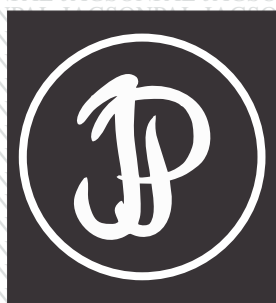


JAGSONPAL

38th ANNUAL REPORT

2016-2017



JAGSONPAL

JAGSONPAL PHARMACEUTICALS LIMITED

BOARD OF DIRECTORS

| | |
|--------------------------|------------------------------|
| R P S Kochhar | Chairman & Managing Director |
| Mrs. Jasbir Kaur Kochhar | Director |
| Govind Deo | Independent Director |
| Bharat Sinh | Independent Director |
| Dr. Ishpal Singh Ghai | Independent Director |

CHIEF FINANCIAL OFFICER

Sanjiv Kumar Dudeja

COMPANY SECRETARY

R.K. Kapoor

AUDITORS

P.P. Thukral & Co.
Chartered Accountants

BANKERS

Punjab & Sind Bank
Central Bank of India

REGISTERED OFFICE

T-210 J, Shahpur Jat
New Delhi - 110 049
Tel. : 011-46181100 & 46119900
Fax : 011-26498341
E-mail : cs@jagsonpal.com
Website : www.jagsonpal.com
CIN : L74899DL1978PLC009181

Works

20 K.M. Mathura Road, Post Office Amar Nagar
Faridabad, Haryana - 121 003

REGISTRAR & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area
Phase - I, New Delhi - 110 020
Phone : 011-46106148

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Directors' Report**To the members of Jagsonpal Pharmaceuticals Limited**

Your Directors have the pleasure in presenting their 38th, Annual Report of the Company and the Audited Accounts, for the period ended 31st March, 2017.

Operations**Financial highlights**

The financial performance of the Company is as under:

(Rs. in Lacs)

| Particulars | Current Year | Previous Year |
|--|--------------|---------------|
| Sales | 14507.20 | 14418.92 |
| Operating Expenditure | 13883.46 | 13172.08 |
| Profit before interest, depreciation and tax | 623.74 | 1246.59 |
| Financial Expenses | 264.48 | 529.70 |
| Depreciation | 199.40 | 309.36 |
| Profit before tax | 159.86 | 407.53 |
| Exceptional Items | 1279.91 | 0.00 |
| Provision for taxation | 287.93 | 81.51 |
| Profit after Tax | 1186.47 | 325.42 |
| Deferred Tax | -34.73 | 0.60 |
| Balance brought forward | 3522.27 | 3248.38 |
| Profit available for appropriation | 4708.74 | 3573.80 |
| Appropriations: | | |
| Proposed Dividend | 26.20 | 26.20 |
| Additional Income tax on Dividend | 5.33 | 5.33 |
| Transfer to General Reserve | 20.00 | 20.00 |
| Balance carried forward | 4657.21 | 3522.27 |

During the period ended 31st March, 2017 sales of the Company were Rs. 14507.20 Lacs as compared to Rs. 14418.92 lacs for the year ended 31st March, 2016. The profit before tax barring exceptional items decreased from Rs.407.53 Lacs to Rs. 159.86 lacs during the year.

Management Discussions & Analysis Report**Indian Pharma Industry Scenario**

The Indian pharmaceuticals market (IPM) has seen double-digit growth in the last one year. The Indian

Pharmaceuticals market is forecasted to grow at a compound annual growth rate (CAGR) of 11.8% (+3%), between 2015 to 2020, reaching Rs. 1859.5 billion by 2020.

In India, Gross Domestic Product (GDP) grew by 7.1% in the Fiscal Year 2016-17, which makes India the fastest growing G20 economy. The acceleration of structural reforms, the move towards a rule-based policy framework and low commodity prices have provided a strengthened growth impetus. Recent deregulation measures and efforts to improve the ease of doing business have boosted foreign investment. In April 2017, the world economic outlook (WEO) report by the International Monetary Fund, estimated that domestic demand and a growth in exports will remain key drivers towards GDP growth. Medium-term growth prospects remain favourable according to the WEO report, with growth forecast to rise 8% due to the implementation of key reform, loosening of supply-side bottlenecks and appropriate fiscal and monetary policies. In addition, the country's most significant tax reform in decades, the Goods & Services Tax (GST), was approved in Parliament with an expectation for implementation during the latter half of 2017.

In the Union Budget 2017, the government has demonstrated its commitment to increase healthcare spending. The National Health Plan has been approved by the cabinet and aims at a holistic approach to address the healthcare problems of all sectors of society and their solutions with participation from the private sector as strategic partners in the mission. It envisages private sector collaboration for strategic purchasing, capacity building, skill development programmes, awareness generation, developing sustainable networks for the community to strengthen mental health services and disaster management. The policy also advocates financial and non-financial incentives for encouraging private sector participation. Your company welcomes these measures to serve more patients of our country.

