. The Whistle Blower Policy is available on the company's website www.jbcpl.com. It is affirmed that none of the personnel has been denied access to the Audit Committee.
- Mr. Jyotindra B. Mody, Mr. Dinesh B. Mody and Mr. Shirish B. Mody are related to each other as brothers. Mr. Bharat P. Mehta is related to Mr. Jyotindra B. Mody as son-in-law. Mr. Pranabh Mody is son of Mr. Dinesh B. Mody.
- The company is in compliance with all mandatory requirements of Clause 49 of the listing agreement. The status on adoption of non-mandatory requirement is set out in this report.

10. MEANS OF COMMUNICATION

The quarterly results are generally published in Business Standard and Sakal, and also displayed on the company's website www.jbcpl.com. The official news releases are also displayed on the company's website. During the year, the company has not made any presentation to analysts.

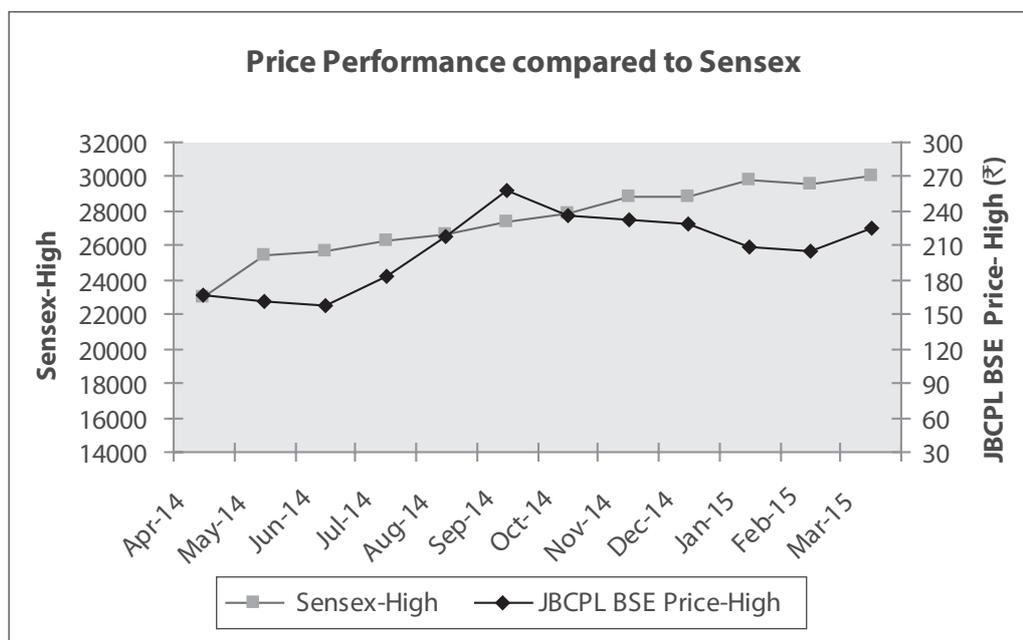
11. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time and Venue	August 19, 2015 at 3.30 p.m. at Rama & Sundri Watumull Auditorium, K.C. College, Dinshaw Wacha Road, Churchgate, Mumbai – 400 020.
Date of Book Closure	August 8, 2015 to August 19, 2015 (both days inclusive).
Dividend Payment Date	August 25, 2015
Financial year	April to March
Listing on Stock Exchanges	-BSE Limited -National Stock Exchange of India Limited The company has paid the annual listing fees for the period 1 st April, 2015 to 31 st March, 2016 to both the stock exchanges.
Stock Code	BSE: 506943 NSE: JBCHEPHARM
ISIN	The ISIN no. for dematerialization of the company's shares with NSDL and CDSL is INE572A01028.
Market Price Data	Annexure A
Performance in comparison to BSE Sensex	Annexure B
Registrars and Share Transfer Agents	Datamatics Financial Services Ltd. Plot No.B-5, Part B Cross Lane, MIDC, Marol, Andheri (E), Mumbai - 400 093. Tel. No.: 022-6671 2001 - 06 Fax No.: 022-6671 2011 Email: corpequity@dfssl.com
Share Transfer System	The share transfer committee comprising of three members of the board meets regularly to consider and approve transfer of shares.
Distribution of Shareholding as on 31-03-2015.	Annexure C
Shareholding pattern	Annexure D
Dematerialization of shares and liquidity	Annexure E
Outstanding GDR/ADR/Warrants or any convertible instruments, conversion date and impact on equity.	The company has not issued any GDRs/ADRs/warrants or any other convertible instrument.
Plant Locations	-Plot No. 215 to 219, 304 to 310 and 4 & 5, Phase IV, GIDC Industrial Area, Panoli 394 116, Gujarat. -Plot No.128/1, 128/1/1, 128/2, 129/1 & 129/B1, GIDC Industrial Area, Ankleshwar 393 002, Gujarat. -Survey No. 101/2 & 102/1, Daman Industrial Estate, Airport Road, Kadaiya, Daman 396 210.
Address for correspondence	Neelam Centre, 'B' Wing, 4 th Floor, Hind Cycle Road, Worli, Mumbai - 400 030. Tel. No.(022) 2482 2222/2493 0918 Fax No. (022) 2493 0534 / 2493 9633 E-mail: secretarial@jbcpl.com The investors may register their grievance on investorelations@jbcpl.com , an exclusive e-mail ID for registration of complaints by the investors.

Annexure A

The high and low prices of the company's equity shares (of face value of ₹ 2 each) on BSE Limited (BSE) and on National Stock Exchange of India Limited (NSE) during each month in the financial year 2014-15 were as under:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume of shares traded	High (₹)	Low (₹)	Volume of shares traded
April, 2014	166.60	128.75	2,388,578	166.60	128.25	7,651,964
May, 2014	160.90	136.65	1,496,864	160.80	136.10	4,402,443
June, 2014	158.40	140.40	985,935	158.65	140.00	2,817,559
July, 2014	183.65	148.40	1,460,634	183.60	148.50	5,231,863
August, 2014	218.50	167.10	2,554,597	218.40	166.10	9,721,181
September, 2014	257.45	209.05	2,091,688	257.90	208.00	7,621,015
October, 2014	237.00	212.70	504,702	236.70	212.90	2,169,197
November, 2014	232.50	195.55	567,991	232.40	195.10	2,066,009
December, 2014	228.40	187.00	535,868	229.00	187.00	2,098,961
January, 2015	209.40	180.00	329,175	209.25	179.50	1,504,618
February, 2015	205.75	180.00	474,642	205.90	179.55	2,140,203
March, 2015	224.40	182.60	1,045,803	224.50	182.30	4,037,679

Annexure B

Annexure C

Distribution of shareholding as on March 31, 2015 is as under:

Range of equity shares held	No. of holders	% of shareholders	No. of equity shares held	% of capital
Upto 500	24,430	78.38	3,608,509	4.26
501 – 1000	2,828	9.07	2,348,696	2.77
1001 – 2000	1,999	6.41	3,143,178	3.71
2001 – 3000	849	2.72	2,196,870	2.59
3001 – 4000	306	0.98	1,104,298	1.30
4001 – 5000	198	0.64	931,289	1.10
5001 – 10000	297	0.95	2,116,398	2.50
10001 - 50000	190	0.61	3,887,960	4.58
50001 and above	71	0.23	65,471,027	77.20
Total	31,168	100.00	84,808,225	100.00

Annexure D

Shareholding pattern as on March 31, 2015 is as under.

Category	No. of shares	% holding
Promoters & Promoter Group	47,305,337	55.78
Other directors & their relatives	477,075	0.56
Mutual Funds, Banks & Insurance Companies	3,006,363	3.55
Foreign Institutional Investors/OCB	3,389,712	3.99
NRIs	1,027,867	1.21
Domestic companies	2,633,043	3.10
Resident individuals	26,968,828	31.80
Total	84,808,225	100.00

Annexure E

The position as to dematerialization of shares as on March 31, 2015 is as under:

Category	No. of shares	% of shares	No. of Shareholders	% of Shareholders
Electronic Form	83,147,709	98.04	29,725	95.37
Physical Form	1,660,516	1.96	1,443	4.63
Total	84,808,225	100.00	31,168	100.00

Non-Mandatory Requirements

● **The Board**

The chairman of the company is executive and hence the provision with regard to maintenance of chairman's office as contained in the non-mandatory requirement is not relevant.

● **Shareholders rights**

The half-yearly financial results are published in the news papers as mentioned above as well as posted on the company's website. The significant events, if any, too are posted on the company's website. In view of this, the same is not separately sent to the shareholders.

● **Audit Qualifications**

The company's financial statement has been unqualified.

- **Separate posts of Chairman and CEO**

The company's Articles of Association provides that the same individual may hold both these posts. This non-mandatory requirement may be considered by the company at the appropriate time.

- **Reporting of Internal Auditor**

Based on the requirement of the Companies Act, 2013, internal audits are reported to the Board. However, all important internal audit observations are also reviewed by the audit committee before the same are placed before the Board.

DECLARATION

I hereby declare that the directors and senior management personnel including all functional heads of the company have affirmed compliance with the code of conduct, for the year ended on March 31, 2015.

For and on behalf of the board of directors

Place : Mumbai
Date : May 20, 2015

J. B. Mody
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
J. B. Chemicals & Pharmaceuticals Ltd.

We have examined the compliance of conditions of corporate governance by J. B. Chemicals & Pharmaceuticals Ltd., for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance of 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 Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned listing agreement.

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

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No.: 109606W

Place: Mumbai
Date: May 20, 2015

J. K. Shah
Partner
Membership No. 3662

INDEPENDENT AUDITORS' REPORT

To The Members of

J. B. Chemicals & Pharmaceuticals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **J. B. Chemicals & Pharmaceuticals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of 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 preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that 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.

Auditor's 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 the Rules made thereunder. 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 auditor's 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's management and 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further report that:

- we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- 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;
- 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;
- in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the financial statement.
- (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No.: 109606W

J. K. Shah
Partner
M. No. 3662

Place: Mumbai.
Date: May 20, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in our Independent Auditors' Report to the members of the company on the standalone financial statements for the year ended 31st March, 2015

- 1) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) These fixed assets have been physically verified by the management at regular interval considering the size of the company and nature of assets. No material discrepancies have been noticed on such verification.
- 2) a) As explained to us, the inventories were physically verified by the management at reasonable intervals during the year.
- b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of its inventories and the discrepancies noticed on physical verification between physical stock and the book records were not material and have been adequately dealt with in the books of account.
- 3) According to information and explanation given to us, the company, during the year, has not granted any loan secured or unsecured to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- b) According to information and explanation given to us, details of disputed sales tax, excise duty and service tax demands that have not been deposited on account of disputes are given below:

Name of Statute	Nature of Dues	Amount (₹ In lacs)	Period to which amount relates	Forum where dispute pending
The UP Sales Tax Act	Sales Tax	0.25	1992-1993	Supreme Court of India
Tamilnadu VAT Act, 2006	VAT Tax	3.44	2006-2007 to 2011-2012	Commissioner (Appeals)
The Kerala VAT Act, 2003	VAT Tax	4.59	2009-2010	Appellate Tribunal
Central Excise Act, 1944	Excise Duty & Penalty	7.19	2006-2009	CESTAT
		16.14	May, 2001 to Nov, 2001	
		2.22	July, 2010 to Oct, 2011	
		0.66	Nov, 2011 to March, 2012	
Central Excise Act, 1944	Excise Duty & Penalty	1.70	April, 2012 to September, 2013	Commissioner (Appeals)
The Finance Act, 1994	Service Tax & Penalty	2.76	2009-2010	CESTAT
		7.09	2010-2011	
The Finance Act, 1994	Service Tax & Penalty	3.85	December, 2006 to	Commissioner (Appeals)
		0.05	December, 2010	

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

- c) According to the information and explanations given to us, the amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Act and rules made thereunder have been transferred to such fund within time.
- 5) The company has no accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 6) The company has not defaulted in repayment of dues to any Banks.
- 7) According to the information and explanation given to us, the Company has given a guarantee for loans taken by its wholly owned subsidiary from the Bank. The terms and condition of the guarantee are prima-facie not prejudicial to the interest of the company.
- 8) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they have been obtained.
- 9) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No.: 109606W

J. K. Shah
Partner
M. No. 3662

Place: Mumbai.
Date: May 20, 2015

BALANCE SHEET AS AT MARCH 31, 2015

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
EQUITY AND LIABILITIES					
Shareholders' funds					
(a) Share capital	2	1,696.16		1,694.63	
(b) Reserves and surplus	3	99,934.99		103,086.53	104,781.16
Non-current liabilities					
(a) Long-term borrowings	4	40.00		48.84	
(b) Deferred tax liabilities (Net)	5	2,162.22		1,988.93	
(c) Long-term provisions	6	1,202.60		1,218.70	3,256.47
Current liabilities					
(a) Short-term borrowings	7	10,472.97		8,127.85	
(b) Trade payables	8	6,230.76		5,169.08	
(c) Other current liabilities	9	8,259.92		9,399.59	
(d) Short-term provisions	10	14,876.41		3,459.06	26,155.58
TOTAL		144,876.03		134,193.21	
ASSETS					
Non-current assets					
(a) Fixed assets					
(i) Tangible assets	11	29,961.91		28,016.46	
(ii) Intangible assets	11	125.05		204.27	
(iii) Capital work-in-progress		5,517.13		4,632.08	
(b) Non-current investments	12	4,863.53		3,885.67	
(c) Long-term loans and advances	13	1,761.91		1,061.99	
(d) Other non-current assets	14	-		-	37,800.47
Current assets					
(a) Current investments	15	54,886.21		49,725.74	
(b) Inventories	16	12,847.40		11,122.70	
(c) Trade receivables	17	24,849.05		24,805.15	
(d) Cash and cash equivalents	18	905.52		1,080.30	
(e) Short-term loans and advances	19	9,158.32		9,658.85	96,392.74
TOTAL		144,876.03		134,193.21	
Significant Accounting Policies and Notes on Financial Statements	1 to 51				

As per our report of even date

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

J. K. Shah
Partner
Membership No. 3662

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

S. B. Mody
Whole-time director (Marketing)

Place : Mumbai
Date : May 20, 2015

D. B. Mody
Whole-time director (Administration)

Vijay D. Bhatt
Chief Financial Officer

M. C. Mehta
Company Secretary

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

		(₹ in lakhs)	
Particulars	Note No.	2014-2015	2013-2014
Income:			
Revenue from Operations (Gross)	20	107,598.81	96,905.83
<u>Less:</u> Excise Duty		1,456.69	1,252.44
Revenue from Operations (Net)		106,142.12	95,653.39
Other income	21	1,040.88	3,753.77
Total Revenue		107,183.00	99,407.16
Expenses:			
Cost of materials consumed	22	34,158.73	31,078.57
Purchases of stock-in-trade	42	9,009.66	7,716.06
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(68.24)	(1,113.92)
Employee benefits expense	24	14,681.81	13,184.59
Finance costs	25	665.01	593.28
Depreciation and Amortization Expense	11	3,759.99	2,716.51
Other Expenses	26	29,065.62	29,383.29
Total expenses		91,272.58	83,558.38
Profit before exceptional and extraordinary items and tax		15,910.42	15,848.78
Exceptional Item-Revision of Purchase price in respect of sale of Russia-CIS OTC Business Undertaking		-	(6,450.00)
Profit Before Tax		15,910.42	9,398.78
Tax expense:			
(1) Current tax		4,200.00	3,550.00
(2) Earlier years' tax		-	(572.98)
(3) Deferred tax		352.17	(208.56)
(4) MAT credit of earlier years		-	212.23
Profit for the year		11,358.25	6,842.55
Earnings per equity share			
(1) Basic	36	13.40	8.08
(2) Diluted	36	13.39	8.07
Significant Accounting Policies and Notes on Financial Statements	1 to 51		

As per our report of even date

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

J. K. Shah
Partner
Membership No. 3662

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

S. B. Mody
Whole-time director (Marketing)

Place : Mumbai
Date : May 20, 2015

D. B. Mody
Whole-time director (Administration)

Vijay D. Bhatt
Chief Financial Officer

M. C. Mehta
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

Particulars	2014-2015	2013-2014
A. Cash Flow from Operating Activities		
Net Profit before Tax	15,910.42	9,398.78
Adjustment For		
Depreciation	3,759.99	2,716.51
Foreign Exchange Fluctuation (Net)	459.05	(406.40)
Interest Paid	330.02	240.88
(Profit)/ Loss on Sale/Discard of Assets (Net)	733.73	(4.53)
(Profit)/ Loss on Sale of Investments (Net)	(921.60)	(1,808.43)
Bad Debts	8.40	12.75
Interest Received	(98.78)	(123.59)
Dividend Received	(40.99)	(107.12)
Reversal of Deferred Employee Compensation	(4.44)	(6.64)
Impairment of Fixed Assets	-	7.72
Provision for Doubtful debts	-	895.64
Provision for Doubtful debts written back	-	(16.85)
Adjustment due to amalgamation	62.69	-
Provision for Diminution in value of Investment	34.45	10.61
	4,322.52	1,410.55
Operating Profit Before Working Capital Changes	20,232.94	10,809.33
Adjustment For		
Trade and Other Receivables	(895.03)	(6,102.21)
Inventories	(1,724.70)	(2,133.78)
Trade Payable	1,215.80	(1,083.29)
	(1,403.93)	(9,319.28)
Cash Generated From Operations	18,829.01	1,490.05
Direct Taxes Paid (net)	(3,797.21)	(2,655.11)
Net Cash from Operating Activities	15,031.80	(1,165.06)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(7,072.59)	(5,725.05)
Sale of Fixed Assets	(698.69)	69.88
Purchase of Investment	(25,620.02)	(39,152.72)
Sale of Investment	20,368.84	30,704.91
Interest Received	80.71	118.49
Dividend Received	40.99	107.12
Net Cash used in Investing Activities	(12,900.76)	(13,877.38)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

(₹ in lakhs)

Particulars	2014-2015	2013-2014
C. Cash Flow from Financing Activities		
Proceeds from issue of Shares under ESOP (including Securities Premium)	71.13	20.51
Proceeds/(Repayment) from/of Short Term Borrowing (Net)	1,011.06	4,450.52
Proceeds/(Repayment) from/of Long Term Borrowing (Net)	(12.93)	(11.81)
Interest Paid	(403.00)	(264.02)
Dividend Paid (Including Dividend Distribution Tax)	(2,972.08)	(2,983.46)
Net Cash Used in Financing Activities	(2,305.82)	1,211.74
Net Increase in Cash and Cash Equivalents	(174.78)	(13,830.69)
Cash And Cash Equivalents as at 01.04.14	1,080.30	14,910.99
Cash And Cash Equivalents as at 31.03.15	905.52 (174.78)	1,080.30 (13,830.69)

Notes :

- 1) The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on "Cash Flow Statement".
- 2) Balance with Banks include ₹ 12.50 Lakhs (Previous Year ₹ 100.50 lakhs) being deposits under lien.
- 3) Previous years' figures are regrouped / reclassified wherever necessary in order to conform to current years' groupings and classifications.

As per our report of even date

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

J. K. Shah
Partner
Membership No. 3662

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

S. B. Mody
Whole-time director (Marketing)

Place : Mumbai
Date : May 20, 2015

D. B. Mody
Whole-time director (Administration)

Vijay D. Bhatt
Chief Financial Officer

M. C. Mehta
Company Secretary

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of accounting

The financial statement is prepared on mercantile basis under the historical cost convention in accordance with the generally accepted accounting principles in India, Accounting Standards notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Companies Act, 2013.

1.2. Revenue recognition

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

1.3. Fixed assets

Fixed Assets are stated at cost of acquisition and includes other direct / indirect and incidental expenses incurred to put them into use but excludes CENVAT availed on such assets. Whenever, the cost of the fixed asset is met under the specific contract by third party, the same is reduced from the cost of the respective fixed asset.

All indirect expenses incurred during project implementation and on trial run are treated as incidental expenditure during construction and capitalized.

1.4. Depreciation

Depreciation is provided based on the useful life specified in Schedule II to the Companies Act, 2013. Premium paid for leasehold land is amortized over the lease period.

1.5. Intangibles

Intangible assets are stated at costs less accumulated amortization.

Intangible assets are amortized over a period of 3 years.

1.6. Impairment Of Assets

Where there is an indication that an asset is impaired, the recoverable amount, if any, is estimated and the impairment loss is recognized to the extent carrying amount exceeds recoverable amount.

1.7. Provisions and contingencies

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

1.8. Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined on the basis of Moving Weighted Average method. The cost of work in progress (other than those lying at third party manufacturing site which is valued at material cost) and finished goods comprise direct material, direct labour, other direct cost and related production overheads.

1.9. Investments

Investments, which are long term in nature, are stated at cost of acquisition with provision where necessary for diminution, other than temporary, in the value of investments. Current investments are carried at lower of cost or market value and quoted/fair price, computed category wise.