Presently the market size of the pharmaceutical industry in India stands at US\$ 20 billion. Indian pharmaceutical manufacturing facilities registered with the US Food and Drug Administration (FDA) at 523, highest for any country outside the US.

Domestic pharmaceutical market grew at a CAGR of 12 per cent year-on-year in February 2016, broadly in line with the average of 12.9 percent since April 2015. Indian pharmaceutical firms are eyeing acquisition opportunities in Japan's growing generic market as the Japanese government aims to increase the penetration of generic drugs to 60 percent of the market by 2018 from 30 per cent in 2014, due to ageing population and rising health costs.

Outlook

The Company is taking elaborate steps to increase its geographical presence and visibilities within the medical fraternity for greater repeat recall of products of the Company.

Cautionary Statement

Certain statement with respect to Management Discussion and analysis and may be forwarded looking and are stated as required by the applicable laws and regulations. The future results of the Company may be affected by many factors, which could be different from what the Directors envisage in terms of future performance and outlook.

Dividend

Your Directors are pleased to recommend for your consideration a dividend of 2%. This will absorb a sum of Rs.26,19,800.00 (Sum for previous period Rs. 26,19,800.00 exclusive of Corporate tax thereon).

Particulars of Loan, Guarantees or Investments

The Company has neither given any loans nor provided any guarantee to entities as per provisions of Section 186 of the Act.

Transfer to Reserve

Directors propose to transfer Rs. 20 lakhs to the General Reserve.

Fixed Deposit

We have not accepted any fixed deposits and, as such no amount of principal or interest was outstanding as of the balance sheet date

Directors

Mrs. Jasbir Kaur Kochhar, woman director, was appointed as director on 30th September, 2016, whose tenure ceases on ensuing Annual General Meeting, being eligible for appointment the board recommends her appointment as woman director.

Mr. Rajpal Singh Kochhar is interested director in this appointment. Mrs. Jasbir Kaur Kochhar is having inter – se – relationship mother – son.

Mr. Govind Deo, Mr. Bharat Singh and Dr. Ishpal Singh Ghai, Directors were appointed as additional director w.e.f. 1st April, 2017 till the forthcoming Annual General Meeting. Their tenure ceases on the Annual General Meeting i.e. 29th September, 2017 and being eligible board recommended their appointment as non executive Independent Directors from this 38th Annual General Meeting “AGM” till the conclusion of 39th Annual General Meeting by passing Special Resolutions.

Internal Financial control and its adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanisms the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company’s operations in future.

Extract of Annual Return

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of the annual return in the prescribed is appended as Annexure – D to the Board Report.

Investor Education and Protection Fund

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting Audit Transfer and refund) rules, 2016 (‘the Rules’) all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after completion of seven years. Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid dividends. Further the corresponding shares will be transferred as per the requirement of the IEPF rules, details of which are provided on our website.

Audit Reports and Auditors

According to the provisions of Section 139 of the Companies Act, 2013 the term of office of P.P. Thukral & Co., Chartered Accountants, the Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company.

Subject to the approval of the Members, the Board of Directors has recommended the appointment of Hiralal Bansal, Prop. H.L. Bansal & Co., Regn. No. 008563N, Chartered Accountants as the Statutory Auditors of the Company. Member’s attention is drawn to a Resolution proposing the appointment of Statutory Auditors of the Company, which is included as Item No. 3 of the Notice convening the Annual General Meeting.

Auditors Reports

The Auditors Report for fiscal 2017 does not contain any qualification, reservation or adverse remarks. Auditors’

Report is enclosed with the financial Statements in this Annual Report.

Cost Auditors

The Board has subject to approval of Central Government re-appointed Mr. S. N. Balasubramanian as Cost Auditor for the year 2017-18.

Secretarial Auditors

Pursuant to provisions of Section 204 the Companies Act, 2013, and rules there under, the Board has appointed. Mr. Mukesh Arora, Practicing Company Secretary as Secretarial Auditors of the company for fiscal 2018.

The Secretarial Auditors’ Report for the year 2016-17 has been received from the Secretarial Auditors’. The report does not contain any qualification, reservation or adverse remark. The report is annexed herewith as Annexure – C.

Energy, Technology & Foreign Exchange

As stipulated under the provisions of the Companies Act, 2013, read with the (disclosure of particulars in the report of Board of Directors) rules, Annexure ‘A’ contains the particulars pertaining to Conservation of Energy, Technology absorption and Foreign Exchange earning and outgo.

Employees

The Company continued to maintain cordial relations with its employees at all levels. No man-days were lost during the period due to industrial strife. The information as required under the Companies Act, 2013, read with the Companies (Particulars of Employees) Rules, is enclosed in Annexure ‘B’ and forms part of this Report.

Corporate Governance

The Company is committed to good corporate governance in line with the Listing Agreement. The Company is in compliance with the provisions on corporate governance specified in the Listing Agreement with NSE & BSE.

A certificate of compliance from M/s Mukesh Arora & Co., Practicing Company Secretary and the report on corporate Governance forms part of this Director Report.

Internal Control Systems and Risk Management :

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The committee will, on quarterly basis, provide status updates to the Board of Directors of the Company.

Directors Responsibility Statement

Pursuant to Section 133 of the Companies Act, 2013 and SEBI guidelines your Directors state that:

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

Corporate Social Responsibility

The provisions of the Companies Act 2013 with respect to corporate responsibilities are not applicable on the Company.

Contracts And Arrangements With Related Parties

In line with the requirements of the Companies Act, 2013 and LODR, your Company has formulated a policy on Related Party Transactions. All related party transactions that are entered into during the year, were on arm’s length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and/or entered in the ordinary course of business and are at arm’s length. Adequate disclosures have been made in Sch.-23.

Acknowledgement

The Board of Directors would like to record their appreciation and gratitude to all employees of the organisation for their active co-operation and involvement. Thanks are also due, to Jagsonpal customers, dealers, suppliers and bankers.

For and on behalf of the Board of Directors

RAJPAL SINGH KOCHHAR

Chairman & Mg. Director

(DIN 00059492)

Place : New Delhi
Dated : 28th May 2017

Annexure 'A' To The Directors' Report**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo.**

Particulars required by the section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8(3) of the Companies (Accounts) rules, 2014 and forming part of the Directors' report for the year ended March 31, 2017.

A Conservation of Energy

Measures taken, additional investments and impact on reduction of energy consumption

Disclosure of particulars with respect to Conservation of Energy.

Power and Fuel Consumption

| | 2016-17 | 2015-16 |
|--------------------------------------|----------------|----------------|
| Consumption - per unit of production | Not applicable | Not applicable |

Consumption

It is not feasible to maintain energy consumption data by product category because of the very large number and variety of products with significantly different energy requirements.

B Technology Absorption

Disclosure of particulars with respect to Technology Absorption

1 Efforts in brief made towards technology absorption, adaption and innovation

The Company continues to strive in developing technology and technical know - how for introduction of new products and formulation development. These are adapted, wherever

necessary, to local conditions.

2 Benefits derived as a result of the above efforts:

New product development, productivity and quality improvements, enhanced safety and environmental protection measure and conservation of energy.

C Expenditure On R & D (Rs. in lacs)

| | Mar. 2017 | Mar. 2016 |
|------------------------|--------------|--------------|
| a) Capital Expenditure | 7.46 | 9.45 |
| b) Revenue Expenditure | 56.44 | 46.88 |
| TOTAL | 63.90 | 56.33 |

1 The R & D Centre carries out Research and Development in the area of Bulk Drugs, Drugs Intermediates and Pharmaceuticals.

2 In-house R&D focus has resulted in considerably higher and cost-effective modifications in the packaging of several formulations, especially in the capsule & tablet sections.

D. Foreign Exchange Earnings & Outgo

(Rs. in lacs)

| | Mar. 2017 | Mar. 2016 |
|----------|-----------|-----------|
| Earnings | 1014.06 | 674.19 |
| Outgo | 38.83 | 35.78 |

For and on behalf of the Board of Directors

RAJPAL SINGH KOCHHAR*Chairman & Mg. Director*

Place: New Delhi

Dated: 28th May, 2017

(DIN 00059492)

Annexure 'B' To The Directors' Report

Statement under the provisions of section 197(12) of the Companies Act, 2013 read with the Companies' (appointment & remuneration of managerial personnel rules 2014).

| S. No. | Name & Age of the Employee | Designation | Qualification & Experience | Gross Remuneration | Net Remuneration |
|--------|-------------------------------------|-------------------------|---------------------------------|--------------------|------------------|
| 1. | Mr. Rajpal Singh Kochhar (62 Years) | Chairman & Mg. Director | M.Sc. (Pharmacy) USA (37 years) | 76,88,400 | 45,78,400 |

Gross Remuneration includes : Salary, Bonus, Commission, Allowances and perquisites as per the Rules of the Company.

Net Remuneration excludes : Contribution towards Recognised Provident Fund,
Tax deducted at source-value of taxable perquisites.