1.10. Employee benefit

1.10.1 Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

1.10.2 Long Term Employee Benefits:

a. Provident Fund, Family Pension Fund & Employees' State Insurance Scheme:

As per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 all employees of the company are entitled to receive benefits under the provident fund and family pension fund which is a defined contribution plan. These contributions are made to the fund administrated and managed by Government of India. In addition, some employees of the company are covered under Employees' State Insurance Scheme Act 1948, which are also defined contribution schemes recognized and administrated by Government of India.

The company's contributions to these schemes are recognized as expense in profit and loss account during the period in which the employee renders the related service. The company has no further obligation under these plans beyond its monthly contributions.

b. Superannuation Plan:

Some employees of the company are entitled to superannuation, a defined contribution plan which is administrated through Life Insurance Corporation of India ("LIC"). Superannuation benefits are recognized in the profit and loss account.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

c. Leave encashment:

The company provides for the liability at year end on account of unavailed earned leave as per the actuarial valuation.

d. Gratuity:

The company provides for gratuity obligations through a defined benefits retirement plan ('The Gratuity Plan') covering all employees. The present value of the obligation under such defined benefits plan is determined based on actuarial valuation using the Project Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation. The obligation is measured at the present value of the estimated cash flows. The discount rate used for determining the present value of the defined obligation under defined benefit plan, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized in profit and loss account as and when determined.

The company makes annual contribution to LIC for the gratuity plan in respect of all the employees liability on the basis of actuarial valuation done by the LIC at the beginning of the year.

The company also provides for additional liability, in case of excess contribution, determined by the independent actuary based on actuarial valuation using the Project Unit Credit method as compared to actuarial valuation determined by LIC and vice versa.

1.11. Foreign currency transaction

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities at the balance sheet date are translated at the exchange rate prevailing on the date of balance sheet. Exchange rate differences resulting from foreign exchange transactions settled during the period including year-end translation of assets and liabilities are recognized in the profit and loss account.

In case of forward exchange contracts or any other financial instruments that is in substance a forward exchange contract to hedge the foreign currency risk which is on account of firm commitment and/or is a highly probable forecast transaction, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of contract.

Gain/Loss on settlement of transaction arising on cancellation or renewal of such a forward exchange contract is recognized as income or expense for the period.

1.12. Leases

Leases wherein a significant portion of the risks and reward of ownership are retained by the lessor are classified as Operating leases. Lease rentals in respect of such leases are charged to the profit and loss account.

1.13. Research and development

Revenue expenditure on Research and Development is charged to the profits of the year in which it is incurred.

Capital expenditure on Research and Development is treated as fixed assets.

1.14. Borrowing cost

Borrowing Costs directly attributed to the acquisition of fixed assets are capitalized as a part of the cost of asset upto the date the asset is put to use. Other Borrowing Costs are charged to the profit and loss account in the year in which they are incurred.

1.15. Income tax

a. Tax expenses comprise of current and deferred tax.

b. Provision for current income tax is made on the basis of relevant provisions of the Income Tax Act, 1961 as applicable to the financial year.

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

d. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period.

1.16. Employee stock option plan

The accounting value of stock options representing the excess of the market price over the exercise price of the shares granted under "Employees Stock Option Scheme" of the company is amortized on straight line basis over the vesting period as "Deferred Employees Compensation".

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

2. SHARE CAPITAL

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised :		
101,500,000 (Previous year 100,000,000) Equity Shares of ₹ 2/- each	2,030.00	2,000.00
Issued, Subscribed & Paid up:		
84,808,225 (Previous Year 84,731,625) Equity Shares of ₹ 2/- each fully paid	1,696.16	1,694.63
Less: Share Capital cancelled on amalgamation (refer Note No. 28)	866.85	-
Add: Share Capital pending allotment (refer Note No. 28)	866.85	-
Total	1,696.16	1,694.63

2.1 Reconciliation of the shares outstanding and amount of Share Capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	84,731,625	1,694.63	84,707,300	1,694.15
Shares issued during the year pursuant to Employees Stock Options Scheme	76,600	1.53	24,325	0.48
Shares outstanding at the end of the year *	84,808,225	1,696.16	84,731,625	1,694.63

*excluding effect of amalgamation(refer Note No. 28)

2.2 The company has only one class of issued shares having par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share and carries identical right as to dividend. These shares are not subject to any restrictions.

2.3 Details of shareholders holding more than 5% shares.

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of shares held	% of holding	No. of shares held	% of holding
Jyotindra Mody Holdings Pvt. Ltd.*	7,466,242	8.80	7,466,242	8.81
Dinesh Mody Securities Pvt. Ltd.*	7,055,326	8.32	7,055,326	8.33
Shirish B. Mody Investments Pvt. Ltd.*	6,530,601	7.70	6,530,601	7.71
Ansuya Mody Securities Pvt. Ltd.*	7,234,882	8.53	7,234,882	8.54
Kumud Mody Securities Pvt. Ltd.*	7,181,232	8.47	7,181,232	8.48
Bharati S. Mody Investments Pvt. Ltd.*	7,873,987	9.28	7,873,987	9.29
Ashish Dhawan	8,179,608	9.64	8,179,608	9.65

* These shares are cancelled and new shares have been issued to the shareholders of the respective companies pursuant to the Scheme of Amalgamation (refer note no. 28)

2.4 Shares reserved for issue under ESOP

In the year 2004, the company has instituted the Employees Stock Option Scheme, under which 2,500,000 equity shares of ₹ 2 each have been reserved. Under the Scheme, the options are granted at an amount equal to ninety five percent of the average daily closing price of the shares of the company's shares quoted on National Stock Exchange of India Ltd. during the period of twelve weeks preceding the date of grant. These options vest in four equal instalments and subject to other provisions of the Scheme, are exercisable within a period of five years from the respective date of vesting.

The activity in the said ESOP Scheme during the last two years was as under:

Particulars	As at March 31, 2015	As at March 31, 2014
Options outstanding at the beginning of the period	167,350	336,575
Less: Exercised	76,600	24,325
Lapsed	54,875	144,900
Options outstanding at the end of the period	35,875	167,350

On exercise of options during the year, the company received aggregate exercise price of ₹ 71.13 lakhs (Previous year ₹ 20.51 lakhs).

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

3. RESERVES & SURPLUS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Capital Reserves (transferred from amalgamating company)		
Investment allowance Reserve (utilised)	34.86	34.86
Capital Reserve	63.53	63.53
Cash Subsidy	1.98	1.98
	100.37	100.37
b. Capital Reserve	4.21	4.21
c. Cash Subsidy	85.66	85.66
d. Contingency Reserve	2,020.00	2,020.00
e. Securities Premium Reserve		
Opening Balance	4,865.63	4,845.60
Add : Securities premium credited on shares issued under ESOP	69.60	20.03
Closing Balance	4,935.23	4,865.63
f. Share Options Outstanding Account		
Opening Balance	4.44	11.07
Less: Amortised during the year	4.44	6.63
Closing Balance	-	4.44
g. Capital Redemption Reserve		
Opening Balance	-	-
Add: Transfer pursuant to the Scheme of Amalgamation (Refer Note No. 28)	15.05	-
Less: Utilised pursuant to the Scheme of Amalgamation (Refer Note No. 28)	15.05	-
Closing Balance	-	-
h. Statutory Reserve		
Opening Balance	-	-
Add: Transfer pursuant to the Scheme of Amalgamation (Refer Note No. 28)	267.49	-
Closing Balance	267.49	-
i. General Reserve		
Opening Balance	48,280.57	47,596.31
Add: Transfer pursuant to the Scheme of Amalgamation (Refer Note No. 28)	133.72	-
Less: Utilised pursuant to the Scheme of Amalgamation (Refer Note No. 28)	133.72	-
Add: Transfer from Statement of Profit & Loss	-	684.26
Closing Balance	48,280.57	48,280.57
j. Surplus in the statement of Profit & Loss		
Opening balance	47,725.65	44,542.81
Less: Adjustment pursuant to the Scheme of Amalgamation (Refer Note No. 28)	204.80	-
Less: Residual value representing expired useful life of assets (Refer Note No. 39)	347.40	-
Add : Profit for the year	11,358.25	6,842.55
Less : Proposed dividend	11,873.15	2,543.23
Less : Tax on Proposed Dividend	2,417.09	432.22
Less : Transfer to General Reserve	-	684.26
Closing Balance	44,241.46	47,725.65
Total	99,934.99	103,086.53

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

4. LONG TERM BORROWINGS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Term loans		
Vehicle loans from banks	-	8.84
	-	8.84
Unsecured		
Inter corporate deposit from a related party*	40.00	40.00
	40.00	40.00
Total	40.00	48.84

* Intercorporate Deposit bears interest @ 11% p.a. payable at quarterly rests and is maturing on 22-05-2016.

5. DEFERRED TAX LIABILITIES (NET)

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred Tax Assets		
Retirement Benefits	619.06	578.67
Others	121.19	343.61
	740.25	922.28
Deferred Tax Liability		
Depreciation	2,902.47	2,911.21
	2,902.47	2,911.21
Total	2,162.22	1,988.93

6. LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for Employee Benefits		
Gratuity	850.21	956.27
Leave Encashment	352.39	262.43
Total	1,202.60	1,218.70

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

7. SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Working Capital Loans from Banks #		
(a) Foreign currency loans	5,400.00	4,374.33
(b) Rupee Loans	-	1,484.05
	5,400.00	5,858.38
Unsecured		
(a) Foreign currency loans from Bank	4,601.87	1,916.22
(b) Rupee loans	2,308.72	-
(c) Interest free advance from Directors	-	1.50
(d) Deposit from Distributors / Customers	246.75	246.75
(e) Inter-Corporate Deposits from related parties	105.00	105.00
	5,072.97	2,269.47
Total	10,472.97	8,127.85

Working capital borrowings from the banks are secured by first pari passu charge on stocks and book debts of the company.

8. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Payable to Micro, Small and Medium Enterprises	88.55	100.87
Payable to Others	6,142.21	5,068.21
Total	6,230.76	5,169.08

8.1 The details of amount outstanding to Micro, Small and Medium Enterprise based on available information with the company is as under:

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) The Principal amount and the interest due thereon remaining unpaid to suppliers		
(i) Principal	-	-
(ii) Interest due thereon	-	-
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year *	730.43	1,709.41
(ii) Interest actually paid under section 16 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-
(c) (i) Normal interest accrued during the year, for all the delayed payments, as per the agreed terms.	16.12	19.42
(ii) Normal interest payable for the period of delay in making payments as per agreed terms.	16.12	19.42
(d) (i) Total interest accrued during the year	16.12	19.42
(ii) Total interest accrued during the year and remaining unpaid	16.12	19.42

The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

* The delayed payment has been computed having regard to specified credit period of 45 days under MSME Act. However, there is no delay in terms of agreed credit terms with these suppliers.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

9. OTHER CURRENT LIABILITIES

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
(a) Current maturities of long-term debt		
Vehicle Loan (Secured) *	8.83	12.92
Fixed Deposit from Public & Shareholders #	-	1,087.60
(b) Interest accrued but not due on borrowings #	-	78.21
(c) Interest accrued and due on borrowings	5.23	-
(d) Unclaimed Dividends @	156.21	153.00
(e) Unclaimed Matured Deposit @	-	0.85
(f) Advance from Customers	21.71	56.27
(g) Other Payable	7,464.39	7,326.29
(h) Creditors for capital expenditure	603.45	684.35
(i) Outstanding Purchase Consideration (Undischarged liabilities of vendors)	0.10	0.10
Total	8,259.92	9,399.59

Nature of security and terms of repayment

* Vehicle loans are secured by hypothecation of vehicles and same is repayable in sixty equated monthly instalment inclusive of interest on reducing balance.

Fixed Deposit amount includes ₹ Nil (previous year ₹ 104.00 lakhs) from certain directors and ₹ Nil (previous year ₹ 579.70 lakhs) from their relatives. Interest accrued but not due includes ₹ Nil (Previous year ₹ 47.36 lakhs) being amount accrued on deposits received from directors and their relatives (Also refer note no. 34).

@ There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

10. SHORT TERM PROVISIONS

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits		
Gratuity	500.07	430.73
Leave Encashment	86.10	53.04
(b) Others		
Proposed Dividend	11,873.15	2,543.09
Tax on Proposed Dividend	2,417.09	432.20
Total	14,876.41	3,459.06

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Fixed Assets	Gross Block				Accumulated Depreciation				Net Block			
	As at 1st April 2014	Additions	Disposals	As at 31st March 2015	As at 1st April 2014	Excess of Carrying amount over Residual value	Depreciation charge for the period	On disposals	As at 31st March 2015	As at 31st March 2015	As at 31st March 2014	
	(₹ in lakhs)											
Tangible Assets												
Land (Freehold)	59.34	-	-	59.34	-	-	-	-	-	59.34	59.34	59.34
Land (Leasehold)	830.16	-	-	830.16	86.22	-	7.98	-	94.20	735.96	743.94	743.94
Factory Buildings	10,759.79	1,339.43	-	12,099.22	3,378.74	0.42	323.77	-	3,702.93	8,396.29	7,381.05	7,381.05
Other Buildings (Note 1)	663.87	5.17	-	669.04	161.93	-	12.70	-	174.63	494.41	501.94	501.94
Plant & Equipment	31,157.52	4,064.57	1.23	35,220.86	14,926.15	334.51	2,726.65	1.07	17,986.24	17,234.62	16,231.37	16,231.37
Furniture & Fixtures	1,152.40	27.55	-	1,179.95	726.11	29.68	114.37	-	870.16	309.79	426.29	426.29
Vehicles	1,041.30	122.05	107.54	1,055.81	433.89	6.00	129.22	72.66	496.45	559.36	607.41	607.41
Office Equipment	1,892.19	159.25	0.09	2,051.35	1,409.28	153.83	171.45	0.09	1,734.47	316.88	482.91	482.91
Airconditioners	2,785.06	438.72	-	3,223.78	1,202.85	1.84	163.83	-	1,368.52	1,855.26	1,582.21	1,582.21
Total	50,341.63	6,156.74	108.86	56,389.51	22,325.17	526.28	3,649.97	73.82	26,427.60	29,961.91	28,016.46	28,016.46
Intangible Assets												
Trade Marks	3.67	-	-	3.67	3.66	-	-	-	3.66	0.01	0.01	0.01
Computer Software	749.09	30.80	-	779.89	544.83	-	110.02	-	654.85	125.04	204.26	204.26
Total	752.76	30.80	-	783.56	548.49	-	110.02	-	658.51	125.05	204.27	204.27
Grand Total	51,094.39	6,187.54	108.86	57,173.07	22,873.66	526.28	3,759.99	73.82	27,086.11	30,086.96	28,220.73	28,220.73
Previous Year's Total	49,702.10	1,565.95	173.66	51,094.39	20,265.46	-	2,716.51	108.31	22,873.66	28,220.73	29,436.64	29,436.64

Note :

- 1) Value of buildings includes a sum of Rs.3000/- being the cost of shares in the societies.
- 2) No depreciation has been claimed on assets to the extent of CENVAT claimed.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

12. NON CURRENT INVESTMENTS

(Long Term Investment) (At Cost)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
A Trade Investments		
Equity Shares (Unquoted)		
In Subsidiary Companies :		
Investment in OOO Unique Pharmaceutical Laboratories, Russia (No. of shares are not denominated as per Law of Russian Federation)	1,250.30	1,250.30
5,241,100 (Previous year 5,231,100) Ordinary shares of US \$ 1 each of J.B. Healthcare Pvt. Ltd., Jersey	2,337.86	2,331.69
Nil (Previous year 19,979) Ordinary shares of US \$ 1 each of J. B. Chemicals & Pharmaceuticals Private Limited, Singapore	-	10.61
Investment in Unique Pharmaceutical Laboratories LLC Ukraine (No. of shares are not denominated as per Law of Ukraine)	34.45	28.37
3,65,000 (Previous year Nil) Ordinary Shares of AED 1 each of Unique Pharamaceutical Laboratories FZE Dubai	59.92	-
Share Application Money	940.25	
In Other Companies :		
5,866 (Previous year 5,866) Equity Shares of ₹ 10/- each of Bharuch Enviro Infrastructure Ltd.	0.59	0.59
612,032 (Previous year 612,032) Equity Shares of ₹ 10/- each of Narmada Clean Tech Ltd.	61.20	61.20
Total (A)	4,684.57	3,682.76
B Other Investments		
(a) Equity Shares (Unquoted):		
In Other Companies :		
8,036 (Previous year 8,036) Equity Shares of ₹ 10/- each of J B Life Science Overseas Ltd.	0.80	0.80
20,000 (Previous year 20,000) Equity Shares of Enviro Technology Ltd. of ₹ 10/- each	2.00	2.00
60,000 (Previous year 60,000) Equity Shares of Panoli Enviro Technology Ltd. of ₹ 10/-each	6.00	6.00
2,000,000 (Previous year 2,000,000) Equity Shares of ₹ 10/- each of Asian Heart Institute & Research Centre Pvt. Ltd.	200.00	200.00
50,000 (Previous year 50,000) Equity Shares of ₹10/- each of Ankleshwar Research & Analytical Infrastructure Limited	5.00	5.00
(b) Government Securities		
National Saving Certificates (Pledged with Government Authorities)	0.41	0.51
(c) Debentures and Units (Unquoted)		
Nil (Previous year 126) Units of ₹ 10/- each of Unit Trust of India	0.00	0.01
Total (B)	214.21	214.32
Total (A + B)	4,898.78	3,897.08
Less : Provision for diminution in the value of investments	35.25	11.41
Total	4,863.53	3,885.67
Aggregate amount of unquoted investments	4,898.78	3,897.08
Aggregate amount of provision for diminution in the value of investments	35.25	11.41

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

13. Long Term Loans & Advances

(Unsecured, Considered good)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
a) Capital Advances	636.62	496.91
b) Security Deposits @	1,013.02	439.57
c) Other loans and advances		
Advances to Employees	99.36	105.17
Other Advances	12.91	20.34
Total	1,761.91	1,061.99

@ includes an amount of ₹ 1.34 lakhs (Previous year Nil) each placed with J.B. Mody Enterprises LLP Dinesh Mody Ventures LLP and Shirish Mody Enterprises LLP in which certain directors are partners, while aggregate amount of ₹ 63.39 lakhs (previous year Nil) has been placed with other related parties as security deposit for license to use the office premises.