For and on behalf of the Board of Directors

Place : New Delhi.
Dated : 28th May, 2017

RAJPAL SINGH KOCHHAR
Chairman & Managing Director

ANNEXURE - C

To

The Members
Jagsonpal Pharmaceuticals Limited
T-210 J, Shahpur Jat
New Delhi-110049

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the Verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 17 April, 2017
Place: New Delhi

MUKESH ARORA
Practicing Company Secretary
Membership No. 4819
Certificate of Practice No. 4405

MUKESH ARORA & CO.
COMPANY SECRETARIES

Form MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2017

[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.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jagsonpal Pharmaceuticals Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a

reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - (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, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable as the company did not issue any security during the financial year under review.)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the company has not granted any options to its employees during the financial year under review);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the company has not issued any debt securities during the financial year under review);
 - (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 as the company has not Delist its Equity Shares during the financial year under review); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable as the company has not bought back any of its securities during the financial year under review);

- (vi) and other applicable laws like Factories Act, 1948, The Payment of Gratuity Act, 1972;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India i.e. Secretarial Standards-1 (Meeting of the Board of Directors) & Secretarial Standards-2 (General Meetings)
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).
- (iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

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

We further report that:

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

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

All decision at Board Meeting and Committee are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

For Mukesh Arora & Co.
Practicing Company Secretaries

Mukesh Arora
F.C.S No. 4819
C.P No. 4405

Date: 17 April 2017
Place: New Delhi

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

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31-3-2017

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

| I. REGISTRATION AND OTHER DETAILS: | |
|--|---|
| i) CIN | L74899DL1978PLC009181 |
| ii) Registration Date: | 17-8-1978 |
| iii) Name of the Company | JAGSONPAL PHARMACEUTICALS LTD |
| iv) Category / Sub-Category of the Company | Public Limited Company |
| v) Address of the Registered office and contact details | T-210J, Shahpur Jat, New Delhi-110049 011-46181100 Email cs@jagsonpal.com |
| vi) Whether listed company | Yes |
| vii) Name, Address and Contact details of Registrar and Transfer Agent, if any | MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area. Phase-1, New Delhi-110020 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**Manufacturer of Pharmaceuticals & Intermediate Drugs**

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

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Capsule | 30041020 | 32.89 |
| 2 | Tablet | 30041030 | 27.90 |
| 3 | Ampoule | 30042042 | 17.21 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|-------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| 1 | N.A. | N.A. | N.A. | N.A. | N.A. |
| 2 | N.A. | N.A. | N.A. | N.A. | N.A. |

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

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during |
|---------------------------------------|---|----------|----------|-------------------|---|----------|----------|-------------------|-----------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| g) Individual/HUF | 18121320 | 0 | 18121320 | 69.17 | 906066 | 0 | 906066 | 3.46 | -65.71 |
| h) Central Govt | | | | | | | | | |
| i) State Govt(s) | | | | | | | | | |
| j) BodiesCorp. | 0 | 0 | 0 | 0 | 17215254 | 0 | 17215254 | 65.71 | +65.71 |
| k) Banks / FII) | | | | | | | | | |
| Any Other.... | | | | | | | | | |
| Sub-total(A) (1) | 18121320 | 0 | 18121320 | 69.17 | 18121320 | 0 | 18121320 | 69.71 | |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | | | | | | | | | |
| b) Other – Individuals | | | | | | | | | |
| c) Bodies Corp. | | | | | | | | | |
| d) Banks / FI | | | | | | | | | |
| e) Any Other.... | | | | | | | | | |
| Sub-total(A) (2) | 18121320 | 0 | 18121320 | 69.17 | 18121320 | 0 | 18121320 | 69.71 | |
| Total shareholding of Promoter | | | | | | | | | |
| (A) = (A)(1)+ (A)(2) | | | | | | | | | |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | |
| b) Banks/FI | 600 | 200 | 800 | .00305 | 600 | 200 | 800 | .00305 | |
| c) Central Govt | | | | | | | | | |
| d) State Govt (s) | | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | |

| 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 |
|--|---|----------|----------|-------------------|---|----------|----------|-------------------|-----------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| g) FIIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | | | | | | | | | |
| Sub-total(B)(1) | 600 | 200 | 800 | .00305 | 600 | 200 | 800 | .00305 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) BodiesCorp. | | | | | | | | | |
| i) Indian | 866601 | 1680 | 868281 | 3.314 | 779888 | 1680 | 781568 | 2.983 | 0.331 |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 4627919 | 705488 | 5333407 | 20.358 | 4750265 | 696669 | 5446934 | 20.791 | 0.433 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 1477233 | 0 | 1477233 | 5.641 | 1480228 | 0 | 1480228 | 5.651 | 0.010 |
| c) Others | | | | | | | | | |
| NRI | 109935 | 0 | 109935 | 0.419 | 104974 | 0 | 104974 | 0.401 | 0.018 |
| Clearing Mem | 54317 | 0 | 54317 | 0.206 | 19492 | 0 | 19492 | 0.074 | 0.132 |
| HUF | 232707 | 0 | 232707 | 0.888 | 242684 | 0 | 242684 | 0.926 | |
| Sub-total(B)(2) | 7368712 | 707168 | 8075880 | 30.826 | 7377531 | 698349 | 8075880 | 30.826 | |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 7369312 | 707368 | 8076680 | 30.829 | 7378131 | 698549 | 8076680 | 30.829 | |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 25490632 | 707368 | 26198000 | 100 | 25499451 | 698549 | 26198000 | 100 | |

ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding No. of Shares | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | |
|---------|------------------------------|-------------------------------|---|--|-----------------|-------------------------------------|--|--|
| | | | % 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 | % change in shareholding during the year |
| 1 | Rajpal Singh Kochhar | 9145064 | 34.91 | Nil | 906066 | 3.46 | Nil | -31.45 |
| 2 | Mohinder Kaur Kochhar | 660080 | 2.52 | Nil | 0 | 0 | Nil | -2.52 |
| 3 | Jasbir Kaur Kochhar | 8316176 | 31.74 | Nil | 0 | 0 | Nil | -31.74 |
| 4 | Aresko Progressive Pvt. Ltd. | 0 | 0 | Nil | 17215254 | 65.71 | Nil | 65.71 |
| | Total | 181213200 | 69.17 | Nil | 18121320 | 69.17 | Nil | 0 |

iii) Change in Promoters' shareholding (please specify, if there is change)

| Sl. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1. | Mr. Rajpal Singh Kochhar | | | | |
| | At the beginning of the year | 9145064 | 34.90 | 9145064 | 34.90 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): | 31.03.17 660080 | 2.52 | 9805144 | 37.42 |
| | | 31.03.17 8316176 | 31.74 | 18121320 | 69.17 |
| | | 31.03.17 -17215254 | -65.71 | 906066 | 3.46 |
| | At the end of the year | 906066 | 3.46 | 906066 | 3.46 |
| 1. | Mrs. Jasbir Kaur Kochhar | | | | |
| | At the beginning of the year | 8316176 | 31.74 | 0 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): | 31.03.17 -8316176 | -31.74 | 0 | 0 |
| | At the end of the year | 0 | 0 | 0 | 0 |
| | | | | | |

| Sl. No. | | Shareholding at the beginning of the year | | Cummulative Shareholding during the year | |
|---------|---|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 3. | Mrs. Mohinder Kaur Kochhar | | | | |
| | At the beginning of the year | 660080 | 2.52 | 0 | 0 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): | 31.03.17 -660080 | -2.52 | 0 | 0 |
| | At the end of the year | 0 | 0 | 0 | 0 |

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

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | | Shareholding at the beginning of the year | | Cummulative Shareholding during the year | |
|---------|---|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| | For each of the Directors and KMP | | | | |
| | At the beginning of the year Mr. Sanjiv Kumar Dudeja (CFO) | 370544 | 1.414 | 370544 | 1.414 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc): | | | | |
| | At the end of the year (or on the date of separation, if separated during the year) | 370544 | 1.414 | 370544 | 1.414 |

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

| | Secured Loans excluding Deposits Rs. lacs | Unsecured Loans | Deposits Rs Lacs | Total Indebtedness Rs. Lacs |
|--|---|--------------------|---------------------|-----------------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | 3035.36 | 813.91 | | 3849.27 |
| Total (i+ii+iii) | 3035.36 | 813.91 | | 3849.27 |
| Change in Indebtedness during the financial year: | | | | |
| • Addition | | | | |
| • Reduction | -3035.32 | -21.14 | | -3035.46 |
| Net Change | 3035.32 | -21.14 | | -3035.46 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 0.04 | 792.77 | | 792.81 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 0.04 | 792.77 | | 792.81 |

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager Rs. Lacs | | | | Total Amount |
|---------|---|------------------------------------|--|--|--|--------------|
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 76.88 | | | | 76.88 |
| 2. | Stock Option | | | | | |
| 3. | Sweat Equity | | | | | |
| 4. | Commission- as % of profit- others, specify... | | | | | |
| 5. | Others, please specify | | | | | |
| | Total (A) | 76.88 | | | | 76.88 |
| | Ceiling as per the Act | 84 | | | | 84 |