14. OTHER NON CURRENT ASSETS

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Trade Receivables		
Unsecured Considered Doubtful	244.30	41.25
Less: Provision for Doubtful Debts	244.30	41.25
Total	-	-

15. CURRENT INVESTMENTS

(At lower of cost or market value)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Investments in Mutual Funds		
Unquoted :		
33,728,297.052 (Previous year 27,978,110.295) units of ₹ 10 each of Birla Sun Life Dynamic Bond Fund-Retail-Growth	6,538.05	5,138.05
7,660,630.319 (Previous year 7,660,630.319) units of ₹ 10 each of HDFC High Interest Fund Short Term Plan - Growth	1,665.29	1,665.29
13,021,055.072 (Previous year 13,021,055.072) units of ₹ 10 each of ICICI Prudential Short Term Plan - Growth	3,000.00	3,000.00
10,277,332.185 (Previous year 10,277,332.185) units of ₹ 10 each of Birla Sun life Short Term Fund-Growth	4,267.00	4,267.00
20,476,362.088 (Previous year 20,476,362.088) units of ₹ 10 each of HDFC Short Term Opportunities Fund-Growth	2,500.00	2,500.00
9,710,086.366 (Previous year Nil) units of ₹ 10 each of HDFC Floating Rate Fund Income Fund Short Term Plan-Growth	2,186.76	-
24,033,329.985 (Previous year 24,033,329.985) units of ₹ 10 each of IDFC Dynamic Bond Fund-Plan B-Growth	3,267.29	3,267.29
123,134.423 (Previous year 123,134.423) units of ₹ 1,000 each of DSP Black Rock strategic bond-Institutional Plan-Growth	1,681.00	1,681.00

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Nil (Previous year 5,000,000) units of ₹ 10 each of DSP Black Rock Series 13 15 M Growth	-	500.00
1,029,804.264 (Previous year Nil) units of ₹ 10 each of Birla Sunlife Savings Fund -Growth	2,740.00	-
Nil (Previous year 20,000,000) units of ₹ 10 each of HDFC FMP 370 D July 2013(2) Growth	-	2,000.00
17,000,000 (Previous year 17,000,000) units of ₹ 10 each of HDFC FMP 371 D July 2013(1) Growth	1,700.00	1,700.00
18,000,000 (Previous year 18,000,000) units of ₹ 10 each of DSP Black Rock FMP Series 104 12 Month-Growth	1,800.00	1,800.00
558,466.741 (Previous year 208,951.580) units of ₹ 10 each of Birla Sun Life Cash Plus Growth	1,185.38	402.39
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of IDFC Fixed Term Plan Series 24-Growth	1,000.00	1,000.00
15,000,000 (Previous year 15,000,000) units of ₹ 10 each of Birla Sun Life Interval Income Fund-Annual Plan IX (368 Days)-Growth	1,500.00	1,500.00
Nil (Previous year 10,000,000) units of ₹ 10 each of Bank Of India AXA Fixed Maturity Plan-Series 5 (366 Days)-Growth	-	1,000.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of Birla Sun Life Fixed Term Plan Series HL (366 Days)- Growth	1,000.00	1,000.00
Nil (Previous year 10,000,000) units of ₹ 10 each of Bank of India AXA Fixed Maturity Plan-Series 6 (370 Days)-Growth	-	1,000.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of HDFC FMP 370D August 2013 (3)-Growth	1,000.00	1,000.00
1,426,975.95 (Previous year 1,360,822.167) units of ₹ 10 each of ICICI Prudential Liquid Plan-Growth	2,892.14	2,531.34
4,346,600 (Previous year 6,000,000) units of ₹ 10 each of HDFC FMP 371D November 2013 (2) - Growth	434.66	600.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 370D November 2013 (1) - Growth	500.00	500.00
14,960,414.311 (Previous year 14,960,414.311) units of ₹ 10 each of HDFC Medium Term Opportunities Fund Post Growth	2,000.00	2,000.00
Nil (Previous year 5,500,000) units of ₹ 10 each of DSP Black Rock FMP - Series 129 - 12M - Growth	-	550.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 370D February 2014 (1)-Growth	500.00	500.00
5,400,000 (Previous year 5,400,000) units of ₹ 10 each of DSP Black Rock FMP - Series 146 - 12M - Growth	540.00	540.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 369D February 2014 (2)-Growth	500.00	500.00
Nil (Previous year 4,000,000) Units of ₹ 10 each of Bank of India AXA Fixed Maturity Plan-Series 11 (368 Days)-Growth	-	400.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 371D February 2014 (2)-Growth	500.00	500.00

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of ICICI Prudential FMP Series 72-366 D-Plan-T-Growth	500.00	500.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of HDFC FMP 370D March 2014 (1)-Growth	1,000.00	1,000.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of ICICI Prudential FMP Series 73-366 D-Growth	1,000.00	1,000.00
5,467,550.001 (Previous year 5,467,550.001) units of ₹ 10 each of DSP Black Rock FMP - Series 151-12M - Growth	546.76	546.76
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of Birla Sun Life Fixed Term Plan Series KN (366 DAYS)- Growth	1,000.00	1,000.00
16,366,200 (Previous year 16,366,200) units of ₹ 10 each of IDFC Fixed Term Plan Series 85-369D-Growth	1,636.62	1,636.62
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of ICICI Prudential FMP Series 73-368 D-Plan M-Growth	1,000.00	1,000.00
5,500,000 (Previous year Nil) units of ₹ 10 each of DSP Black Rock FMP Series 161-12 Month-Growth	550.00	–
5,000,000 (Previous year Nil) units of ₹ 10 each of Bank of India AXA Fixed Maturity Plan-Series 14 (366 Days)-Growth	500.00	–
1,258,152.830 (Previous year Nil) units of ₹ 10 each of Birla Sun Life Treasury Optimiser Plan-Growth	2,000.00	–
4,320.429 (Previous year Nil) units of ₹ 1,000 each of DSP Black Rock Liquidity Fund Institutional Plan-Growth	75.46	–
587,704.023 (Previous year Nil) units of ₹ 10 each of HDFC Floating Rate Income Fund LTP-Growth	128.94	–
222,181.321 (Previous year Nil) units of ₹ 10 each of HDFC Floating Rate Income Fund STP-Wholesale Option-Growth	50.86	–
Total	54,886.21	49,725.74
Aggregate amount of unquoted investments	54,886.21	49,725.74

16. INVENTORIES

(At lower of cost or net realisable value)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Raw materials (stock-in-transit ₹ Nil, Previous year ₹ 45.09)	4,864.71	3,395.79
Packing Materials	1,813.61	1,579.39
Work-in-progress	1,245.27	1,349.46
Finished goods (stock-in-transit ₹ 260.94, Previous year ₹ 113.24)	4,159.48	3,896.26
Stock-in-trade	737.04	827.83
Fuel	27.29	73.97
Total	12,847.40	11,122.70

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

17. TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Outstanding for a period exceeding six months		
Considered Good	1,207.91	1,075.11
Considered Doubtful	–	881.36
	1,207.91	1,956.47
Less: Provision for Doubtful Debts	–	881.36
	1,207.91	1,075.11
Others		
Considered Good	23,641.14	23,730.04
Considered Doubtful	–	30.04
	23,641.14	23,760.08
Less: Provision for Doubtful Debts	–	30.04
	23,641.14	23,730.04
Total	24,849.05	24,805.15

18. CASH & CASH EQUIVALENTS

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Balances with banks	502.20	529.05
Unclaimed dividend accounts	156.21	153.00
Fixed Deposits with maturity of more than 12 months	46.49	108.14
Other fixed deposits	173.12	272.35
Cash on hand	26.90	17.16
Post Office Saving Account	0.60	0.60
Total	905.52	1,080.30

Fixed Deposits of ₹ 12.50 lakhs (Previous year ₹ 100.50 lakhs) held by bank as security deposit against Bank Guarantee.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

19. SHORT TERM LOANS & ADVANCES

(Unsecured, considered good)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
a. Expenses incurred on behalf of subsidiary companies		
Unique Pharmaceutical Laboratories FZE, Dubai	-	36.39
	-	36.39
b. Others		
Advances to Suppliers	378.23	764.44
Advances to Employees	20.20	35.28
Security Deposits @	302.72	475.96
Other Advances	7,678.02	7,177.61
Taxes Paid (Net of Provisions)	738.49	1,146.53
Balance with Excise Authorities	2.75	2.80
Accrued interest on Deposits and others	37.91	19.84
	9,158.32	9,622.46
Total	9,158.32	9,658.85

@ An amount of Nil (Previous year ₹ 1.34 lakhs) each has been placed with J.B. Mody Enterprises LLP, Dinesh Mody Ventures LLP and Shirish Mody Enterprises LLP in which certain directors are partners, while aggregate amount of Nil (Previous year ₹ 63.39 lakhs) has been placed with other related parties as security deposit for licence to use the office premises.

20. REVENUE FROM OPERATIONS

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Sales of Products :		
Sale of Pharmaceuticals Products	103,337.33	93,599.16
Export of Product Development Service	441.21	512.42
Add: Exchange Rate Difference	1,491.76	584.33
	105,270.30	94,695.91
Other Operating Revenues :		
Manufacturing Charges	36.98	46.20
Export Incentives	1,762.63	1,543.90
Dividend From Subsidiary Company	20.49	86.73
Sale of Scrap	398.01	424.87
Insurance Claims	11.87	24.16
Others	98.53	84.06
	2,328.51	2,209.92
Total	107,598.81	96,905.83

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

21. OTHER INCOME

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Interest Income :		
Bank Deposit	18.92	33.70
Interest from Debtors	1.97	2.53
Others	77.89	87.36
Dividend from Long Term Investment	20.50	20.39
Profit on sale of investments (Net)	921.60	1,808.43
Profit on sale of Assets (Net)	-	4.53
Provision for Doubtful debts written back	-	21.35
Sale of Trade Mark	-	11.00
Write back of excess provision made for expenses in relation to the sale of Russia/ CIS OTC Business Undertaking	-	1,764.48
Total	1,040.88	3,753.77

22. COST OF MATERIAL CONSUMED

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Opening Inventories	4,975.18	4,000.75
Purchases	35,861.87	32,053.00
	40,837.05	36,053.75
Less: Closing Inventories	6,678.32	4,975.18
Total	34,158.73	31,078.57

22 A. COST OF RAW MATERIAL CONSUMED COMPRISE OF :

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Active Pharmaceutical Ingredients	16,265.22	14,889.28
Chemicals	2,528.61	2,506.51
Excipients	4,150.15	3,676.60
Packing materials	11,214.75	10,006.18
Total	34,158.73	31,078.57

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

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Inventories at the beginning		
Finished Goods	3,896.26	2,957.43
Work-in-process	1,349.46	962.76
Stock in trade	827.83	1,039.44
	6,073.55	4,959.63
Less: Inventories at the end		
Finished Goods	4,159.48	3,896.26
Work-in-process	1,245.27	1,349.46
Stock in Trade	737.04	827.83
	6,141.79	6,073.55
Total	(68.24)	(1,113.92)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

23a. CLOSING WORK-IN-PROGRESS COMPRISES OF:

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Formulation	786.83	883.91
API	458.44	465.55
Total	1,245.27	1,349.46

24. EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Salaries and Other Benefits	12,966.67	11,832.02
Contribution to Provident Fund and Other Funds	999.92	964.15
Employee Compensation Expense	(4.44)	(6.64)
Gratuity	412.61	149.41
Staff Welfare	307.05	245.65
Total	14,681.81	13,184.59

25. FINANCE COSTS

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Interest Expenses :		
Interest Working capital borrowings	226.78	126.08
Interest on Fixed Loans	103.24	114.80
	330.02	240.88
Other Borrowing Cost :		
Loan Processing Charges	15.00	9.03
Guarantee Charges	28.97	30.64
Applicable net loss on foreign currency transactions and translations	291.02	312.73
Total	665.01	593.28

26. OTHER EXPENSES

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Manufacturing charges	906.03	862.04
Stores and spares	660.94	624.49
Power and fuel	5,301.64	4,660.51
Excise duty	405.68	391.24
Compensation rent	420.34	468.52
Rates and taxes	135.56	145.84
Insurance	208.07	262.48
Freight and transport charges	4,290.82	3,911.63
Repairs to :-		
Building	327.23	282.08
Machinery	539.91	540.63
Others	733.73	569.37
Loss on sale of assets (Net)	5.10	-
Sales promotion and publicity	2,341.21	5,310.62
Selling commission	2,397.57	1,737.18
Travelling and conveyance	2,151.59	1,943.20

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
Labour Hire Charges	1,312.64	1,130.70
Laboratory Expenses	1,348.14	1,304.40
Directors' fees	27.30	8.75
Royalty	996.26	1,002.20
Payment to Auditors :		
- Audit fees	27.00	27.00
- Tax Audit fees	9.00	9.00
- Other Taxation matters	6.50	6.50
- Certification matters	6.50	6.50
CSR Expenditure (Refer note no. 40)	210.28	-
Donations	15.81	79.74
Net loss on foreign currency transactions and translation	432.02	64.36
Bad debts	8.40	12.75
Provision for doubtful debts	-	895.64
Provision for diminution in value of Investment	34.45	10.61
Impairment of fixed assets	-	7.72
Miscellaneous expenses	3,805.90	3,107.59
Total	29,065.62	29,383.29

27. The contingent liabilities not provided for / Capital and other commitment

- 27.1 Letter of Credit opened by banks ₹ 3,035.18 lakhs (Previous year ₹ 1,887.79 lakhs)
- 27.2 Guarantee issued by the bank on behalf of the company ₹ 1,605.16 lakhs (Previous year ₹ 1,528.04 lakhs)
- 27.3 Corporate guarantee of ₹ 2,500 lakhs (Previous year ₹ Nil) given by company to a bank in respect of loan taken by a subsidiary company.
- 27.4 Central Excise and Service Tax Demand / show cause notice of ₹ 554.04 lakhs (Previous year ₹ 308.11 lakhs), against which the company has made pre-deposit of ₹ 2.15 lakhs (Previous year ₹ Nil).
- 27.5 Income Tax demand of ₹ 20.98 lakhs (Previous year ₹ Nil) being disputed in appeal (against which the company has made pre-deposit of ₹ 20.98 lakhs).
- 27.6 Sales Tax Demand of ₹ 11.82 lakhs (Previous year ₹ 50.31 lakhs) being disputed in appeal. (Against which the company has made pre-deposit of ₹ 3.55 lakhs (Previous year ₹ 11.25 lakhs) and given a bank guarantee of ₹ 0.74 lakhs (Previous year ₹ 0.74 lakhs)).
- 27.7 The company had acquired fixed assets under the "Export Promotion Capital Goods Scheme" (EPCG) in the year 2013-14 and 2014-15 that has resulted in the savings of duty of ₹ 394.65 lakhs. As per the terms of the authorization granted under the scheme, the company has undertaken

to achieve export commitment of ₹ 2,327.15 lakhs over the export obligation period of 6 years from the date of issuing the license. In the event of company being unable to execute its export obligation by this period, the company shall be liable to pay custom duty for unfulfilled export obligation along with interest after expiry of the export obligation period. Further, during the year, consequent to the debonding of two export oriented unit, company has undertaken to fulfill the export obligation of ₹ 15,240.66 lakhs.

- 27.8 The Pharmaceutical Division of Unique Pharmaceutical Laboratories Ltd (UPLL) which was acquired by the company on a going concern basis, has received demand notices from Dept. of Chemicals & Fertilizers, Govt. of India, New Delhi demanding a sum of ₹ 461.47 lakhs in respect of the bulk drug Metronidazole and a further sum of ₹ 591.05 lakhs in respect of the bulk drug Oxyphenbutazone. These amounts were claimed on hypothetical basis in 1996, under para 7(2) of DPCO 79 read with para 14 of DPCO 87 and para 12 of DPCO 95, long after repeal of DPCO 79 and DPCO 87 and gains allegedly notionally made by it by procuring the bulk drugs at alleged lower cost. UPLL has filed review petition against each of these claims disputing the jurisdiction, power and legal or rational basis for making such demands, particularly in view of the repeal of DPCO 79 and DPCO 87. The company has filed writ petitions bearing No 446 of 2008 in respect of demand for Oxyphenbutazone & writ petition No. 2623 of 2007 in respect of demand for Metronidazole in Bombay High Court. These writ petitions have been admitted and the Hon'ble High Court has restrained the Government

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

from adopting coercive steps to recover the amount till the disposal of the writ petition on the company furnishing security as per the orders. The company has already furnished the bank guarantee as security. As per the legal advice received by the company, there is no liability and accordingly no provision is being made in the accounts for these claims and demands.

27.9 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 3,618.56 lakhs (Previous year ₹ 199.83 lakhs).

27.10 Surrender of 0% EPGC licences or Status Holder Incentive Scrip (SHIS) amounting to ₹ 44.50 lakhs with applicable interest and levy of penalty of ₹ 133.49 lakhs ordered by Dy. Director General of Foreign Trade, being disputed in appeal.

28. Scheme of Amalgamation

The Hon'ble High Court of Mumbai, on February 27, 2015 sanctioned the Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 of six investment companies (the primary assets of which comprise of equity shares in the company) namely, Jyotindra Mody Holdings Private Limited (JMPL), Ansuya Mody Securities Private Limited (AMPL), Dinesh Mody Securities Private Limited (DMPL), Kumud Mody Securities Private Limited (KMPL), Shirish B. Mody Investments Private Limited (SMPL), and Bharati S. Mody Investments Private Limited (BMPL), (collectively herein after referred to as 'Transferor Companies') with the company. The scheme was earlier approved by the shareholders in the court convened meeting held on October 14, 2014 as well as by the public shareholders through postal ballot and e-voting on October 16, 2014. The Company has filed the Court Order with the Registrar of Companies on 13th April, 2015 to make the scheme effective in terms of said order dated February 27, 2015. The Company has given effect for the said scheme in its books of accounts with effect from the appointed date i.e. 1st April, 2014. In accordance with the Scheme and in compliance with AS-14 "Accounting for Amalgamation", the Company has accounted for the Amalgamation based on the "Pooling of Interest" method as under:

- (i) All assets and liabilities (including reserves) appearing in the books of accounts of Transferor Companies have been transferred to & vested in and have been recorded by the Company at their respective book values.
- (ii) The investments in equity share capital of the Company as it appears in the books of account of the Transferor Companies have been cancelled pursuant to the scheme.
- (iii) The excess of net assets value of the Transferor Companies as reduced by the face value of shares

issued by the Company, adjusted for cancellation of equity share capital as mentioned above and net of all expenses in relation to the Scheme, amounting to ₹ 204.80 lakh, has been adjusted to surplus in the Profit and Loss Account.

- (iv) The Statutory Reserve of ₹ 267.49 lakhs vested with the Company, created by respective transferor Company u/s 45 IC of the RBI Act, will be re-classified to General Reserve on getting approval from RBI.
- (v) All inter-company transactions have been eliminated on incorporation of the accounts of Transferor Companies in the books of Company.
- (vi) In consideration of the above, the Company has allotted equity shares, credited as fully paid up, to the extent indicated below, to all the members of the Transferor Companies in the following proportion:
 - (a) 746.6242 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in JMPL.
 - (b) 723.4882 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in AMPL.
 - (c) 705.5326 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in DMPL.
 - (d) 718.1232 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in KMPL.
 - (e) 637.1318 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in SMPL.
 - (f) 787.3987 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in BMPL.

Accordingly, 43,342,270 fully paid up equity shares of ₹ 2 each of the Company have been issued to the shareholders of the Transferor Companies, which is equivalent to the shares cancelled, vide (ii) above; these shares, aggregating to ₹ 866.85 lakhs, pending allotment as on year-end have been shown as "Share Capital pending allotment" under Share Capital, thus resulting in no change in the total issued & paid up Share Capital of the Company. The new equity shares issued as above rank pari-passu with the existing equity shares of the Company. As per the scheme of amalgamation, the said shares have been issued & allotted to the shareholders of the transferor companies as per register of members of the transferor companies as on the effective date i.e. 13th April, 2015.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

29. Travelling expenses of field personnel include expenses on stationery and printing, conveyance, postage, miscellaneous expenses, etc.
30. Details of Research & Development Expenditure incurred during the year at the following R&D Centers:

(₹ in lakhs)

Particulars	Thane		Panoli-API		Panoli-formulation & Development		Daman	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Revenue Expenditure:								
Staff Cost	630.52	515.06	19.34	17.26	122.17	112.26	45.74	34.78
Power & Fuel	54.69	54.34	-	-	-	-	4.76	21.35
Travelling & Conveyance	23.89	22.90	-	-	0.19	-	-	-
R & D Raw Materials	255.47	380.00	-	0.17	0.36	0.33	15.41	111.18
Product Registration & Other Fees	0.24	11.76	-	-	-	-	-	-
Clinical Trial & Bio-equivalence Studies	57.68	150.66	-	-	-	-	-	-
Laboratory Expenses	92.60	52.71	2.89	10.61	136.01	72.91	-	-
Others	300.23	151.81	0.36	0.68	19.28	14.73	-	0.02
Fees	26.34	6.85	-	-	-	-	0.47	-
Repairs & Maintenance - Bldg.	71.39	32.95	-	-	4.81	2.59	-	-
Total Revenue Expenditure	1,570.03	1,379.04	22.60	28.72	282.82	202.82	66.38	167.33
Capital:								
Buildings	-	1.05	-	-	54.62	0.65	-	7.51
Plant & Machinery	2.06	-	-	-	10.58	0.35	-	2.72
Handling Equipment	3.73	-	-	-	-	3.63	-	-
Electrical Equipments	20.63	0.50	-	-	9.49	-	-	3.54
R & D Equipments	1,58.84	7.09	11.30	-	94.60	0.90	-	0.53
Laboratory Equipments	1.87	-	-	-	7.51	0.43	-	-
EDP Equipments	1.49	2.97	-	-	0.44	0.25	0.28	-
Office Equipments	1.00	0.38	-	-	-	0.25	-	-
Furniture & Fixtures	0.15	-	-	-	-	-	-	-
Air Conditioners	0.34	0.96	-	-	22.46	4.20	-	19.99
Total Capital Expenditure	190.11	12.95	11.30	-	199.70	10.66	0.28	34.29
TOTAL	1,760.14	1,391.99	33.90	28.72	482.52	213.48	66.66	201.62

31. The amount of Excise Duty disclosed as deduction from turnover is the Excise duty for the year, except the excise duty related to the difference between the closing stock and opening stock and excise duty paid but not recovered, which has been disclosed in the (increase)/decrease in stock and other expenses respectively. (Increase)/decrease in stocks include excise duty on finished goods lying at plants (net) ₹ 35.11 lakhs (Previous year ₹ 10.86 lakhs).

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

32. Employee Benefits:

The disclosures as required as per the revised AS-15 are as under:

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Employer's Contribution to Provident Fund & Family Pension Fund	701.06	692.97
Employer's Contribution to Superannuation Fund	153.92	151.03
Employer's Contribution to Employees' State Insurance Scheme	18.26	19.23

b) Defined Benefit Plan

Reconciliation of opening and closing balances of Defined Benefit obligation.