B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of Directors Rs. Lacs | | | Total Amount |
|---------|---|-------------------------------|--------------|---------------|--------------|
| | | Govind Deo | Bharat Sinh | Dr. I.S. Ghai | |
| 3. | Independent Directors· ● Fee for attending board committee meetings ● Commission ● Others, please specify | 0.40 1.20 | 0.40 1.20 | 0.40 1.20 | 1.20 3.60 |
| | Total (1) | 1.60 | 1.60 | 1.60 | 4.80 |
| 4. | Other Non-Executive Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify | | | | |
| | Total (2) | | | | |
| | Total (B)=(1+2) | | | | |
| | Total Managerial Remuneration | 1.60 | 1.60 | 1.60 | 4.80 |
| | Overall Ceiling as per the Act | | | | 4.80 |

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

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel Rs. Lacs | | | |
|---------|--|--------------------------------------|-------------------|-------|-------|
| | | CEO | Company Secretary | CFO | Total |
| | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | 5.48 | 54.08 | 59.56 |
| | Stock Option | | | | |
| | Sweat Equity | | | | |
| | Commission- as % of profit- others, specify... | | | | |
| | Others, please specify | | | | |
| | Total | | 5.48 | 54.08 | 59.56 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

N.A.

| Type | Section of the Companies Act | Brief Description | Details of Penalty | Authority (IRD/NCLT) | Appeal made |
|------|------------------------------|-------------------|--------------------|----------------------|-------------|
|------|------------------------------|-------------------|--------------------|----------------------|-------------|

Punishment/ Compounding fees imposed

/ COURT]

if any (give Details)

| | | | | | |
|-------------------------------------|--|--|--|--|--|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

JAGSONPAL PHARMACEUTICALS LIMITED

| S. No. | Name of Shareholder | No of Shares at the Beginning of Year 31/03/2016 and End of the Year | % to the total Shares | Transaction date | Increase / Decrease | Reason | Cummulative Shareholding Holding during the year between 31/03/2016 and 31/03/2017 | % of total Shares of the Company | PAN of Shareholder |
|--------|--|--|-----------------------|------------------|---------------------|----------|--|----------------------------------|--------------------|
| 01 | Namko Herbals LLP | 0 | 0.00 | 22/07/2016 | 91436 | Transfer | 0 | 0 | AAMFN9994J |
| 02 | Rakshmikant Dhirajjal Doshi | 66000 | 0.030 | | | | 66000 | 0.030 | AAADP4426F |
| 03 | Ronak Securities And Credits Pvt. Ltd. | 156873 | 0.598 | | | | 156873 | 0.598 | AAMFN9994J |
| 04 | Wave Securities And Credits Pvt. Ltd. | 144800 | 0.552 | | | | 144800 | 0.0552 | AAACW3357M |
| 05 | Lincoln P Coelho | 200000 | 0.763 | | | | 200000 | 0.0763 | AEGPC1227D |
| 06 | Ganesh Lakhia | 138058 | 0.526 | | | | | | AAAPL2797D |
| | | | | 03/06/2016 | -3000 | Transfer | 132058 | 0.504 | |
| | | | | 10/06/2016 | 3101 | Transfer | 138159 | 0.527 | |
| | | | | 17/06/2016 | 100 | Transfer | 138259 | 0.527 | |
| | | | | 24/06/2016 | 2300 | Transfer | 140559 | 0.536 | |
| | | | | 30/06/2016 | 2230 | Transfer | 142789 | 0.545 | |
| | | | | 08/07/2016 | 1300 | Transfer | 144089 | 0.550 | |
| | | | | 15/07/2016 | 2400 | Transfer | 146489 | 0.559 | |
| | | | | 22/07/2016 | -900 | Transfer | 145589 | 0.555 | |
| | | | | 29/07/2016 | 3592 | Transfer | 149181 | 0.569 | |

| S. No. | Name of Shareholder | No of Shares at the Beginning of Year 31/03/2016 and End of the Year | % to the total Shares | Transaction date | Increase / Decrease | Reason | Cummulative Shareholding Holding during the year between 31/03/2016 and 31/03/2017 | % of total Shares of the Company | PAN of Shareholder |
|--------|---------------------|--|-----------------------|------------------|---------------------|----------|--|----------------------------------|--------------------|
| | | | | 05/08/2016 | 1000 | Transfer | 150181 | 0.573 | |
| | | | | 12/08/2016 | -200 | Transfer | 149981 | 0.572 | |
| | | | | 19/08/2016 | 2745 | Transfer | 152726 | 0.582 | |
| | | | | 02/09/2016 | 1700 | Transfer | 154426 | 0.589 | |
| | | | | 09/09/2016 | 2000 | Transfer | 156426 | 0.597 | |
| | | | | 16/09/2016 | 1800 | Transfer | 158226 | 0.603 | |
| | | | | 2209/2016 | 3000 | Transfer | 161226 | 0.615 | |
| | | | | 30/09/2016 | 3000 | Transfer | 164226 | 0.626 | |
| | | | | 07/10/2016 | 2658 | Transfer | 166884 | 0.637 | |
| | | | | 21/10/2016 | 7068 | Transfer | 173952 | 0.663 | |
| | | | | 28/10/2016 | 500 | Transfer | 174452 | 0.665 | |
| | | | | 02/12/2016 | -1100 | Transfer | 173352 | 0.661 | |
| | | | | 31/12/2016 | 300 | Transfer | 173652 | 0.662 | |
| | | | | 06/01/2017 | -800 | Transfer | 172852 | 0.659 | |
| | | | | 13/01/2017 | 100 | Transfer | 172952 | 0.660 | |
| | | | | 27/01/2017 | -100 | Transfer | 172852 | 0.659 | |

| S. No. | Name of Shareholder | No of Shares at the Beginning of Year 31/03/2016 and End of the Year | % to the total Shares | Transaction date | Increase / Decrease | Reason | Cummulative Shareholding Holding during the year between 31/03/2016 and 31/03/2017 | % of total Shares of the Company | PAN of Shareholder |
|--------|--------------------------|--|-----------------------|------------------|---------------------|----------|--|----------------------------------|--------------------|
| | | | | 10/02/2017 | -4900 | Transfer | 167952 | 0.641 | |
| | | | | 17/01/2017 | -3400 | Transfer | 164552 | 0.628 | |
| | | | | 24/02/2017 | -4000 | Transfer | 160552 | 0.612 | |
| | | | | 03/03/2017 | 1800 | Transfer | 162352 | 0.619 | |
| | | | | 10/03/2017 | -500 | Transfer | 161852 | 0.617 | |
| | | | | 17/03/2017 | -3500 | Transfer | 158352 | 0.604 | |
| | | | | 24/03/2017 | 1669 | Transfer | 160021 | 0.610 | |
| | | | | 31/03/2017 | -6310 | Transfer | 153711 | 0.586 | |
| 07 | Namko Herbals Pvt. Ltd. | 91436 | 0.349 | | | | | | |
| | | | | 22/07/2016 | -91436 | Transfer | 0 | 0 | |
| 08 | Lincoln P Coelho | 100703 | 0.384 | | | | 100703 | 0.384 | AEGPC1227D |
| 09 | Rajeshri Tarunkumar Shah | 116435 | 0.444 | | | | | | AOBPS8259J |
| | | | | 17/06/2016 | -5000 | Transfer | 111435 | 0.425 | |
| | | | | 30/06/2016 | 1228 | Transfer | 112663 | 0.430 | |
| | | | | 13/01/2017 | -685 | Transfer | 111978 | 0.427 | |
| | | | | 20/01/2017 | -1309 | Transfer | 110669 | 0.422 | |
| | | | | 27/01/2017 | -15658 | Transfer | 95011 | 0.362 | |
| 10 | Nirmal Kumar Gangwal | 139136 | 0.531 | | | | 139136 | 0.531 | AAACW3357M |

Annexure to the Directors' Report

Corporate Governance Report

(Pursuant to Regulations 17 to 27 and clauses (b) to (i) of sub-regulations (2) of Regulation 46 and paragraphs C, D, and E of Schedule V of the Listing Obligations & Disclosures Regulations, 2015 (LODR) entered into with the Stock Exchanges).

1. Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance is to conduct its business affairs in a professional and transparent manner while adhering to high ethical values and morals and always striving for optimizing Shareholder's value. The Company considers good corporate governance to be a pre-requisite for meeting the objective of maximizing shareholders wealth in a sustained manner.

2. Board of Directors

- The Board comprises of Executive and Non-executive Directors. The present strength of the Board of Directors is five Directors. The Chairman and the Managing Director is an whole time director, one lady director, the remaining three out of five being non-executive Directors, who are Independent Directors and are professionals and have expertise in their respective fields.
- The Company has also appointed a Woman Director pursuant to the listing agreement.
- The attendance at Board Meetings and last Annual General Meeting of each of the Directors during the financial year of the Company was as under:

| Name of Director | Category | Attendance | | Membership of other Board (Excluding Alternate Directorship & Directorship in Pvt. Companies) | No. of Committees in which Member (excluding Pvt. Companies) |
|--------------------------|-------------------|----------------|----------|---|--|
| | | Board meetings | Last AGM | | |
| Mr. Rajpal Singh Kochhar | Managing Director | 4 | Yes | 1 | - |
| Dr. S. K. Goyal | Independent | 0 | No | - | - |
| *Mr. Govind Deo | Independent | 4 | Yes | - | 3 |
| *Mr. Bharat Sinh | Independent | 4 | Yes | - | 3 |
| *Dr. Ishpal Singh Ghai | Independent | 4 | Yes | - | 3 |
| Mrs. Jasbir Kaur Kochhar | Woman Director | 3 | No | - | - |

* Excluding Meetings of Audit Committee, Independent Directors, Whistle Blower & Risk Management Committee, Remuneration Committee and Investor Grievance committee.