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Defined Benefit obligation at the beginning of the year	2,565.81	2,404.63
Current Service Cost	125.54	320.62
Interest Cost	218.15	198.38
Actuarial (gain)/loss	90.28	(287.83)
Benefits Paid	(89.98)	(69.99)
Defined Benefit obligation at year end	2,909.80	2,565.81

Reconciliation of opening and closing balances of fair value of plan assets

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Fair value of plan assets at the beginning of the year	1,178.81	891.67
Expected return on plan assets	102.56	77.58
Actuarial gain/(loss)	(77.91)	4.19
Employer contribution	446.03	234.16
Benefits Paid	(89.98)	(28.79)
Fair value of plan assets at the end of the year	1,559.51	1,178.81

Actual Return on Plan Assets

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Expected return on plan assets	102.56	77.58
Actuarial gain/(loss) on plan assets	(77.91)	4.19
Actual return on plan assets	24.65	81.77

Reconciliation of fair value of plan assets and benefit obligations

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Fair value of assets as at 31 st March, 2015	1,559.51	1,178.81
Present value of obligation as at 31 st March, 2015	2,909.80	2,565.81
Amount recognised in Balance Sheet	1,350.28	1,387.00

Expense recognised during the year

(Under the head "Employee Cost"-Refer Note 24)

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Current Service Cost	125.54	320.62
Interest Cost	218.16	198.38
Expected return on Plan Assets	(102.56)	(77.58)
Actuarial (gain)/loss	171.47	(292.01)
Expense Recognised in Profit and Loss Account	412.61	149.41

Investment details

The Company made annual contributions to the LIC of an amount advised by the LIC. The Company was not informed by LIC of the Investments made or the break-down of plan assets by investment type.

Actuarial Assumptions

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Discount Rate (per annum)	7.94%	9.31%
Expected Rate of Return on Plan Assets (per annum)	7.94%	8.70%
Salary Escalation (per annum)	4.00%	4.00%

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Net asset/liability recognized in the Balance Sheet (including experience adjustment impact)

(₹ in lakhs)

Gratuity	2015	2014	2013	2012	2011
Defined benefit obligation	2,909.80	2,565.81	2,404.63	2,102.52	1,972.89
Plan assets	1,559.51	1,178.81	891.67	798.46	740.29
Deficit / (Surplus)	1,350.29	1,387.00	1,512.96	1,304.06	1,232.60
Experience adjustments on plan liabilities	51.07	264.36	119.51	117.92	164.64
Experience adjustments on plan assets	77.91	4.19	22.44	(17.02)	(14.58)

33. SEGMENT REPORTING:

The company has one segment of activity namely 'Pharmaceuticals'.

34. RELATED PARTY DISCLOSURE

Related party disclosure as required by AS – 18, 'Related Party Disclosures' notified by the Companies (Accounting Standard) Rules, 2006 are given below:

Names and Relationships of the Related Parties:

i) Subsidiary Companies:

- a. OOO Unique Pharmaceutical Laboratories
- b. J. B. Healthcare Pvt. Ltd.
- c. J. B. Chemicals & Pharmaceuticals Pvt. Ltd. (Upto 13-06-14)
- d. LLC Unique Pharmaceutical Laboratories.
- e. Unique Pharmaceutical Laboratories FZE

ii) Associate Concerns/Trusts/Companies/Joint Venture:

- a. Mody Trading Company
- b. Mody Brothers
- c. Jyotindra Family Trust
- d. Dinesh Family Trust
- e. Shirish Family Trust
- f. Biotech Laboratories (Pty.) Ltd.
- g. J.B.Mody Enterprises LLP
- h. Ansuya Mody Enterprises LLP
- i. Dinesh Mody Ventures LLP

- j. Kumud Mody Ventures LLP
- k. Shirish Mody Enterprises LLP
- l. Bharati Mody Ventures LLP
- m. Synit Drugs Pvt. Ltd.
- n. Unique Pharmaceutical Laboratories Ltd.
- o. Ifunik Pharmaceuticals Ltd.
- p. Namplas Chemicals Pvt. Ltd.
- q. Gemma Jewellery Pvt. Ltd
- r. Lekar Pharma Ltd.

iii) Key Management Personnel:

- a. Shri Jyotindra B. Mody
- b. Shri Dinesh B. Mody
- c. Shri Shirish B. Mody

iv) Relative of Key Management Personnel:

- a. Mr. Pranabh D. Mody
- b. Mrs. Kumud D. Mody
- c. Mrs. Bharati S. Mody
- d. Mrs. Pallavi B. Mehta
- e. Mrs. Purvi U. Asher
- f. Mrs. Deepali A. Jasani
- g. Mrs. Priti R. Shah
- h. Mr. Nirav S. Mody
- i. Mrs. K. V. Gosalia
- j. D. B. Mody HUF
- k. S. B. Mody HUF

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Transactions with the related parties during the year :

Transaction with Related Parties	Subsidiary Companies	Associated Concern / Trust/ Joint Venture	Key Management Personnel	(₹ in lakhs)	
				Relative of Key Management Personnel	Relative of Key Management Personnel
Income					
Sale of Material / Goods / Others (Net of Discount)	5,589.69 (4,492.58)	2,866.96 (3,497.95)	- (-)	- (-)	- (-)
Receipt of Manufacturing charges	- (-)	36.69 (46.19)	- (-)	- (-)	- (-)
Dividend Income	20.49 (86.72)	- (-)	- (-)	- (-)	- (-)
Commission for Corporate Guarantee	2.46 (-)	- (-)	- (-)	- (-)	- (-)
Expenditure					
Purchase of stock in trade	- (-)	3,885.37 (3,605.48)	- (-)	- (-)	- (-)
Processing Charges	- (-)	89.37 (129.30)	- (-)	- (-)	- (-)
Bio Equivalence Study	- (-)	- (3.93)	- (-)	- (-)	- (-)
Rent	- (-)	273.83 (273.83)	- (-)	- (-)	73.56 (73.56)
Sales Promotion and publicity	- (2,376.53)	- (-11.94)	- (-)	- (-)	- (-)
Reimbursement of Expenses	21.55 (9.34)	(0.73) (0.23)	- (-)	- (-)	- (-)
Royalty	- (-)	1,112.85 (1,103.55)	- (-)	- (-)	- (-)
Employee Benefit Expense	- (-)	- (-)	121.08 (129.72)	36.75 (32.67)	36.75 (32.67)
Remuneration	- (-)	- (-)	1,016.19 (1,081.07)	272.22 (241.61)	272.22 (241.61)
Interest on Deposits	- (-)	10.50 (10.51)	11.18 (11.90)	55.42 (59.96)	55.42 (59.96)
Fixed Deposit Repayment	- (-)	- (-)	105.50 (-)	316.70 (-)	316.70 (-)
Others					
Equity Contribution	72.17 (22.30)	- (-)	- (-)	- (-)	- (-)
Corporate Guarantee given on behalf of Subsidiary (Non fund based)	2,500.00 (-)	- (-)	- (-)	- (-)	- (-)
Re-imbursment of expenses from subsidiary company	37.93 (0.26)	- (-)	- (-)	- (-)	- (-)
Expenses incurred on behalf of subsidiary company	2.00 (36.39)	- (-)	- (-)	- (-)	- (-)
Assets / Liabilities					
O/S Payables as on March 31, 2015	- (666.17)	331.31 (555.95)	- (285.08)	- (612.48)	- (612.48)
O/S Receivables as on March 31, 2015	3,468.60 (4,477.48)	1,511.25 (1,373.40)	- (-)	25.28 (25.28)	25.28 (25.28)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Disclosure in respect of Material Related Party Transactions during the year:

- a) Material / Goods sold to Unique Pharmaceutical Laboratories FZE (Dubai) ₹ 5,659.57 lakhs (Previous Year ₹ Nil), OOO Unique Pharmaceutical Laboratories, Moscow ₹ 69.88 lakhs (Previous year ₹ 4,492.58 lakhs), Biotech Laboratories (Pty.) Ltd. ₹ 2,794.39 lakhs (Previous year ₹ 3,271.72 lakhs).
- b) Manufacturing charges received from Lekar Pharma Ltd. ₹ 36.69 lakhs (Previous year ₹ 46.19 lakhs).
- c) Dividend received from J.B.Healthcare Pvt. Ltd. ₹ 20.49 lakhs (Previous year ₹ 86.72 lakhs).
- d) Purchases from Lekar Pharma Ltd. ₹ 3,885.37 lakhs (Previous year ₹ 3605.48 lakhs).
- e) Processing charges paid to Namplas Chemicals Pvt. Ltd. ₹ 89.38 lakhs (Previous year ₹ 129.30 lakhs).
- f) Bio-equivalence study charges paid to Raptim Research Ltd. ₹ Nil lakhs (Previous year ₹ 3.93 lakhs).
- g) Rent paid to Jyotindra Family Trust ₹ 116.40 lakhs (Previous year ₹ 116.40 lakhs), Dinesh Family Trust ₹ 59.07 lakhs (Previous year ₹ 59.07 lakhs), Shirish Family Trust ₹ 70.34 lakhs (Previous year ₹ 70.34 lakhs), D. B. Mody HUF ₹ 36.71 lakhs (Previous year ₹ 36.71 lakhs), S. B. Mody HUF ₹ 36.85 lakhs (Previous year ₹ 36.85 lakhs).
- h) Sales Promotion expense paid to OOO Unique Pharmaceutical Laboratories ₹ Nil (Previous year ₹ 2,376.53 lakhs), Biotech Laboratories (Pty.) Ltd. ₹ Nil (Previous year ₹ (11.94) lakhs).
- i) Reimbursement of expense to OOO Unique Pharmaceutical Laboratories ₹ 21.55 lakhs (Previous year ₹ 9.34 lakhs) Biotech Laboratories (Pty.) Ltd. (₹ 0.74) lakhs (Previous Year (₹ 0.23) lakhs).
- j) Royalty paid to Unique Pharmaceutical Laboratories Ltd. ₹ 1,112.85 lakhs (Previous year ₹ 1,103.55 lakhs).
- k) Employee benefit expense paid to Shri Jyotindra B. Mody ₹ 40.36 lakhs (Previous year ₹ 43.24 lakhs), Shri Dinesh B. Mody ₹ 40.36 lakhs (Previous year ₹ 43.24 lakhs), Shri Shrish B. Mody ₹ 40.36 lakhs (Previous year ₹ 43.24 lakhs), Shri Pranabh D. Mody ₹ 23.48 lakhs (Previous year ₹ 20.88 lakhs), Shri Nirav Mody ₹ 13.27 lakhs (Previous year ₹ 11.79 lakhs).
- l) Remuneration paid to Shri Jyotindra B. Mody ₹ 338.73 lakhs (Previous year ₹ 360.35 lakhs), Shri Dinesh B. Mody ₹ 338.73 lakhs (Previous year ₹ 360.36 lakhs), Shri Shirish B. Mody ₹ 338.73 lakhs (Previous year ₹ 360.36 lakhs), Shri Pranabh D. Mody ₹ 173.93 lakhs (Previous year ₹ 154.25 lakhs), Shri Nirav Mody ₹ 98.29 lakhs (Previous year ₹ 87.36 lakhs).
- m) Interest on Deposit paid to Shri Jyotindra B. Mody ₹ 8.96 lakhs (Previous year ₹ 9.32 lakhs), Shri Dinesh Mody ₹ 2.22 lakhs (Previous year ₹ 2.58 lakhs), Ms. Deepali Jasani ₹ 12.70 lakhs (Previous year ₹ 12.40 lakhs), D. B. Mody HUF ₹ 23.15 lakhs (Previous year ₹ 30.60 lakhs), S. B. Mody HUF ₹ 5.70 lakhs (Previous year ₹ 5.25 lakhs), Synit Drugs Pvt. Ltd. ₹ 4.00 lakhs (Previous year ₹ 4.01 lakhs), Ifiunik Pharmaceuticals Ltd. ₹ 6.50 lakhs (Previous year ₹ 6.50 lakhs).
- n) Equity Contribution was made to J. B. Healthcare Pvt. Ltd., Jersey ₹ 6.17 (Previous year ₹ 9.39), J.B.Chemicals & Pharmaceuticals Pvt. Ltd., Singapore ₹ Nil (Previous year ₹ 3.55 lakhs), Unique Pharmaceutical Laboratories LLC, Ukraine ₹ 6.08 lakhs (Previous year ₹ 9.36 lakhs), Unique Pharmaceutical Laboratories FZE, Dubai ₹ 59.92 (Previous year ₹ Nil).
- o) Re-imbursement of expenses received from J. B. Chemicals & Pharmaceuticals Pvt. Ltd. Singapore ₹ Nil (Previous year ₹ 0.26), Unique Pharmaceutical Laboratories FZE, Dubai ₹ 37.93 (Previous year ₹ Nil).
- p) Expenses incurred on behalf of subsidiary company Unique Pharmaceutical Laboratories FZE, Dubai ₹ 1.99 lakhs (Previous year ₹ 36.39 lakhs).
- q) Fixed deposit repayment to Shri Jyotindra B. Mody ₹ 82.50 lakhs (Previous year ₹ Nil), Shri Dinesh Mody ₹ 22.50 lakhs (Previous year ₹ Nil), Mrs. Kumud Mody ₹ 50.00 lakhs (Previous year ₹ Nil), Mrs. Bharati Mody ₹ 46.70 lakhs (Previous year ₹ Nil), Ms. Deepali Jasani ₹ 111.00 lakhs (Previous year ₹ Nil), S. B. Mody HUF ₹ 50.00 lakhs (Previous year ₹ Nil).
- r) Amount payable to OOO Unique Pharmaceutical Laboratories ₹ Nil (Previous year ₹ 666.17 lakhs), Synit Drugs Pvt. Ltd. ₹ 40.00 lakhs (Previous year ₹ 40.00 lakhs), Biotech Laboratories (Pty.) Ltd. ₹ 1.81 lakhs (Previous year ₹ 2.00 lakhs), Unique Pharmaceutical Laboratories Ltd. ₹ 72.29 lakhs (Previous year ₹ 164.63 lakhs) Ifiunik Pharmaceuticals Ltd. ₹ 65.00 lakhs (Previous year ₹ 65.00 lakhs), Namplas Chemicals Pvt. Ltd. ₹ 6.59 lakhs (Previous year ₹ 9.71 lakhs), Lekar Pharma Ltd. ₹ 145.61 lakhs (Previous year ₹ 274.61 lakhs), Shri Jyotindra B. Mody ₹ Nil (Previous year ₹ 91.72 lakhs), Shri Dinesh B. Mody ₹ Nil (Previous year ₹ 27.86 lakhs), Shri Shirish B. Mody ₹ Nil (Previous year ₹ 0.50 lakhs), Mrs. Kumud D. Mody ₹ Nil (Previous Year ₹ 53.39 lakhs), Mrs. Bharati S. Mody ₹ Nil (Previous year ₹ 34.00 lakhs), Mrs. Purvi Asher ₹ Nil (Previous year ₹ 2.09 lakhs), Mrs. Deepali A. Jasani ₹ Nil (Previous year ₹ 132.99 lakhs), Mrs. K.V. Gosalia ₹ Nil (Previous year ₹ 29.10 lakhs), D. B. Mody HUF ₹ Nil (Previous year ₹ 306.00 lakhs), S.B. Mody HUF ₹ Nil (Previous year ₹ 54.91 lakhs).
- s) Amount receivable as on 31st March, 15 from OOO Unique Pharmaceutical Laboratories ₹ Nil (Previous year ₹ 4,441.09 lakhs), Unique Pharmaceutical Laboratories FZE ₹ 3,468.60 lakhs (Previous year ₹ 36.39 lakhs), Jyotindra Family Trust ₹ 21.13 lakhs (Previous year ₹ 21.13 lakhs), Dinesh Family Trust 8.49 lakhs (Previous year ₹ 8.49 lakhs), Shirish Family Trust ₹ 8.49 lakhs (Previous year ₹ 8.49 lakhs), Jyotindra Mody Enterprises LLP ₹ 1.34 lakhs (Previous year ₹ 1.34 lakhs),

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Dinesh Mody Ventures LLP ₹ 1.34 lakhs (Previous Year ₹ 1.34 lakhs), Shirish B. Mody Enterprises LLP ₹ 1.34 lakhs (Previous year ₹ 1.34 lakhs), Biotech Laboratories (Pty.) Ltd. ₹ 1,469.14 lakhs (Previous year ₹ 678.96 lakhs), D. B. Mody HUF ₹ 12.64 lakhs (Previous year ₹ 12.64 lakhs), S. B. Mody HUF ₹ 12.64 lakhs (Previous year ₹ 12.64 lakhs).

35. Disclosures as required by Accounting Standard 19, "Leases", notified under Section 133 of the Companies Act, 2013, are given below:

i. The company has taken certain residential and office premises on operating lease / leave and license agreements having non-cancellable / not non-cancellable (range between 11 months and 3 years) are renewable by mutual consent on mutually agreeable terms.

ii. Lease payment in respect of non cancellable lease amounts to ₹ 44.96 lakhs (Previous year ₹ 72.22 lakhs) is included under the head Compensation Rent in Note "26".

The minimum future lease rentals payable in respect of non cancellable lease are as follows.

(₹ in lakhs)		
Particulars	2014-15	2013-14
Not later than one year	28.34	113.28
Later than one year but not later than five years	20.29	107.14
Later than five years	-	-

36. EARNING PER SHARE

Earning Per Share (EPS) is calculated in accordance with Accounting Standard-20 as under:

Particulars	2014-15	2013-14
Net Profit attributable to Equity Shareholders (₹ in lakhs)	11,358.25	6,842.55
Weighted Average No. of Equity shares (Nos)		
Basic	8,47,84,873	8,47,15,591
<u>Effect of Dilutive equity shares equivalent</u>		
Stock Options outstanding	19,289	36,822
Diluted	8,48,04,162	8,47,52,413
Nominal value of equity shares (₹)	2.00	2.00
<u>Earning per share (₹)</u>		
Basic	13.40	8.08
Diluted	13.39	8.07

37. FINANCIAL AND DERIVATIVE INSTRUMENTS

a) Derivative Instruments:

The company has entered into forward contract to offset foreign currency risks arising from the amounts denominated in currencies other than the Indian rupee. The counter party to such forward contract is a bank. These contracts are entered into to hedge the foreign currency risks. Details of forward contracts outstanding as at the year end:

Currency	Exposure to buy/sell	As at March 31, 2015		As at March 31, 2014	
		Foreign Currency	(₹ in lakhs)	Foreign Currency	(₹ in lakhs)
USD	Sell	56,151,352.00	35,094.60	34,000,000.00	21,192.71
USD	Buy	-	-	843,644.24	510.68

b) Foreign currency exposure at the year end not hedged by derivative instruments.

Particulars	As at March 31, 2015		As at March 31, 2014	
	Currency	(₹ in lakhs)	Foreign Currency	(₹ in lakhs)
Receivable against export of goods:				
Euro	4,057,091.65	2,725.96	2,236,488.90	1,839.96
AUD	1,576,086.26	749.11	1,107,195.02	613.50
GBP	14,688.80	13.58	122,152.00	121.65

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Currency	(₹ in lakhs)	Foreign Currency	(₹ in lakhs)
Payable against Secured Loans:				
US Dollars	12,500,000.00	7,812.50	10,500,000.00	6,290.55
Payable against Import of goods & services :				
US Dollars	1,587,219.55	992.01	-	-
AUD	36,657.67	17.42	57,236.99	31.72
SGD	9,505.00	4.32	-	-

38. EXPENSES INCURRED ON BEHALF OF SUBSIDIARY COMPANIES :

(₹ in lakhs)

Name of the Company	Nature of Relation	Amount	Maximum Balance during the year
Unique Pharmaceutical Laboratoires FZE	Subsidiary	2.00	38.39

39. Consequent to the applicability of Schedule II to the Companies Act, 2013 effective from April 1, 2014, the company has applied the useful life as per Schedule II. In case of fixed assets where useful life as at April 1, 2014 is Nil, the company has adjusted the residual value aggregating to ₹ 347.40 lakhs (Net of deferred tax ₹ 178.88 lakhs) to the retained earnings.

40. CSR EXPENDITURE

Gross amount required to be spent during the year ₹ 209.71 lakhs

Amount spent during the year ₹ 210.28 lakhs as detailed hereunder:

Nature of activity	Amount ₹ in lakhs
Promoting Healthcare including preventive healthcare	110.28
Promotion of Education	75.00
Eradication of Poverty and malnutrition	15.00
Setting up of old age home	10.00

41. As required under section 186(4) of the Companies Act, 2013, the particulars of loans and guarantees and investments made during the year and which are outstanding as at the year-end are as follows:

(₹ in lakhs unless otherwise stated)

Name of entity	Amount	Nature of transaction and material terms	Purpose for which loan / guarantee proposed to be utilized by the recipient
Unique Pharmaceuticals Laboratories FZE, a wholly owned subsidiary in Dubai	59.92	Subscription to equity capital	-
OOO Unique Pharmaceutical Laboratories, a wholly owned subsidiary in Russia	940.25	Subscription to equity capital	-
Unique Pharmaceutical Laboratories LLC, a wholly owned subsidiary in Ukraine	6.08	Subscription to equity capital	-
J. B. Healthcare Pvt. Ltd., a wholly owned subsidiary in Jersey	6.17	Subscription to equity capital	-
Unique Pharmaceuticals Laboratories FZE, a wholly owned subsidiary in Dubai	USD 4 million	Corporate guarantee. Guarantee commission charged @ 0.50% p. a.	Guarantee given to facilitate borrowing from bank by the subsidiary for meeting working capital needs.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Name of entity	Amount	Nature of transaction and material terms	Purpose for which loan / guarantee proposed to be utilized by the recipient
Mukand Ltd.	100.00	Inter-corporate deposit @ 17% p.a. for a period of 91 days.	For meeting temporary working capital needs.
Hikal Ltd.	100.00	Inter-corporate deposit @ 15% p.a. for a period of 181 days.	For meeting temporary working capital needs.
Vadilal Industries Ltd.	25.00	Inter-corporate deposit @ 14% p.a. for a period of 90 days	For meeting temporary working capital needs.

42. DETAILS OF PURCHASES IN RESPECT OF GOODS TRADED:

(₹ in lakhs)

Particulars	2014-15	2013-14
Ointments	1,723.89	1,481.39
Liquids	1,427.78	1,301.69
Capsules	70.42	236.20
Tablets	3,106.30	3,090.93
Powder	23.36	12.93
Ampoules	2,551.22	1,396.27
Others	106.69	196.65
Total	9,009.66	7,716.06

43. DETAILS OF FINISHED GOODS MANUFACTURED AND TRADED:

(₹ in lakhs)

Particulars	Sales	Opening Stock	Closing Stock
Manufactured Goods			
Ointments	2,883.34 (3,059.53)	43.01 (15.59)	29.63 (43.01)
Liquids	5,821.74 (6,055.63)	274.72 (371.27)	377.16 (274.72)
Capsules	1,095.64 (895.65)	36.67 (29.69)	13.98 (36.67)
Tablets	47,920.17 (40,833.22)	2,151.43 (1,292.78)	1,912.05 (2,151.43)
Powder	851.44 (3,102.32)	92.84 (50.76)	6.30 (92.84)
Ampoules	17,471.74 (16,567.57)	904.29 (872.26)	1,172.89 (904.29)
Bulk API	10,394.58 (9,938.15)	393.30 (325.08)	647.47 (393.30)
Other	139.52 (72.78)	- (-)	- (-)
Total	86,662.09 (80,606.27)	3,896.26 (2,957.43)	4,159.48 (3,896.26)
Traded Goods			
Ointments	2,061.08 (1,670.33)	10.04 (4.58)	9.43 (10.04)
Liquids	2,000.48 (1,472.04)	72.62 (66.27)	46.42 (72.62)
Capsules	119.84 (439.26)	10.53 (31.84)	14.77 (10.53)
Tablets	7,356.05 (6,609.12)	518.55 (622.97)	495.61 (518.55)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	Sales	Opening Stock	Closing Stock
Powder	15.97 (27.20)	6.73 (11.37)	19.88 (6.73)
Ampoules	4,930.44 (2,430.53)	170.36 (152.63)	150.92 (170.36)
Others	191.38 (344.41)	39.00 (149.78)	1.55 (39.00)
Total	16,675.24 (12,992.89)	827.83 (1,039.44)	737.04 (827.83)

44. Value of consumption of Imported and Indigenously obtained raw materials, spare parts and components and the percentage of each to the total.

Sr. No	Particulars	Raw Material		Spare parts & Components	
		₹ in lakhs	Percentage	₹ in lakhs	Percentage
1	Imported	7,035.65 (6,607.09)	30.66 (31.35)	116.85 (122.87)	17.68 (19.68)
2	Indigenously obtained	15,908.34 (14,465.30)	69.34 (68.65)	544.09 (501.62)	82.32 (80.32)
	Total	22,943.98 (21,072.39)	100.00 (100.00)	660.94 (624.49)	100.00 (100.00)

45. VALUE OF IMPORTS (C.I.F. VALUE)

Sr. No	Particulars	₹ in lakhs
1	Raw Materials	7,892.03 (6,955.17)
2	Component Stores & Spare parts	116.85 (122.87)
3	Capital goods	1,019.95 (1531.35)
	Total	10,056.11 (8,609.39)

46. EARNINGS IN FOREIGN CURRENCY

Sr. No	Particulars	₹ in lakhs
1	Export of Goods (At F.O.B)	57,867.29 (55,454.96)
2	Export of Service	441.21 (512.42)
3	Dividend	20.49 (86.73)
4	Corporate Guarantee Commission	2.46 (-)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)**47. EXPENDITURE IN FOREIGN CURRENCY**

Sr. No	Particulars	₹ in lakhs
1	Legal & Professional Fees	75.21 (97.06)
2	Interest	85.48 (78.67)
3	Other Expenditure	3,662.99 (6,900.72)

48. AMOUNT REMITTED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

Particulars	2014-15	2013-14
Number of Non-resident shareholders (in Nos.)	4	4
Dividend (₹ in lakhs)	12.32	12.32
Number of Shares	410,812	410,812
Dividend relates to financial year	2013-14	2012-13

49. PROPOSED DIVIDEND

Particulars	2014-15	2013-14
Amount of Dividend proposed to be distributed to the equity shareholders (₹ in lakhs)	11,873.15	2,543.23
Dividend per share of face value of ₹ 2/- (in ₹)	14.00	3.00

50. Figures of previous year have been re-grouped, re-arranged and recast, wherever considered necessary. Figures of current year include figures of amalgamating companies and are, therefore, strictly not comparable with those of previous year.

51. Figures in brackets indicate corresponding figures of previous year.

As per our report of even date

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

J. K. Shah
Partner
Membership No. 3662

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

S. B. Mody
Whole-time director (Marketing)

Place : Mumbai
Date : May 20, 2015

D. B. Mody
Whole-time director (Administration)

Vijay D. Bhatt
Chief Financial Officer

M. C. Mehta
Company Secretary

INDEPENDENT CONSOLIDATED AUDITORS' REPORT

To

The members of

J.B. Chemicals & Pharmaceuticals Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of J. B. Chemicals & Pharmaceuticals Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and joint venture (the Holding Company, its subsidiaries and joint venture together referred to as "the JBCPL Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements, based on the standalone financial statements of the entities in the JBCPL group in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the JBCPL Group in accordance with the applicable provisions of the Act [including Schedule III and notified applicable accounting standards (AS 21 and AS 27)] and the accounting principles generally accepted in India. The respective Board of Directors of the entities included in the JBCPL Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act or otherwise for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 the Rules made thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls and checks relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the principles and procedures followed, accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the JBCPL Group, as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements / financial information of certain subsidiaries, whose financial statements / financial information reflect total assets of Rs. 16,136.76 Lacs as at 31st March, 2015, total revenues of Rs. 19,241.15 Lacs and net cash inflows amounting to Rs. 803.88 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been prepared in accordance with accounting policies generally accepted in their respective countries and audited by other auditors whose reports have been furnished to us

INDEPENDENT CONSOLIDATED AUDITOR'S REPORT (Contd.)

by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, to the extent applicable or considered as applicable, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements / financial information of a joint venture, whose financial statements / financial information reflect total assets of Rs. 4699.98 Lacs as at 31st March, 2015, total revenues of Rs. 6853.70 Lacs and net cash inflows amounting to Rs. 709.10 Lacs for the year ended on that date to the extent of the share of Holding Company, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture and our report in terms of sub-sections (3) and (11) of Section 143 of the Act to the extent applicable or considered as applicable in so far as it relates to the aforesaid joint venture is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditors' Report) Order 2015 (the Order), issued by the central government of India in terms of section 143(11) of the Act, it is submitted, is applicable only to the Holding Company (who has considered the said Order for the purpose of reporting on its standalone financial statements) and not to the subsidiaries and joint venture in JBCPL group (since incorporated outside India and not a foreign company within the meaning of section 2(42) of the Act). Accordingly, we give in the annexure a statement on the matters specified in paragraph 3 & 4 of the order, to the extent applicable in respect of holding company.
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 of the aforesaid consolidated financial statements.

- b. In our opinion, proper books of account of JBCPL group entities, as required by law relating to preparation of the aforesaid consolidated financial statements have been made so far as it appears from our examination of those financial statements and the reports of the other auditors thereon.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.
- e. On the basis of written representations received from the directors of the Holding Company as on 31st March, 2015 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the JBCPL Group, Refer Note 28 to the consolidated financial statements.
 - ii. The JBCPL Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company incorporated in India.

For J K Shah & Co
Chartered Accountants
Firm's Registration No. : 109606W

J. K. Shah
Partner
Membership No. 3662

Place: Mumbai
Date: May 20, 2015

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2015		As at March 31, 2014	
EQUITY AND LIABILITIES					
Shareholders' funds					
(a) Share capital	3	1,696.16		1,694.63	
(b) Reserves and surplus	4	97,791.26	99,487.42	102,586.61	104,281.24
Non-current liabilities					
(a) Long-term borrowings	5	40.00		48.84	
(b) Deferred tax liabilities (Net)	6	2,019.76		1,925.50	
(c) Long-term provisions	7	1,202.60	3,262.36	1,218.70	3,193.04
Current liabilities					
(a) Short-term borrowings	8	12,687.95		8,170.96	
(b) Trade payables	9	7,751.39		6,074.78	
(c) Other current liabilities	10	10,373.85		9,805.77	
(d) Short-term provisions	11	15,161.72	45,974.91	3,575.53	27,627.04
TOTAL			148,724.70		135,101.33
ASSETS					
Non-current assets					
(a) Fixed assets					
(i) Tangible assets	12	30,388.57		28,526.59	
(ii) Intangible assets	12	2,467.73		2,528.47	
(iii) Capital work-in-progress		5,517.13		4,635.78	
(b) Non-current investments	13	275.20		275.31	
(c) Long-term loans and advances	14	1,774.44		1,070.65	
(d) Other non-current assets	15	-	40,423.07	-	37,036.80
Current assets					
(a) Current investments	16	54,886.21		49,725.74	
(b) Inventories	17	15,027.33		13,440.02	
(c) Trade receivables	18	26,234.82		23,550.78	
(d) Cash and cash equivalents	19	2,518.76		1,180.56	
(e) Short-term loans and advances	20	9,634.51	108,301.63	10,167.42	98,064.52
TOTAL			148,724.70		135,101.32
Significant Accounting Policies and Notes on Financial Statements	1 to 40				

As per our report of even date

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

J. K. Shah
Partner
Membership No. 3662

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

S. B. Mody
Whole-time director (Marketing)

Place : Mumbai
Date : May 20, 2015

D. B. Mody
Whole-time director (Administration)

Vijay D. Bhatt
Chief Financial Officer

M. C. Mehta
Company Secretary

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

Particulars	Note No.	2014-15	2013-2014
Income:			
Revenue from Operations (Gross)	21	115,878.17	103,438.91
Less: Excise Duty		1,456.69	1,252.44
Revenue from operations (Net)		114,421.48	102,186.47
Other income	22	1,089.34	3,770.41
Total Revenue		115,510.82	105,956.88
Expenses:			
Cost of materials consumed	23	34,158.73	31,078.57
Purchases of stock-in-trade		12,399.29	11,809.48
Changes in inventories of finished goods work-in-progress and stock-in-trade		(1,608.93)	(1,884.67)
Employee benefits expense	24	15,955.63	14,366.60
Finance costs	25	682.42	593.28
Depreciation and amortization expense	12	3,864.12	2,802.07
Other expenses	26	35,504.74	31,997.05
Total expenses		100,956.00	90,762.38
Profit before exceptional and extraordinary items and tax		14,554.81	15,194.50
Exceptional Item-Revision of Purchase price in respect of sale of Russia-CIS OTC Business Undertaking (Refer Note No. 31)		-	(6,450.00)
Profit before tax		14,554.81	8,744.50
Tax expense:			
(1) Current tax		4,291.57	3,635.45
(2) Earlier Years' Tax		-	(572.98)
(3) Deferred tax		222.73	(255.32)
(4) MAT Credit of Earlier years		-	212.23
Profit (Loss) for the year		10,040.51	6,149.58
Earnings per equity share (including extraordinary item)			
(1) Basic	33	11.84	7.26
(2) Diluted	33	11.84	7.26
Significant Accounting Policies and Notes on Financial Statements	1 to 40		

As per our report of even date

For J. K. Shah & Co.
Chartered Accountants
Firm Registration No. 109606W

J. K. Shah
Partner
Membership No. 3662

Place : Mumbai
Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody
Chairman & Managing Director

S. B. Mody
Whole-time director (Marketing)

Place : Mumbai
Date : May 20, 2015

D. B. Mody
Whole-time director (Administration)

Vijay D. Bhatt
Chief Financial Officer

M. C. Mehta
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015

(₹ in lakhs)

Particulars	2014-2015	2013-2014
A. Cash Flow from Operating Activities		
Net Profit before Tax and Extraordinary items	14,554.81	8,744.50
Adjustment For:		
Depreciation	3,864.12	2,802.07
Foreign Exchange (Net)	646.99	103.29
Interest Paid	335.22	240.88
(Profit)/ Loss on Sale/Discard of Assets	12.90	(2.49)
(Profit)/ Loss on Sale of Investments (Net)	(921.60)	(1,808.43)
Bad Debts	8.40	12.75
Interest Received	(133.14)	(132.13)
Dividend Received	(20.50)	(20.39)
Reversal of Deferred Employee Compensation	(4.44)	(6.64)
Impairment of Fixed Assets	-	7.72
Provision for doubtful debts	-	895.64
Provision for Doubtful debts written back	-	(16.85)
Adjustment due to amalgamation	62.69	-
	3,850.64	2,075.42
Operating Profit Before Working Capital Changes	18,405.45	10,819.92
Adjustment For:		
Trade And Other Receivables	(3,534.27)	(5,148.89)
Inventories	(1,587.31)	(2,986.53)
Trade Payable	3,169.55	(1,235.18)
	(1,952.03)	(9,370.60)
Cash Generated From Operations	16,453.42	1,449.32
Direct Taxes Paid (Net)	(3,786.99)	(2,847.08)
Net Cash from Operating Activities	12,666.43	(1,397.76)
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(7,118.61)	(6,039.24)
Sale/Discard of Fixed Assets	32.72	67.76
Purchase of Investment	(24,607.60)	(39,130.42)
Sale of Investment	20,368.84	30,704.91
Interest Received	115.07	127.03
Dividend Received	20.50	20.39
Net Cash used in Investing Activities	(11,189.09)	(14,249.57)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	(₹ in lakhs)	
	2014-2015	2013-2014
C. Cash Flow from Financing Activities		
Proceeds from issue of Shares under ESOP (including Securities Premium)	71.13	20.51
Proceeds/(Repayment) from/of Short Term Borrowing (Net)	3,182.93	4,443.18
Proceeds/(Repayment) from/of Long Term Borrowing (Net)	(12.93)	(11.81)
Interest Paid	(408.20)	(264.02)
Dividend Paid (Including Dividend Tax)	(2,972.08)	(2,983.46)
Net Cash Used in Financing Activities	(139.15)	1,204.40
Net Increase in Cash and Cash Equivalents	1,338.20	(14,442.93)
Cash And Cash Equivalents as at 01.04.14	1,180.56	15,623.49
Cash And Cash Equivalents as at 31.03.15	2,518.76 1,338.20	1,180.56 (14,442.93)

Notes :

- 1) The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 on "Cash Flow Statement".
- 2) Balance with Banks include ₹ 12.50 lakhs (Previous year ₹ 100.50 lakhs) being deposits under lien.
- 3) Previous years' figures are re-grouped / re-classified wherever necessary in order to conform to current years' groupings and classifications.

As per our report of even date**For J. K. Shah & Co.**

Chartered Accountants
Firm Registration No. 109606W

J. K. Shah

Partner
Membership No. 3662

Place : Mumbai

Date : May 20, 2015

For and on behalf of the Board of Directors**J. B. Mody**

Chairman & Managing Director

S. B. Mody

Whole-time director (Marketing)

Place : Mumbai

Date : May 20, 2015

D. B. Mody

Whole-time director (Administration)

Vijay D. Bhatt

Chief Financial Officer

M. C. Mehta

Company Secretary

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015

1. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). These relate to J. B. Chemicals and Pharmaceuticals Ltd. ("the Company"), its subsidiaries and its interest in joint venture ("the Group"). The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS-21)- "Consolidated Financial Statements".

The difference between the Company's cost of investments in the Subsidiaries, over its portion of equity at the time of acquisition of shares is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

In case of foreign subsidiaries, being non-integral foreign operations, revenue items are converted at the average rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the "Foreign Currency Translation Reserve".

- ii. Interest in jointly controlled entities is accounted for using proportionate consolidation in accordance with Accounting Standard 27 on "Financial reporting of interests in Joint Ventures". The Company's share in each of the assets, liabilities, income and expenses of jointly controlled entities are reported as a separate item. The difference between costs of the Company's interest in jointly controlled entities over its share of net assets in the jointly controlled entities, at the date on which interest is acquired, is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- iii. Goodwill recognized in the Consolidated Financial Statements is not amortized.
- iv. The consolidated financial statements are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements except otherwise stated elsewhere in this note.

- a. No adjustments have been made to the financial statements of the Subsidiaries and Joint Venture Company on account of diverse accounting policies as the same, being incorporated in Russia, Jersey, Singapore, Ukraine, Dubai and South Africa have been prepared under the laws and regulations applicable to their country of incorporation and hence not practicable to do so.
- b. Notes of these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the group. Recognizing this purpose, the company has disclosed only such Notes from the individual financial statements, which fairly present the needed disclosures. Practical considerations made it desirable to exclude Notes to Financial Statements, which in the opinion of the management, could be better viewed, when referred from the individual financial statements of the Companies.
- c. The subsidiary companies considered in the consolidated financial statements are :

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest	Accounting year ending on
J. B. Healthcare Pvt. Ltd.	Jersey, Channel Island	100 %	31.03.2015*
OOO Unique Pharmaceuticals Laboratories	Russia	100%	31.12.2014*
J. B. Chemicals & Pharmaceuticals Pvt. Ltd.**	Singapore	100%	31.03.2015
LLC Unique Pharmaceutical Laboratories	Ukraine	100%	31.12.2014*
Unique Pharmaceutical Laboratoires, FZE wef 10-12-2013	Dubai	100%	31.03.2015*

* Audited accounts of 31st March, 2015 are taken into consideration for consolidated financial statements.

** Ceases to be subsidiary on 13.06.2014 upon closure.

- d. The significant Joint Venture company considered in the consolidated financial statements is :

Name of the Company	Relationship	Country of Incorporation	Proportion of ownership interest	Accounting year ending on
Biotech Laboratories (Pty.) Ltd.*	Joint Venture	South Africa	49 %	31.08.2014**

* Through J. B. Healthcare Pvt. Ltd, Jersey.

** Unaudited accounts of 31st March, 2015 are taken into consideration for consolidated financial statements.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

2. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of accounting

The financial statement is prepared on mercantile basis under the historical cost convention in accordance with the generally accepted accounting principles in India, Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the other relevant provisions of the Companies Act, 2013.

2.2. Revenue recognition

All revenue and expenses are accounted for on accrual basis. Revenue is recognized when no significant uncertainties exist in relation to the amount of eventual receipt.

2.3 Fixed assets

Parent Company

Fixed Assets are stated at cost of acquisition and includes other direct / indirect and incidental expenses incurred to put them into use but excludes CENVAT availed on such assets. Whenever, the costs of the fixed asset is met under the specific contract by third party, the same is reduced from the cost of the respective fixed asset.

All indirect expenses incurred during project implementation and on trial run are treated as incidental expenditure during construction and capitalized.

Subsidiary - OOO Unique Pharmaceutical Laboratories

Assets which have value below 40000 Rubles are written off within the group of material and production stock.

2.4 Depreciation

Parent Company

Depreciation is provided based on the useful life specified in Schedule II to the Companies Act, 2013. Premium paid for leasehold land is amortized over the lease period.

Subsidiary - OOO Unique Pharmaceuticals Laboratories

Linear method of calculation of fixed assets depreciation is established for the period of shelf life.

Revaluation of fixed assets is not performed.

Joint Venture - Biotech Laboratories (Pty.) Ltd.

Depreciation is calculated on the Straight Line Method to write off the cost of each asset, or the revalued amounts, to their residual values over their estimated useful lives. The depreciation rates applicable to each category of property, plant and equipment are as follows:

• Furniture and Fittings	16.67%
• Computer related equipment	33.33%
• Computer Software	50.00%
• Leasehold Improvements	20.00%

2.5 Intangibles

For Parent Company:

Intangible assets are stated at costs less accumulated amortization.

Intangible assets are amortized over a period of 3 years.

Joint Venture - Biotech Laboratories (Pty.) Ltd.

An intangible asset is recognized when:

- It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and
- The cost of the asset can be measured reliably.

Intangible assets are carried at cost.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortization is provided on a straight line basis over their useful life.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the Asset is tested for impairment and the remaining carrying amount is amortized over its useful life.

2.6 Impairment of assets

Where there is an indication that an asset is impaired, the recoverable amount, if any, is estimated and the impairment loss is recognized to the extent carrying amount exceeds recoverable amount.

2.7 Provisions and contingencies

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

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

2.8 Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined on the basis of Moving Weighted Average method. The cost of work in progress (other than those lying at third party manufacturing site which is valued at material cost) and finished goods comprise direct material, direct labour, other direct cost and related production overheads.

2.9 Investments

For Parent Company:

Investments, which are long term in nature are stated at cost of acquisition with provision where necessary for diminution, other than temporary, in the value of investments. Current investments are carried at lower of cost or market value and quoted/fair price, computed category wise.

Subsidiary - J. B. Healthcare Pvt. Ltd.

Unlisted investments are shown at fair values, unless their face value cannot be reliably determined, in which case they are shown at cost less accumulated impairment losses. Any realized gain or losses are included in the income and expenditure account.

2.10 Employee benefit

For Parent Company

i. Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

ii. Long Term Employee Benefits

a. Provident Fund, Family Pension Fund & Employees' State Insurance Scheme :

As per the Employees Provident Funds and Miscellaneous Provisions Act, 1952 all employees of the company are entitled to receive benefits under the provident fund & family pension fund which is a defined contribution plan. These contributions are made to the fund administrated and managed by Government of India. In addition, some employees of the company are covered under Employees' State Insurance Scheme Act, 1948, which are also defined contribution schemes recognized and administrated by Government of India.

The Company's contributions to these schemes are recognized as expense in profit and loss account during the period in which the employee renders the related service. The company has no further obligation under these plans beyond its monthly contributions.

b. Superannuation Plan:

Some employees of the Company are entitled to superannuation, a defined contribution plan which is administrated through Life Insurance Corporation of India ("LIC"). Superannuation benefits are recognized in the Profit and loss account.

c. Leave Encashment:

The Company has provided for the liability at year end on account of unavailed earned leave as per the actuarial valuation.

d. Gratuity:

The Company provides for gratuity obligations through a defined benefits retirement plan ('The Gratuity Plan') covering all employees. The present value of the obligation under such defined benefits plan is determined based on actuarial valuation using the Project Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation. The obligation is measured at the present value of the estimated cash flows. The discount rate used for determining the present value of the defined obligation under defined benefit plan, is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized in profit and loss account as and when determined.

The Company makes annual contribution to LIC for the gratuity plan in respect of all the employees liability on the basis of actuarial valuation done by the LIC at the beginning of the year.

The Company also provides for additional liability, in case of excess contribution, determined by the independent actuary based on actuarial valuation using the Project Unit Credit method as compared to actuarial valuation determined by LIC and vice versa.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

For Subsidiary companies:

The company makes defined contribution to the government authority as a social security benefit, which is recognized in the profit and loss account on accrual basis.

For Joint Venture :

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognized in the period in which the service is rendered and are not discounted.

2.11 Foreign currency transaction

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities at the balance sheet date are translated at the exchange rate prevailing on the date of balance sheet. Exchange rate differences resulting from foreign exchange transactions settled during the period including year-end translation of assets and liabilities are recognized in the profit and loss account.

In case of forward exchange contracts or any other financial instruments that is in substance a forward exchange contract to hedge the foreign currency risk which is on account of firm commitment and/or is a highly probable forecast transaction, the premium or discount arising at the inception of the contract is amortized as expense or income over the life of contract.

Gain/Loss on settlement of transaction arising on cancellation or renewal of such a forward exchange contract is recognized as income or as expense for the period.

2.12 Leases

For Parent Company:

Leases wherein a significant portion of the risks and reward of ownership are retained by the lessor are classified as Operating Leases. Lease rentals in respect of such leases are charged to the profit and loss account.

For Joint Venture :

Operating Lease costs are charged against income on straight line basis over the period of the lease.

2.13 Research and development

Revenue expenditure on Research and Development is charged to the profits of the year in which it is incurred.

Capital expenditure on Research and Development is treated as fixed assets.

2.14 Borrowing cost

Borrowing Costs directly attributed to the acquisition of fixed assets are capitalized as a part of the cost of asset up to the date the asset is put to use. Other borrowing costs are charged to the profit and loss account in the year in which they are incurred.

2.15 Income tax

For Parent Company:

- a. Tax expenses comprise of current and deferred tax.
- b. Provision for current income tax is made on the basis of relevant provisions of the Income Tax Act, 1961 as applicable to the financial year.
- c. Deferred tax is recognized subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- d. Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

For Subsidiaries and Joint Venture Companies:

Tax expenses have been accounted for on the basis of tax laws prevailing in respective countries.

2.16 Employee stock option plan

The accounting value of stock options representing the excess of the market price over the exercise price of the shares granted under "Employees Stock Option Scheme" of the company is amortized on straight line basis over the vesting period as "Deferred Employees Compensation".

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

3. SHARE CAPITAL

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Authorised :		
101,500,000 (Previous year 100,000,000) Equity Shares of ₹ 2/- each	2,030.00	2,000.00
Issued, Subscribed & Paid up		
84,808,225 (Previous year 84,731,625) Equity Shares of ₹ 2/- each fully paid	1,696.16	1,694.63
Less: share capital cancelled on amalgamation (Refer Note No. 29)	866.85	–
Add: share capital pending allotment (Refer Note No. 29)	866.85	–
Total	1,696.16	1,694.63

3.1 Reconciliation of the shares outstanding and amount of Share Capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	(₹ in lakhs)	Number	(₹ in lakhs)
Shares outstanding at the beginning of the year	84,731,625	1,694.63	84,707,300	1,694.15
Shares Issued during the year pursuant to Employees Stock Options Scheme	76,600	0.53	24,325	0.48
Shares outstanding at the end of the year *	84,808,225	1,696.16	84,731,625	1,694.63

*Excluding effect of amalgamation (Refer Note No. 29)

3.2 The company has only one class of issued shares having par value of ₹ 2/-. Each holder of equity shares is entitled to one vote per share and carries identical right as to dividend. These shares are not subject to any restrictions.

3.3 Details of Shareholders holding more than 5% shares.

Name of shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Jyotindra Mody Holdings Pvt. Ltd.*	7,466,242	8.80	7,466,242	8.81
Dinesh Mody Securities Pvt. Ltd.*	7,055,326	8.32	7,055,326	8.33
Shirish B. Mody Investments Pvt. Ltd.*	6,530,601	7.70	6,530,601	7.71
Ansuya Mody Securities Pvt. Ltd.*	7,234,882	8.53	7,234,882	8.54
Kumud Mody Securities Pvt. Ltd.*	7,181,232	8.47	7,181,232	8.48
Bharati S. Mody Investments Pvt. Ltd.*	7,873,987	9.28	7,873,987	9.29
Ashish Dhawan	8,179,608	9.64	8,179,608	9.65

* These shares are cancelled and new shares have been issued to the shareholders of the respective companies pursuant to the Scheme of Amalgamation (Refer note no. 29).

3.4 Shares reserved for issue under ESOS

In the year 2004, the company has instituted the Employees Stock Option Scheme, under which 2,500,000 equity shares of ₹ 2 each have been reserved. Under the Scheme, the options are granted at an amount equal to ninety five percent of the average daily closing price of the shares of the company's share quoted on National Stock Exchange of India Ltd. during the period of twelve weeks preceding the date of grant. These options vest in four equal instalments and subject to other provisions of the Scheme, are exercisable within a period of five years from the respective date of vesting.

The activity in the said ESOP Scheme during the last two years was as under:

Particulars	As at March 31, 2015	As at March 31, 2014
Options outstanding at the beginning of the period	167,350	336,575
Less: Exercised	76,600	24,325
Lapsed	54,875	144,900
Options outstanding at the end of the period	35,875	167,350

On exercise of options during the year, the company received aggregate exercise price of ₹ 71.13 lakhs (Previous year ₹ 20.51 lakhs).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

4. RESERVES & SURPLUS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Capital Reserves (transferred from amalgamating company)		
Investment allowance Reserve (utilised)	34.86	34.86
Capital Reserve	63.53	63.53
Cash Subsidy	1.98	1.98
	100.37	100.37
b. Capital Reserve	4.21	4.21
c. Cash Subsidy	85.66	85.66
d. Contingency Reserve	2,020.00	2,020.00
e. Securities Premium Reserve		
Opening Balance	5,581.76	5,561.73
Add : Securities premium credited on Shares issued under ESOS	69.60	20.03
Closing Balance	5,651.36	5,581.76
f. Share Options Outstanding Account		
Opening Balance	4.44	11.07
Less: Amortised during the year	4.44	6.63
Closing Balance	-	4.44
g. Capital Redemption Reserve		
Opening Balance	-	-
Add: Transfer pursuant to the Scheme of Amalgamation (Refer Note No. 29)	15.05	-
Less: Utilised pursuant to the Scheme of Amalgamation (Refer Note No. 29)	15.05	-
Closing Balance	-	-
h. Statutory Reserve		
Opening Balance	-	-
Add: Transfer pursuant to the Scheme of Amalgamation (Refer Note No. 29)	267.49	-
Closing Balance	267.49	-
i. General Reserve		
Opening Balance	46,959.77	46,275.51
Add: Transfer pursuant to the Scheme of Amalgamation (Refer Note No. 29)	133.72	-
Less: Utilised pursuant to the Scheme of Amalgamation (Refer Note No. 29)	133.72	-
Add: Transfer from Statement of Profit & Loss	-	684.26
Closing Balance	46,959.77	46,959.77
j. Surplus in the statement of Profit & Loss		
Opening balance	47,924.81	45,434.94
Less: Adjustment pursuant to the Scheme of Amalgamation (Refer Note No. 29)	204.80	-
Less: Residual value representing Expired Useful Life of Assets as per Schedule II (Refer Note No. 36)	347.40	-
Add : Net Profit for the current year	10,040.51	6,149.58
Less : Proposed Dividend	11,873.15	2,543.23
Less : Tax on Proposed Dividend	2,417.09	432.22
Less : Transfer to General Reserve	-	684.26
Closing Balance	43,122.87	47,924.81
k. Foreign Currency Translation Reserve	(420.48)	(94.40)
Total	97,791.26	102,586.61

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

5. LONG TERM BORROWINGS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Term loans		
Vehicle loans from banks	–	8.84
Unsecured		
Inter-Corporate deposit from a related party*	40.00	40.00
Total	40.00	48.84

* Inter-corporate deposit bears interest @ 11% p.a. payable at quarterly rests and is maturing on 22-05-2016.

6. DEFERRED TAX LIABILITIES (NET)

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Deferred Tax Assets		
Retirement Benefits	619.06	578.67
Others	264.20	389.11
	883.26	967.78
Deferred Tax Liability		
Depreciation	2,902.47	2,911.21
	2,902.47	2,911.21
Share of Joint Venture	0.55	(17.93)
Total	2,019.76	1,925.50

7. LONG TERM PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for employee Benefits		
Gratuity	850.21	956.27
Leave Encashment	352.39	262.43
Total	1,202.60	1,218.70

8. SHORT TERM BORROWINGS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Secured		
Working Capital Loans from Banks		
(a) Foreign currency loans#	7,579.80	4,374.33
(b) Rupee loans	–	1,484.05
	7,579.80	5,858.38
Unsecured		
(a) Foreign currency loans from Bank	2,912.50	1,916.22
(b) Rupee loans	2,308.72	–
(c) Interest free advance from Directors	–	1.50
(d) Deposit from Distributors / Customers	246.75	246.75
(e) Inter Corporate Deposits from related parties	105.00	105.00
(f) Share of Joint venture	35.18	43.11
	5,108.15	2,312.58
Total	12,687.95	8,170.96

Secured working capital borrowing comprises of the following:

- ₹ 5,400.00 lakhs (Previous year ₹ 4,374.33 lakhs) borrowed by parent and is secured by first pari passu charge on stocks and book debts of the parent company.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

- 2) ₹ 2,179.80 lakhs (Previous year ₹ Nil) borrowed by Unique Pharmaceutical Laboratories FZE (subsidiary company) against corporate guarantee from parent company.

9. TRADE PAYABLES

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Payable to Micro, Small and Medium Enterprises	88.55	100.87
Payable to Others	7,030.20	5,103.91
Share of Joint venture	632.64	870.00
Total	7,751.39	6,074.78

10. OTHER CURRENT LIABILITIES

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) <u>Current maturities of long-term debt</u>		
Vehicle Loan (Secured)*	8.83	12.92
Fixed Deposit from Public & Shareholders #	-	1,087.60
(b) Interest accrued but not due on borrowings #	-	78.21
(c) Interest accrued but not due on borrowings	5.23	-
(d) Unclaimed Dividends @	156.21	153.00
(e) Unclaimed Matured Deposit @	-	0.85
(f) Advance from Customers	24.33	65.40
(g) Other Payable	7,605.32	7,341.83
(h) Creditors for capital expenditure	603.45	684.35
(i) Outstanding Purchase Consideration (Undischarged liabilities of vendors)	0.10	0.10
(j) Share of Joint venture	1,970.41	381.51
Total	10,373.85	9,805.77

Nature of security and terms of repayment

* Vehicle loans are secured by hypothecation of vehicles and same is repayable in sixty equated monthly instalment inclusive of interest on reducing balance.

Fixed Deposit amount includes ₹ Nil (Previous year ₹ 104.00 lakhs) from certain directors and ₹ Nil (Previous year ₹ 579.70) lakhs from their relatives.

Interest accrued but not due includes ₹ Nil (Previous year ₹ 47.36 lakhs) being amount accrued on deposits received from directors and their relatives (Also refer note no. 34).

@ There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

11. SHORT TERM PROVISIONS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits		
Gratuity	510.86	430.73
Leave Encashment	339.78	146.17
(b) Others		
Proposed Dividend	11,873.15	2,543.09
Tax on Proposed Dividend	2,417.09	432.20
(c) Share of Joint venture	20.84	23.34
Total	15,161.72	3,575.53

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

12. TANGIBLE AND INTANGIBLE ASSETS

Fixed Assets	Gross Block		Accumulated Depreciation				Net Block			
	As at 1 st April 2014	Additions	Disposals	As at 31 st March 2015	As at 1 st April 2014	Excess of Carrying amount over Residual value	Depreciation charge for the year	On disposals	As at 31 st March 2015	As at 31 st March 2014
Tangible Assets										
Land (Freehold)	59.34	-	-	59.34	-	-	-	-	59.34	59.34
Land (Leasehold)	830.16	-	-	830.16	86.22	-	7.98	-	735.96	743.94
Factory Buildings	10,759.78	1,339.43	-	12,099.21	3,378.74	0.42	323.77	-	8,396.28	7,381.04
Buildings (Note 1)	663.87	5.17	-	669.04	161.93	-	12.70	-	494.41	501.94
Plant & Equipment	31,157.52	4,064.57	1.23	35,220.86	14,926.15	334.51	2,726.65	1.07	17,986.24	16,231.37
Furniture & Fixtures	1,152.40	35.40	-	1,187.80	726.11	29.68	115.51	-	871.30	426.29
Vehicles	1,637.32	122.05	121.61	1,637.76	533.48	6.00	221.99	76.72	684.75	1,103.84
Office Equipments	1,915.13	177.12	0.09	2,092.16	1,420.80	153.83	178.45	0.09	1,752.99	494.33
Airconditioners	2,785.06	438.72	-	3,223.78	1,202.85	1.84	163.83	-	1,368.52	1,582.21
Share of Joint Venture	11.62	3.80	0.69	14.73	9.34	-	1.83	0.46	10.71	2.28
Total	50,972.20	6,186.26	123.62	57,034.84	22,445.62	526.28	3,752.71	78.34	26,646.27	28,526.58
Intangible Assets										
Goodwill	1,690.23	-	-	1,690.23	-	-	-	-	1,690.23	1,690.23
Trade Marks	3.67	-	-	3.67	3.66	-	-	-	3.66	0.01
Acquired Software	749.66	33.60	0.57	782.69	544.91	-	110.79	0.23	655.47	204.75
Share of Joint Venture	638.10	17.40	-	655.50	4.62	-	0.61	-	5.23	635.33
Total	3,081.66	51.00	0.57	3,132.09	553.19	-	111.40	0.23	664.36	2,530.32
Current Year's Total	54,053.86	6,237.26	124.19	60,166.93	22,998.81	526.28	3,864.11	78.57	27,310.63	31,056.90
Previous Year's Total	45,650.65	8,517.26	423.16	53,744.75	18,019.19	-	2,465.82	179.46	20,305.55	27,631.46

Note :

- 1) Value of buildings includes a sum of ₹ 3000/- being the cost of shares in the societies.
- 2) No depreciation has been claimed on assets to the extent of CENVAT claimed.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

13. NON CURRENT INVESTMENTS

(Long Term Investment) (At Cost)

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
A Trade Investments (At cost)		
(a) Equity Shares (Unquoted)		
In Other Companies :		
5,866 (Previous year 5,866) Equity Shares of ₹10/- each of Bharuch Enviro Infrastructure Ltd.	0.59	0.59
612,032 (Previous year 612,032) Equity Shares of ₹10/- each of Narmada Clean Tech Limited	61.20	61.20
Total (A)	61.79	61.79
B Other Investments		
(a) Equity Shares (Unquoted)		
In Other Companies :		
8,036 (Previous year 8,036) Equity Shares of ₹ 10/- each of J B Life Science Overseas Ltd.	0.80	0.80
20,000 (Previous year 20,000) Equity Shares of Enviro Technology Ltd. of ₹ 10/- each	2.00	2.00
60,000 (Previous year 60,000) Equity Shares of Panoli Enviro Technology Ltd. of ₹ 10/-each	6.00	6.00
2,000,000 (Previous year 2,000,000) Equity Shares of ₹ 10/- each of Asian Heart Institute & Research Centre Pvt. Ltd.	200.00	200.00
50,000 (Previous year 50,000) Equity Shares of ₹ 10/-each of Ankleshwar Research & Analytical Infrastructure Limited	5.00	5.00
(b) In Government Securities		
National Saving Certificates (Pledged with Government Authorities)	0.41	0.51
(c) Debentures and Units (Unquoted)		
Nil (Previous Year 126) Units of ₹ 10/- each of Unit Trust of India	-	0.01
Total (B)	214.21	214.32
Total (A + B)	276.00	276.11
Less : Provision for diminution in the value of Investments	0.80	0.80
Total	275.20	275.31

Particulars	As at March 31, 2015	As at March 31, 2014
Aggregate amount of unquoted investments	276.00	276.11
Aggregate amount of provision for diminution in the value of investments	0.80	0.80

14. LONG TERM LOANS & ADVANCES

(Unsecured, Considered Good)

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Capital Advances	636.62	496.91
b. Security Deposits*	1,017.76	439.57
c. Other loans and advances		
(i) Advances to Employees	99.36	105.17
(ii) Other Advances	12.91	20.34
d. Share of Joint venture	7.79	8.66
Total	1,774.44	1,070.65

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

* includes an amount of ₹1.34 lakhs (Previous year Nil) each placed with J.B. Mody Enterprises LLP, Dinesh Mody Ventures LLP and Shirish Mody Enterprises LLP in which certain directors are partners, while aggregate amount of ₹ 63.39 lakhs (Previous year Nil) has been placed with other related parties as security deposit for licence to use the office premises.

15. OTHER NON CURRENT ASSETS

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Trade Receivables		
Unsecured Considered Doubtful	244.30	41.25
Less: Provision for Doubtful Debts	244.30	41.25
Total	-	-

16. CURRENT INVESTMENTS

(At lower of cost or market value)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Investments in Mutual Funds		
Unquoted :		
33,728,297.052 (Previous year 27,978,110.295) units of ₹ 10 each of Birla Sun Life Dynamic Bond Fund-Retail-Growth	6,538.05	5,138.05
7,660,630.319 (Previous year 7,660,630.319) units of ₹ 10 each of HDFC High Interest Fund Short Term Plan - Growth	1,665.29	1,665.29
13,021,055.072 (Previous year 13,021,055.072) units of ₹ 10 each of ICICI Prudential Short Term Plan - Growth	3,000.00	3,000.00
10,277,332.185 (Previous year 10,277,332.185) units of ₹ 10 each of Birla Sun life Short Term Fund-Growth	4,267.00	4,267.00
20,476,362.088 (Previous year 20,476,362.088) units of ₹ 10 each of HDFC Short Term Opportunities Fund-Growth	2,500.00	2,500.00
9,710,086.366 (Previous year Nil) units of ₹ 10 each of HDFC Floating Rate Fund Income Fund Short Term Plan-Growth	2,186.76	-
24,033,329.985 (Previous year 24,033,329.985) units of ₹ 10 each of IDFC Dynamic Bond Fund-Plan B-Growth	3,267.29	3,267.29
123,134.423 (Previous year 123,134.423) units of ₹ 1000 each of DSP Black Rock strategic bond-Institutional Plan-Growth	1,681.00	1,681.00
Nil (Previous year 5,000,000) units of ₹ 10 each of DSP Black Rock Series 13 15 M Growth	-	500.00
1,029,804.264 (Previous year Nil) units of ₹ 10 each of Birla Sunlife Savings Fund -Growth	2,740.00	-
Nil (Previous year 20,000,000) units of ₹ 10 each of HDFC FMP 370 D July 2013(2) Growth	-	2,000.00
17,000,000 (Previous year 17,000,000) units of ₹ 10 each of HDFC FMP 371 D July 2013(1) Growth	1,700.00	1,700.00
18,000,000 (Previous year 18,000,000) units of ₹ 10 each of DSP Black Rock FMP Series 104 12 Month-Growth	1,800.00	1,800.00
558,466.741 (Previous year 208,951.580) units of ₹ 10 each of Birla Sun Life Cash Plus Growth	1,185.38	402.39
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of IDFC Fixed Term Plan Series 24-Growth	1,000.00	1,000.00

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
15,000,000 (Previous year 15,000,000) units of ₹ 10 each of Birla Sun Life Interval Income Fund-Annual Plan IX (368 Days)-Growth	1,500.00	1,500.00
Nil (Previous year 10,000,000) units of ₹ 10 each of Bank of India AXA Fixed Maturity Plan-Series 5 (366 Days)-Growth	-	1,000.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of Birla Sun Life Fixed Term Plan Series HL (366 DAYS)- Growth	1,000.00	1,000.00
Nil (Previous year 10,000,000) units of ₹ 10 each of Bank Of India AXA Fixed Maturity Plan-Series 6 (370 Days)-Growth	-	1,000.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of HDFC FMP 370D August 2013 (3)-Growth	1,000.00	1,000.00
1,426,975.95 (Previous year 1,360,822.167) units of ₹ 10 each of ICICI Prudential Liquid Plan-Growth	2,892.14	2,531.34
4,346,600 (Previous year 6,000,000) units of ₹10 each of HDFC FMP 371D November 2013 (2) - Growth	434.66	600.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 370D November 2013 (1) - Growth	500.00	500.00
14,960,414.311 (Previous year 14,960,414.311) units of ₹ 10 each of HDFC Medium Term Opportunities Fund Post Growth	2,000.00	2,000.00
Nil (Previous year 5,500,000) units of ₹ 10 each of DSP Black Rock FMP - Series 129 - 12M - Growth	-	550.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 370D February 2014 (1)-Growth	500.00	500.00
5,400,000 (Previous year 5,400,000) units of ₹ 10 each of DSP Black Rock FMP - Series 146 - 12M - Growth	540.00	540.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 369D February 2014 (2)-Growth	500.00	500.00
Nil (Previous year 4,000,000) units of ₹ 10 each of Bank of India AXA Fixed Maturity Plan-Series 11 (368 Days)-Growth	-	400.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of HDFC FMP 371D February 2014 (2)-Growth	500.00	500.00
5,000,000 (Previous year 5,000,000) units of ₹ 10 each of ICICI Prudential FMP Series 72-366 D-Plan-T-Growth	500.00	500.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of HDFC FMP 370D March 2014 (1)-Growth	1,000.00	1,000.00
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of ICICI Prudential FMP Series 73-366 D-Growth	1,000.00	1,000.00
5,467,550.001 (Previous year 5,467,550.001) units of ₹ 10 each of DSP Black Rock FMP - Series 151-12M - Growth	546.76	546.76
10,000,000 (Previous year 10,000,000) Units of ₹ 10 each of Birla Sun Life Fixed Term Plan Series KN (366 DAYS)- Growth	1,000.00	1,000.00
16,366,200 (Previous year 16,366,200) Units of ₹ 10 each of IDFC Fixed Term Plan Series 85-369D Growth	1,636.62	1,636.62
10,000,000 (Previous year 10,000,000) units of ₹ 10 each of ICICI Prudential FMP Series 73-368 D-Plan M Growth	1,000.00	1,000.00
5,500,000 (Previous year Nil) units of ₹ 10 each of DSP Black Rock FMP Series 161-12 Month Growth	550.00	-

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
5,000,000 (Previous year Nil) units of ₹ 10 each of Bank of India AXA Fixed Maturity Plan-Series 14 (366 Days)-Growth	500.00	-
1,258,152.830 (Previous year Nil) units of ₹ 10 each of Birla Sun Life Treasury Optimiser Plan Growth	2,000.00	-
4320.429(Previous year Nil) units of ₹ 1000 each of DSP Black Rock Liquidity Fund Institutional Plan Growth	75.46	-
587,704.023(Previous year Nil) units of ₹ 10 each of HDFC Floating Rate income Fund LTP Growth	128.94	-
222,181.321(Previous year Nil) units of ₹ 10 each of HDFC Floating Rate Income Fund STP Wholesale Option Growth	50.86	-
Total	54,886.21	49,725.74
Aggregate amount of unquoted investments	54,886.21	49,725.74

17. INVENTORIES

(At lower of cost or net realisable value)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Raw materials (stock in transits ₹ Nil, Previous year ₹ 45.09)	4,864.71	3,395.79
Packing Materials	1,813.61	1,579.39
Work-in-progress	1,245.27	1,349.46
Finished goods (stock in transits ₹ 260.94, Previous year ₹ 113.24)	4,159.48	3,896.26
Stock-in-trade	1,880.75	1,586.87
Fuel	27.29	73.97
Share of Joint Venture	1,036.22	1,558.28
Total	15,027.33	13,440.02

18. TRADE RECEIVABLES

(Unsecured, considered good unless otherwise stated)

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
<u>Outstanding for a period exceeding six months</u>		
Considered Good	1,295.73	1,199.40
Considered Doubtful	-	881.36
	1,295.73	2,080.76
Less: Provision for Doubtful Debts	-	881.36
	1,295.73	1,199.40
<u>Others</u>		
Considered Good	23,184.12	22,007.00
Considered Doubtful	-	30.04
	23,184.12	22,037.04
Less: Provision for Doubtful Debts	-	30.04
	23,184.12	22,007.00
Share of Joint Venture (includes provision for doubtful debts ₹ Nil lakhs, Previous year ₹ 6.29)	1,754.97	344.38
Total	26,234.82	23,550.78

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

19. CASH & CASH EQUIVALENTS

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
a. Balances with banks	1,085.14	629.08
b. Unclaimed Dividend A/cs	156.21	153.00
c. Fixed Deposits with maturity of more than 12 months	46.49	108.14
d. Other Fixed Deposits	494.12	272.35
e. Cash on hand	26.96	17.25
f. Post Office Saving Account	0.60	0.60
g. Share of Joint venture	709.24	0.14
Total	2,518.76	1,180.56

Fixed Deposits of ₹ 12.50 Lakhs (previous year ₹ 100.50 lakhs) held by bank as security deposit against bank guarantee.

20. SHORT TERM LOANS & ADVANCES

Unsecured, considered good

(₹ in lakhs)

Particulars	As at March 31, 2015	As at March 31, 2014
Advances to Suppliers	424.95	822.25
Advances to Employees	39.03	59.00
Security Deposits @	302.72	475.96
Other Advances	7,882.58	7,353.56
Taxes Paid (Net of Provisions)	976.31	1,411.97
Balance with Excise Authorities	2.75	2.80
Accrued interest on Deposits and others	37.91	19.84
Share of Joint Venture	(31.74)	22.04
Total	9,634.51	10,167.42

@ An amount of ₹ Nil (Previous year ₹ 1.34 lakhs) each has been placed with J.B. Mody Enterprises LLP, Dinesh Mody Ventures LLP and Shirish Mody Enterprises LLP in which certain directors are partners, while aggregate amount of ₹ Nil (Previous year ₹ 63.39 lakhs) has been placed with other related parties as security deposit for licence to use the office premises.

21. REVENUE FROM OPERATIONS

(₹ in lakhs)

Particulars	2014-15	2013-2014
Sales of Products :		
Sale of Pharmaceuticals Products	106,119.28	94,862.79
Export of Product Development Service	441.21	512.42
Add: Exchange Rate Difference	1,491.76	584.33
Share of Joint Venture	5,470.35	5,356.18
	113,522.60	101,315.72
Other Operating Revenues :		
Manufacturing Charges	36.98	46.20
Export Incentives	1,762.63	1,543.90
Sale of Scrap	398.01	424.87
Insurance Claims	17.43	24.16
Others	140.52	84.06
	2,355.57	2,123.19
Total	115,878.17	103,438.91

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

22. OTHER INCOME

(₹ in lakhs)

Particulars	2014-15	2013-2014
Interest Income :		
Bank Deposit	52.72	42.24
Interest from Debtors	1.97	2.53
Others	78.45	87.36
Dividend From Long Term Investment	20.50	20.39
Profit on sale of investments (Net)	921.60	1,808.43
Profit on sale of Assets (Net)	-	2.49
Provision for Doubtful debts written back	-	21.35
Sale of Trade Mark	-	11.00
Write back of excess provision made for expenses in relation to the sale of Russia/ CIS OTC Business Undertaking	-	1,764.48
Share of Joint Venture	14.10	10.14
Total	1,089.34	3,770.41

23. COST OF MATERIALS CONSUMED

(₹ in lakhs)

Particulars	2014-15	2013-2014
Opening Inventories	4,975.18	4,000.75
Purchases	35,861.87	32,053.00
	40,837.05	36,053.75
Less: Closing Inventories	6,678.32	4,975.18
Total	34,158.73	31,078.57

23A. COST OF RAW MATERIAL CONSUMED COMPRISE OF :

(₹ in lakhs)

Particulars	2014-15	2013-2014
Active Pharmaceutical Ingredients	16,265.22	14,889.28
Chemicals	2,528.61	2,506.51
Excipients	4,150.15	3,676.60
Packing Materials	11,214.75	10,006.18
Total	34,158.73	31,078.57

24. EMPLOYEE BENEFITS EXPENSE

(₹ in lakhs)

Particulars	2014-15	2013-2014
Salaries and Other Benefits	13,482.29	12,148.01
Contribution to Provident Fund and Other Funds	1,031.92	1,000.84
Employee Compensation Expense	(4.44)	(6.64)
Gratuity	423.19	149.41
Staff Welfare	310.73	249.49
Share of Joint Venture	711.94	825.49
Total	15,955.63	14,366.60

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

25. FINANCE COST

Particulars	(₹ in lakhs)	
	2014-15	2013-2014
Interest Expenses :		
Interest on Working capital borrowings	231.98	126.08
Interest on Fixed Loans	103.24	114.80
	335.22	240.88
Other Borrowing Cost :		
Loan Processing Charges	27.21	9.03
Guarantee Charges	28.97	30.64
Applicable net loss on foreign currency transactions and translations	291.02	312.73
Total	682.42	593.28

26. OTHER EXPENSES

Particulars	(₹ in lakhs)	
	2014-15	2013-2014
Manufacturing charges	906.03	862.04
Stores and spares	660.94	624.49
Power and fuel	5,301.64	4,660.51
Excise duty	405.68	391.24
Compensation rent	641.05	728.08
Rates and taxes	135.56	145.84
Insurance	221.76	279.26
Freight and transport charges	4,305.44	3,928.57
Repairs to :		
Building	327.23	282.08
Machinery	539.91	540.63
Others	741.63	569.37
Loss on sale of assets (Net)	12.90	-
Sales promotion and publicity	4,601.85	5,379.27
Selling commission	2,910.88	1,980.21
Travelling and conveyance	2,152.43	1,943.20
Labour Hire Charges	1,312.64	1,130.70
Laboratory Expenses	1,348.14	1,304.40
Directors' fees	29.97	11.18
Royalty	996.26	1,002.20
Payment to Auditors :		
Audit fees	42.28	39.65
Tax Audit fees	9.00	9.00
Other Taxation matters	6.50	6.50
Certification matters	6.99	6.50
CSR Activity Expenses (Refer note no. 37)	210.28	-
Donations	15.81	79.74
Net loss on foreign currency transactions and translation	2,496.21	510.19
Bad debts	8.40	12.75
Provision for doubtful debts	-	895.64
Impairment of Fixed Assets	-	7.72
Miscellaneous expenses	3,905.98	3,238.98
Share of Joint Venture	1,251.35	1,427.11
Total	35,504.74	31,997.05

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

27. a) The company had acquired fixed assets under the "Export Promotion Capital Goods Scheme" (EPCG) in the year 2013-14 and 2014-15 that has resulted in the savings of duty of ₹ 394.65 lakhs. As per the terms of the authorization granted under the scheme, the company has undertaken to achieve export commitment of ₹ 2,327.15 lakhs over the export obligation period of 6 years from the date of issuing the license. In the event of company being unable to execute its export obligation by this period, the company shall be liable to pay custom duty for unfulfilled export obligation along with interest after expiry of the export obligation period. Further, during the year, consequent to the debonding of two export oriented unit, company has undertaken to fulfill the export obligation of ₹ 15,240.66 lakhs.
- b) Surrender of 0% EPGC licences or Status Holder Incentive Scrip (SHIS) amounting to ₹ 44.50 lakhs with applicable interest and levy of penalty of ₹ 133.49 lakhs ordered by Dy. Director General of Foreign Trade, being disputed in appeal.
28. The Pharmaceutical Division of Unique Pharmaceutical Laboratories Ltd. (UPLL) which was acquired by the company on a going concern basis, has received demand notices from Dept. of Chemicals & Fertilizers, Govt. of India, New Delhi demanding a sum of ₹ 461.47 lakhs in respect of the bulk drug Metronidazole and a further sum of ₹ 591.05 lakhs in respect of the bulk drug Oxyphenbutazone. These amounts were claimed on hypothetical basis in 1996, under para 7(2) of DPCO 79 read with para 14 of DPCO 87 and para 12 of DPCO 95, long after repeal of DPCO 79 and DPCO 87 and gains allegedly notionally made by it by procuring the bulk drugs at alleged lower cost. UPLL has filed review petition against each of these claims disputing the jurisdiction, power and legal or rational basis for making such demands, particularly in view of the repeal of DPCO 79 and DPCO 87. The company has filed writ petitions bearing No. 446 of 2008 in respect of demand for Oxyphenbutazone & Writ Petition No. 2623 of 2007 in respect of demand for Metronidazole in Bombay High Court. These writ petitions have been admitted and the Hon'ble High Court has restrained the Government from adopting coercive steps to recover the amount till the disposal of the Writ Petition on the company furnishing security as per the Orders. The Company has already furnished the bank guarantee as security. As per the legal advice received by the company, there is no liability and accordingly no provision is being made in the accounts for these claims and demands.
- 29. SCHEME OF AMALGAMATION**
- The Hon'ble High Court of Mumbai, on February 27, 2015 sanctioned the Scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956 of six investment companies (the primary assets of which comprise of equity shares in the Company) namely, Jyotindra Mody Holdings Private Limited (JMPL), Ansuya Mody Securities Private Limited (AMPL), Dinesh Mody Securities Private Limited (DMPL), Kumud Mody Securities Private Limited (KMPL), Shirish B. Mody Investments Private Limited (SMPL) and Bharati S. Mody Investments Private Limited (BMPL), (collectively herein after referred to as 'Transferor Companies') with the Company. The Scheme was earlier approved by the shareholders in the court convened meeting held on October 14, 2014 as well as by public shareholders through postal ballot and e-voting on October 14, 2014. The Company has filed the Court Order with the Registrar of Companies on 13th April, 2015 to make the scheme effective in terms of said order dated February 27, 2015. The Company has given effect for the said Scheme books of accounts with effect from the appointed date i.e. 1st April, 2014. In accordance with the Scheme and in compliance with AS 14 "Accounting for Amalgamation", the Company has accounted for the Amalgamation based on the "Pooling of Interest" method as under:
- (i) All assets and liabilities (including reserves) appearing in the books of accounts of Transferor Companies have been transferred to & vested in and have been recorded by the Company at their respective book values.
 - (ii) The investments in equity share capital of the Company as it appears in the books of account of the Transferor Companies have been cancelled pursuant to the scheme.
 - (iii) The excess of net assets value of the Transferor Companies as reduced by the face value of shares issued by the Company, adjusted for cancellation of equity share capital as mentioned above and net of all expenses in relation to the Scheme, amounting to ₹ 204.80 lakhs has been adjusted to Surplus in the Profit and Loss Account.
 - (iv) The Statutory Reserve of ₹ 267.49 lakhs vested with the company, created by respective transferor company u/s 45 IC of the RBI Act, will be reclassified to General Reserve on getting approval from RBI.
 - (v) All inter-company transactions have been eliminated on incorporation of the accounts of Transferor Companies in the books of Company.
 - (vi) In consideration of the above, the Company has allotted equity shares, credited as fully paid up, to the extent indicated below, to all the members of the Transferor Companies in the following proportion:
 - (a) 746.6242 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in JMPL.
 - (b) 723.4882 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in AMPL.
 - (c) 705.5326 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in DMPL.
 - (d) 718.1232 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in KMPL.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

- (e) 637.1318 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in SMPL.
- (f) 787.3987 fully paid up equity shares of ₹ 2 each of the Company for every 1 paid up equity share of ₹ 10 each held in BMPL.

Accordingly, 43,342,270 fully paid up equity shares of ₹ 2 each of the Company have been issued to the shareholders of the Transferor Companies, which is equivalent to the shares cancelled, vide (ii) above; these shares, aggregating to ₹ 866.85 lakhs, pending allotment as on year-end have been shown as "Share Capital pending allotment" under Share Capital, thus resulting in no change in the total issued & paid up Share Capital of the Company. The new equity shares to be issued as above shall rank pari-passu with the existing equity shares of the Company. As per the scheme of amalgamation, the said shares have been issued & allotted to the shareholders of the transferor companies as per register of members of the transferor companies as on the effective date i.e. 13th April, 2015.

30. EMPLOYEE BENEFITS:

The disclosures as required as per the revised AS 15 are as under:

For Parent Company:

a) Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expense for the year are as under:

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Employer's Contribution to Provident Fund & Family Pension Fund	701.06	692.97
Employer's Contribution to Superannuation Fund	153.92	151.03
Employer's Contribution to Employees' State Insurance Scheme	18.26	19.23

b) Defined Benefit Plan

Reconciliation of opening and closing balances of Defined Benefit obligation :

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Defined Benefit obligation at the beginning of the year	2,565.81	2,404.63
Current Service Cost	125.54	320.62
Interest Cost	218.15	198.38
Actuarial (gain)/loss	90.28	(287.83)
Benefits Paid	(89.98)	(69.99)
Defined Benefit obligation at year end	2,909.80	2,565.81

Reconciliation of opening and closing balances of fair value of plan Assets :

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Fair value of plan assets at the beginning of the year	1,178.81	891.67
Expected return on plan assets	102.56	77.58
Actuarial gain/(loss)	(77.91)	4.19
Employer contribution	446.03	234.16
Benefits Paid	(89.98)	(28.79)
Fair value of plan assets at the end of the year	1,559.51	1,178.81

Actual Return on Plan Assets :

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Expected return on plan assets	102.56	77.58
Actuarial gain/(loss) on plan assets	(77.91)	4.19
Actual return on plan assets	24.65	81.77

Reconciliation of fair value of plan assets and benefit obligations :

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Fair value of assets as at 31 st March, 2015	1,559.51	1,178.81
Present value of obligation as at 31 st March, 2015	2,909.80	2,565.81
Amount recognized in Balance Sheet	1,350.28	1,387.00

Expense recognized during the year (Under the head "Employee Cost"-Refer note 24) :

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Current Service Cost	125.54	320.62
Interest Cost	218.16	198.38
Expected return on Plan Assets	(102.56)	(77.58)
Actuarial (gain)/loss	171.47	(292.01)
Expense Recognized in Profit and Loss Account	412.61	149.41

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Investment details

The company made annual contributions to the LIC of an amount advised by the LIC. The company was not informed by LIC of the Investments made or the break-down of plan assets by investment type.

Actuarial Assumptions

Particulars	Gratuity (Funded)	
	2014-15	2013-14
Discount Rate (per annum)	7.94%	9.31%
Expected Rate of Return on Plan Assets (per annum)	7.94%	8.70%
Salary Escalation (per annum)	4.00%	4.00%

For Subsidiaries OOO Unique Pharmaceuticals Laboratories

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Employer's Contribution under various Government Schemes.	32.00	36.02

Payments have been made under various pension fund and insurance scheme of the Government. The company does not have any liability of making any payment to employee either on termination or retirement.

For Joint Venture:

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Employer's Contribution under various Government Schemes.	64.47	69.08

31. SEGMENT REPORTING:

The Group has one segment of activity namely 'Pharmaceuticals'.

32. Disclosures as required by Accounting Standard 19, "Leases", notified under Section 133 of the Companies Act, 2013, are given below:

- The company has taken certain residential and office premises on operating lease / leave and licence agreements having non-cancellable/ not non-cancellable (range between 11 months and 3 years are renewable by mutual consent on mutually agreeable terms).
- Lease payment in respect of non-cancellable lease amounts to ₹ 60.36 lakhs (Previous year ₹ 356.91 lakhs) is included under the head Compensation Rent in Note 26.

The minimum future lease rentals payable in respect thereof are as follows:-

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Not later than one year	39.34	257.10
Later than one year but not later than five years	20.29	180.46
Later than five years	-	-

33. EARNING PER SHARE:

Group Earning Per Share (EPS) is calculated in accordance with Accounting Standard – 20 (AS-20) as under:

Particulars	(₹ in lakhs)	
	2014-15	2013-14
Net Profit attributable to Equity Shareholders (₹ in lakhs)	10,040.51	6,149.58
Weighted Average No. of Equity shares (Nos.)		
Basic	8,47,84,873	8,47,15,591
Stock Options outstanding	19,289	36,822
Diluted	8,48,04,162	8,47,52,413
Nominal value of equity shares (₹)	2.00	2.00
<u>Earning per share (₹)</u>		
Basic	11.84	7.26
Diluted	11.84	7.26

34. RELATED PARTY DISCLOSURE

For Parent Company:

Related party disclosure as required by AS - 18, 'Related Party Disclosures' notified by the Companies (Accounting Standard) Rules, 2006 are given below:

Names and Relationships of the Related Parties:

- Associate Concerns / Trusts / Companies / Joint Venture
 - Mody Trading Company
 - Mody Brothers
 - Jyotindra Family Trust
 - Dinesh Family Trust
 - Shirish Family Trust
 - Biotech Laboratories (Pty) Ltd.
 - J. B. Mody Enterprises LLP
 - Ansuya Mody Enterprises LLP
 - Dinesh Mody Ventures LLP
 - Kumud Mody Ventures LLP

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

- k. Shirish Mody Enterprises LLP
 l. Bharati Mody Ventures LLP
 m. Synit Drugs Pvt. Ltd.
 n. Unique Pharmaceutical Laboratories Ltd.
 o. Ifiunik Pharmaceuticals Ltd.
 p. Namplas Chemicals Pvt. Ltd.
 q. Gemma Jewellery Pvt. Ltd
 r. Lekar Pharma Ltd.
- ii) Key Management Personnel:
 a. Shri Jyotindra B. Mody
 b. Shri Dinesh B. Mody
 c. Shri Shirish B. Mody
 d. Mr. Sandeep Nasa (in subsidiary company)
- iii) Relative of Key Management Personnel:
 a. Mr. Pranabh D. Mody
 b. Mrs. Kumud D. Mody
 c. Mrs. Bharati S. Mody
 d. Mrs. Pallavi B. Mehta
 e. Mrs. Purvi U. Asher
 f. Mrs. Priti R. Shah
 g. Mr. Nirav S. Mody
 h. Mrs. K. V. Gosalia
 i. Mrs. Deepali A. Jasani
 j. D. B. Mody - HUF
 k. S. B. Mody - HUF

Transaction during the year with related parties

(₹ in lakhs)			
Transaction with Related Parties	Associate Concern / Trust/ Joint Venture	Key Management Personnel	Relative of Key Management Personnel
Income			
Sale of Material / Goods / Others	1,497.71 (1,894.81)	-	-
Receipt of Manufacturing charges	36.69 (46.19)	-	-
Expenditure			
Purchases	3885.37 (3,605.48)	-	-
Processing Charges	89.37 (129.30)	-	-
Bio Equivalence Study	-	-	-
Rent	273.83 (273.83)	-	73.56 (73.56)
Sales Promotion and publicity	-	-	-
Reimbursement of Expenses	-0.38 (-0.12)	-	-
Royalty	1,112.85 (1,103.55)	-	-
Employee Benefit Expense	-	121.08 (129.72)	36.75 (32.67)
Remuneration	-	1,220.38 (1,081.07)	272.22 (241.61)
Interest on Deposits	10.50 (10.51)	11.18 (11.90)	55.42 (59.96)
Others			
O/S Payables as on March 31, 2015	330.42 (554.97)	-	-
O/S Receivables as on March 31, 2015	791.37 (721.06)	-	25.28 (25.28)

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

Disclosure in respect of Material Related Party Transactions during the year:

- a) Material / goods sold to Biotech Laboratories (Pty.) Ltd. ₹ 1,425.14 lakhs (Previous year ₹ 1,668.58 lakhs), Lekar Pharma Ltd. ₹ 72.57 lakhs (Previous year ₹ 226.23 lakhs).
- b) Manufacturing charges received from Lekar Pharma Ltd. ₹ 36.69 lakhs (Previous year ₹ 46.19 lakhs).
- c) Purchases from Lekar Pharma Ltd. ₹ 3,885.37 lakhs (Previous year ₹ 3,605.48 lakhs).
- d) Processing charges paid to Namplas Chemicals Pvt. Ltd. ₹ 89.37 lakhs (Previous year ₹ 129.30 lakhs).
- e) Bio-equivalent study charges paid to Raptim Research Ltd. ₹ Nil lakhs (Previous year ₹ 3.93 lakhs).
- f) Rent paid to Jyotindra Family Trust ₹ 116.40 lakhs (Previous year ₹ 116.40 lakhs), Dinesh Family Trust ₹ 59.07 lakhs (Previous year ₹ 59.07 lakhs), Shirish Family Trust ₹ 70.34 lakhs, (Previous year ₹ 70.34 lakhs), D. B. Mody HUF ₹ 36.71 lakhs (Previous year ₹ 36.71 lakhs), S. B. Mody HUF ₹ 36.85 lakhs (Previous year ₹ 36.85 lakhs).
- g) Reimbursement of expense to Biotech Laboratories (Pty.) Ltd. ₹ (0.38) lakhs (Previous year ₹ (0.12) lakhs).
- h) Royalty paid to Unique Pharmaceutical Laboratories Ltd. ₹ 1,112.85 lakhs (Previous year ₹ 1103.55 lakhs).
- i) Employee benefit expense paid to Shri Jyotindra B. Mody ₹ 40.36 lakhs (Previous year ₹ 43.24 lakhs), Shri Dinesh B. Mody ₹ 40.36 lakhs (Previous year ₹ 43.24), Shri Shirish B. Mody ₹ 40.36 lakhs (Previous year ₹ 43.24 lakhs), Shri Pranabh D. Mody ₹ 23.48 lakhs (Previous year ₹ 20.88 lakhs), Shri Nirav Mody ₹ 13.27 lakhs (Previous year ₹ 11.79 lakhs).
- j) Remuneration paid to Shri Jyotindra B. Mody ₹ 338.73 lakhs (Previous year ₹ 360.35 lakhs), Shri Dinesh B. Mody ₹ 338.73 lakhs (Previous year ₹ 360.36), Shri Shirish B. Mody ₹ 338.73 lakhs (Previous year ₹ 360.36 lakhs), Shri Pranabh D. Mody ₹ 173.93 lakhs (Previous year ₹ 154.25 lakhs), Shri Nirav Mody ₹ 98.29 lakhs (Previous year ₹ 87.36 lakhs) .
- k) Interest on Deposit paid to Shri Jyotindra B. Mody ₹ 8.96 lakhs (Previous year ₹ 9.32 lakhs), Shri Dinesh B. Mody ₹ 2.22 lakhs (Previous year ₹ 2.58 lakhs), Ms. Deepali Jasani ₹ 12.70 lakhs (Previous year ₹ 12.40 lakhs), D. B. Mody HUF ₹ 23.15 lakhs (Previous year ₹ 30.60 lakhs), S. B. Mody HUF ₹ 5.70 lakhs (Previous year ₹ 5.25 lakhs), Synit Drugs Pvt. Ltd. ₹ 4.00 lakhs (Previous year ₹ 4.01 lakhs), Ifunik Pharmaceuticals Ltd. ₹ 6.50 lakhs (Previous year ₹ 6.50 lakhs).
- l) Fixed deposit repayment Shri Jyotindra B. Mody ₹ 82.50 lakhs (Previous year ₹ Nil), Shri Dinesh B. Mody ₹ 22.50 lakhs (Previous year ₹ Nil), Mrs. Kumud Mody ₹ 50.00 lakhs (Previous year ₹ Nil), Mrs. Bharati Mody ₹ 46.70 lakhs (Previous year ₹ Nil), Ms. Deepali Jasani ₹ 111.00 lakhs (Previous year ₹ Nil), S. B. Mody HUF ₹ 50.00 lakhs (Previous year ₹ Nil).
- m) Amount payable to Synit Drugs Pvt. Ltd. ₹ 40.00 lakhs (Previous year ₹ 40.00 lakhs), Biotech Laboratories (Pty.) Ltd. ₹ 0.93 lakhs (Previous year ₹ 1.02 lakhs), Unique Pharmaceutical Laboratories Ltd. ₹ 72.29 (Previous year ₹ 164.63), Ifunik Pharmaceuticals Ltd. ₹ 65.00 lakhs (Previous year ₹ 65.00 lakhs), Namplas Chemicals Pvt. Ltd. ₹ 6.59 lakhs (Previous year ₹ 9.71 lakhs), Lekar Pharma Ltd. ₹ 145.61 lakhs (Previous year ₹ 274.61 lakhs), Shri Jyotindra B. Mody ₹ Nil (Previous year ₹ 91.72 lakhs), Shri Dinesh B. Mody ₹ Nil (Previous year ₹ 27.86 lakhs), Shri Shirish Mody ₹ Nil (Previous year ₹ 0.50 lakhs), Mrs. Kumud D. Mody ₹ Nil (Previous year ₹ 53.39 lakhs), Mrs. Bharati S. Mody ₹ Nil (Previous year ₹ 34.00 lakhs), Mrs. Purvi Asher ₹ Nil (Previous year ₹ 2.09 lakhs), Mrs. Deepali A. Jasani ₹ Nil (Previous year ₹ 132.99 lakhs), Mrs K.V.Gosalia ₹ Nil (Previous year ₹ 29.10 lakhs), D. B. Mody HUF ₹ Nil (Previous year ₹ 306.00 lakhs), S.B. Mody HUF ₹ Nil (Previous year ₹ 54.91 lakhs).
- n) Amount receivable as on 31st March, 2015 from Jyotindra Family Trust ₹ 21.13 lakhs (Previous year ₹ 21.13 lakhs), Dinesh Family Trust ₹ 8.49 lakhs (Previous year ₹ 8.49 lakhs), Shirish Family Trust ₹ 8.49 lakhs (Previous year ₹ 8.49 lakhs), Jyotindra Mody Enterprises LLP ₹ 1.34 lakhs (Previous year ₹ 1.34 lakhs), Dinesh Mody Ventures LLP ₹ 1.34 lakhs (Previous year ₹ 1.34 lakhs), Shirish B. Mody Enterprises LLP ₹ 1.34 lakhs (Previous year ₹ 1.34), Biotech Laboratories (Pty.) Ltd. ₹ 749.26 lakhs (Previous year ₹ 678.96 lakhs), D. B. Mody HUF ₹ 12.64 lakhs (Previous year ₹ 12.64 lakhs), S. B. Mody HUF ₹ 12.64 lakhs (Previous year ₹ 12.64 lakhs).

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 (CONTD.)

35. FOREIGN CURRENCY EXPOSURE AT THE YEAR END NOT HEDGED BY DERIVATIVE INSTRUMENTS.

For Parent Company

(₹ in lakhs)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Foreign Currency	(₹ in lakhs)	Foreign Currency	(₹ in lakhs)
Receivable against export of goods:				
Euro	4,057,091.65	2,725.96	2,236,488.90	1,839.96
AUD	1,576,086.26	749.11	1,107,195.02	613.50
GBP	14,688.80	13.58	122,152.00	121.65
Payable against Secured Loans:				
US Dollars	16,500,000.00	10312.50	10,500,000.00	6,290.55
Payable against Import of goods & Services :				
US Dollars	1,587,219.55	992.01	-	-
AUD	36,657.67	17.42	57,236.99	31.72
SGD	9,505.00	4.32	-	-

For Joint Venture Company

(₹ in lakhs)

Particulars	As at March 31, 2015		As at March 31, 2014	
	Foreign Currency	(₹ in lakhs)	Foreign Currency	(₹ in lakhs)
Payable against Import of goods & services :				
US Dollars	68,534.88	42.83	190,884.93	114.36
EURO	-	-	87,386.35	71.89
GBP	-	-	100,463.38	100.05

36. Consequent to the applicability of Schedule II to the Companies Act, 2013 effective from April 1, 2014, the company has applied the useful life as per Schedule II. In case of fixed assets where useful life as at April 1, 2014 is Nil, the company has adjusted the residual value aggregating to ₹ 347.40 lakhs (Net of deferred tax ₹ 178.88 lakhs) to the retained earnings.

37. CSR EXPENDITURE - PARENT COMPANY

Gross amount required to be spent during the year ₹ 209.71 lakhs.

Amount spent during the year ₹ 210.28 lakhs as detailed hereunder:

Nature of activity	Amount ₹ in Lakhs
Promoting Healthcare including preventive healthcare	110.28
Promotion of Education	75.00
Eradication of Poverty and malnutrition	15.00
Setting up of old age home	10.00

38. Additional Information to the Consolidated Financial Statements

(₹ in lakhs)

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of Consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Parent Company				
J. B. Chemicals & Pharmaceuticals Ltd.	102.15	101,631.15	113.12	11,358.25
Foreign Subsidiaries:				
J B Healthcare Pvt. Ltd.	3.17	3,152.56	0.29	29.42
Unique Pharmaceutical Laboratories LLC, Russia	1.37	1,365.06	(13.36)	(1,342.19)
Unique Pharmaceutical Laboratories LLC, Ukraine	0.01	2.59	0.09	9.50
Unique Pharmaceutical Laboratories FZE, Dubai	0.06	59.59	(0.02)	(1.91)
Joint Venture:				
Biotech Laboratories (Pty.) Ltd.	1.58	1,572.25	2.92	293.44
Total Eliminations	(8.34)	(8,295.78)	(3.04)	(306.00)
Total	100.00	99,487.42	100.00	10,040.51

39. Figures of previous year have been re-grouped, re-arranged and recast, wherever considered necessary. Figures of current year include figures of amalgamating companies & are, therefore, strictly not comparable with those of previous year.

40. Figures in brackets indicate corresponding figures of previous year.

As per our report of even date

For J. K. Shah & Co.

Chartered Accountants
Firm Registration No. 109606W

J. K. Shah

Partner
Membership No. 3662

Place : Mumbai

Date : May 20, 2015

For and on behalf of the Board of Directors

J. B. Mody

Chairman & Managing Director

S. B. Mody

Whole-time director (Marketing)

Place : Mumbai

Date : May 20, 2015

D. B. Mody

Whole-time director (Administration)

Vijay D. Bhatt

Chief Financial Officer

M. C. Mehta

Company Secretary

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries / joint venture

Part "A" : Subsidiaries

Amount in ₹ in lakhs

Sl. No.	1	2	3	4
Name of the subsidiary	Unique Pharmaceutical Laboratories FZE, Dubai	OOO Unique Pharmaceutical Laboratories, Russia	Unique Pharmaceutical Laboratories LLC, Ukraine*	J.B. Healthcare Pvt. Ltd., Jersey
**Reporting period for the subsidiary	31/03/2015	31/03/2015	31/03/2015	31/03/2015
Reporting currency	AED	Ruble	UAH	USD
Exchange rate as on 31/03/2015	16.97 (AED to INR)	1.07 (Rouble to INR)	2.66 (UAH to INR)	62.50 (USD to INR)
Share capital	59.46	2,480.12	16.69	2,668.12
Reserves and Surplus	0.13	(1,115.06)	(14.12)	484.44
Total Assets	6,263.96	6,710.96	2.58	3,159.30
Total Liabilities	6,263.96	6,710.96	2.58	3,159.30
Investments	-	-	-	3,051.38
Turnover	8,359.11	5,495.02	-	-
Profit before taxation	(1.91)	(1,489.28)	9.50	29.42
Profit after taxation	(1.91)	(1,342.21)	9.50	29.42
Proposed Dividend	-	-	-	-
% shareholding	100	100	100	100

* Under dissolution.

** Being the period considered for consolidated financial statement as on 31/03/2015.

Note:

During the year, J.B. Chemicals & Pharmaceuticals Private Limited, Singapore, ceased to be the company's subsidiary consequent to its dissolution.

PART "B": Joint Venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture

Name of Joint Venture	Biotech Laboratories (Pty.) Ltd.
Latest audited Balance Sheet Date	August 31, 2014
<u>Shares of the Joint Venture held by the company on the year end</u>	
No.	*
Amount of Investment in Joint Venture	*
Extend of Holding %	*
Description of how there is significant influence	The company exercises significant influence through board membership and participation in business decisions in terms of the Joint venture agreement.
Reason why the joint venture is not consolidated	Not applicable
Networth attributable to shareholding as per latest audited Balance Sheet	# ₹ 1,681.38 lakhs

Profit for the year

i. Considered in consolidation	# ₹ 114.49 lakhs
ii. Not considered in consolidation	Nil

* The company's wholly owned subsidiary J. B. Healthcare Pvt. Ltd., Jersey, holds 2,107,990 ordinary shares of ZAR 0.001 and 1,75,591 non-redeemable convertible "A" preference shares of ZAR 0.001 aggregating to investment amount of USD 4,882,612. The investment in ordinary shares carrying voting rights represents 49% of the ordinary share capital of Biotech Laboratories (Pty.) Ltd. (Biotech).

Represents 49% of Biotech's networth as on 31/08/2014 and its net profit from 01/04/2014 to 31/08/2014. The accounts of Biotech for the period 01/04/2014 to 31/03/2015 have been considered for consolidated financial statement as on March 31, 2015.

For and on behalf of the Board of Directors

J. B. Mody

Chairman & Managing Director

D. B. Mody

Whole-time Director (Administration)

S.B. Mody

Whole-time Director (Marketing)

Vijay D. Bhatt

Chief Financial Officer

M. C. Mehta

Company Secretary

Place: Mumbai

Date: May 20, 2015

TEN YEAR FINANCIAL SUMMARY

(₹ in lakhs)

Particulars	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15
Balance Sheet										
Share Capital	1,607.36	1,686.53	1,686.53	1,686.53	1,686.53	1,690.34	1,694.15	1,694.15	1,694.63	1,696.16
Share Application money	-	1.02	-	-	-	-	-	-	-	-
Reserves and Surplus	31,701.29	40,426.27	44,632.06	51,518.92	59,650.61	69,637.93	93,692.17	99,206.03	103,086.53	99,934.99
Loan Funds	9,562.57	17,391.43	19,552.00	17,068.81	13,622.45	16,856.32	6,997.90	4,960.91	9,278.06	10,521.80
Deferred Tax Liability (Net)	1,542.54	1,875.82	1,466.10	1,344.51	1,423.99	1,443.62	1,655.69	2,197.49	1,988.93	2,162.22
Total	44,413.76	61,381.07	67,336.69	71,618.77	76,383.58	89,628.21	104,039.91	108,058.58	116,048.15	114,315.17
Net Fixed Assets (Incl. Capital WIP)	14,730.33	22,233.17	23,352.95	22,747.69	21,807.85	22,894.44	28,000.53	29,917.34	32,852.81	35,604.09
Investments	298.02	3,353.74	4,290.55	4,559.44	6,246.43	12,328.84	33,771.16	43,365.78	53,611.41	59,749.74
Net Current Assets	29,385.41	35,794.16	39,693.19	44,311.64	48,329.30	54,404.93	42,268.22	34,775.46	29,583.93	18,961.34
Total	44,413.76	61,381.07	67,336.69	71,618.77	76,383.58	89,628.21	104,039.91	108,058.58	116,048.15	114,315.17
Profit and Loss Statement										
Sales	46,600.07	53,145.92	54,809.43	72,315.53	67,006.45	78,757.94	63,577.48	79,446.05	93,443.47	103,813.61
Other income	1,155.18	1,069.78	1,380.19	1,496.57	1,725.34	2,499.40	7,915.84	4,792.27	5,963.69	3,369.39
Total Income	47,755.25	54,215.70	56,189.62	73,812.10	68,731.79	81,257.34	71,493.32	84,238.32	99,407.16	107,183.00
Total Expenses	39,423.44	46,238.41	51,278.86	64,634.02	56,637.37	67,162.00	66,630.42	73,463.85	83,558.38	91,272.58
Profit before extraordinary item and taxation	8,331.81	7,977.29	4,910.76	9,178.08	12,094.42	14,095.34	4,862.90	10,774.47	15,848.78	15,910.42
Profit after taxation	7,092.78	7,102.28	5,169.13	7,873.62	10,099.73	11,819.46	64,269.94	8,493.85	6,842.55	11,358.25
Ratios:										
Earning per share (₹)	8.83	8.43	6.13	9.34	11.98	14.00	75.95	10.03	8.08	13.40
Book Value per share (₹)	41.45	49.94	54.93	63.09	72.74	84.40	112.61	119.12	123.66	119.84
Debt Equity Ratio	0.29:1	0.41:1	0.42:1	0.32:1	0.22:1	0.24:1	0.07:1	0.05:1	0.09:1	0.10:1
Current Ratio	5.68:1	4.89:1	6.72:1	6.57:1	5.54:1	5.90:1	4.19:1	2.81:1	2.63:1	1.62:1
Dividend										
In ₹ per share	2.60	2.60	0.50	1.00	2.00	2.00	*41.00	3.00	3.00	**14.00
Percentage (%)	130	130	25	50	100	100	*2050	150	150	**700

* Includes special interim dividend of ₹ 40 (2000%) per share.

** Includes special dividend of ₹ 10 (500%) per share.





J. B. Chemicals & Pharmaceuticals Limited

www.jbcpl.com