- During the year four board meetings were held on following dates:
May 30, 2016 August 12, 2016 November 11, 2016 February 14, 2017
- During the year one EGM was held on 12/04/2016 which was attended by Mr. Rajpal Singh Kochhar, Mr. Govind deo, Mr. Bharat Sinh and Dr. Ishpal Singh Ghai.

Details of Directors appointed / re-appointed pursuant to clause 49 (VI) (A) of Listing Agreement.

Mrs. Jasbir Kaur Kochhar was appointed as Woman Director and her tenure expires on ensuing Annual General Meeting, being eligible, offers herself for appointment / reappointment. Mrs Jasbir Kaur Kochhar is related to Mr. Rajpal Singh Kochhar, Chairman & Managing Director and has inter – se – Mother – Son relationship.

Mr. Govind Deo, Mr. Bharat Sinh and Dr. Ishpal Singh Ghai, Directors were appointed as additional director w.e.f. 1st April, 2017 till the forthcoming Annual General Meeting i e 29thSeptember, 2017 and being eligible, board recommended their appointment for 5 (five) years w.e.f. 29th September, 2017 as Non – Executive – Independent Directors.

During the year Dr. S. K. Goyal resigned from directorship on 14.02.2017 on account of pre-occupation. Board expressed gratitude and thanks for valuable guidance received by members during the tenure of Dr. S. K. Goyal as director of the Company.

All Independent Directors are due for re-appointment.

A) Meeting of Independent Directors

The Company's Independent Directors meet at least once in a financial year without the presence of Executive / Managing Director. Such meetings are conducted informally to enable Independent Directors to discuss matters pertaining to Company's affairs and put forth views to lead Independent Directors.

B) Information placed before the Board of Directors

The following information is regularly placed before the Board of Directors

- Minutes of the Committees
- Information on recruitment etc of Senior officer just below the Board level
- Annual budgets/plans
- Capital budgets
- Quarterly results
- Material communications from Government bodies
- Fatal or serious accidents, dangerous occurrences and pollution problems, if any.
- Material financial obligations
- Significant labour problems, if any.
- Sale of assets, investments etc. which is not in the normal course of business.
- Material transactions
- Compliance with statutory requirements

Besides above, all major decisions are considered by the Board.

3. Ethics / Governance Policies Committee

the Company we strive to conduct our business and strengthen our relationships in a dignified, distinctive and reasonable manner. We adhere to ethical standards and some of these codes and policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider trading
- Vigil Mechanism and Whistle Blower Policy
- Treatment of Related Party Transactions
- Policy for Selection of Directors and their Independence
- Remuneration Policy for Directors, KMP's and Other Employees

4 Audit Committee and appointment & Vigil Mechanisms

The terms of reference and modify the role of the Audit Committee cover the areas contemplated under Section 177 of the Companies Act, 2013, include inter-alia reviewing with management the quarterly and annual financial statements, adequacy of internal control systems and frequency and scope of internal audit, overseeing of Company's financial reporting process, discussions with internal and external auditors of the Company on the audit undertaken, recommending the audit fee, reviewing the internal audit undertaken and its findings, to review the functions of the whistle blower mechanism .

The Audit Committee was formed and the committee has three Non-executive Independent Directors as members - Mr. Govind Deo, Dr. Ishpal Singh Ghai and Mr. Bharat Sinh. The Chairman of the Committee is Mr. Govind Deo. The Company Secretary acts as Secretary of the committee. The Internal Auditor and/or Statutory Auditors are invitees to the meeting. The quorum for the Committee meeting is two Directors.

The Committee had met four times during the financial year in May, August, November, and February months of 2016-17.

5. Remuneration Committee and appointment, remuneration of Directors & Policy

Nomination, Remuneration and Compensation Committee

The company has a policy to appoint independent personnel as directors with requisite qualification & experience. Mr. Govind Deo, Chairman, Mr. Bharat Sinh, & Ishpal Singh Ghai are members of the committee of the said Company and Company Secretary Acts as Secretary of the committee.

Independent Directors have submitted their declaration of independence in accordance to section 149.

Brief Description of Terms of Reference

- To identify persons who are qualified to become Directors and who may be appointed in the senior management;
- To formulate a criteria for determining qualifications, positive attributes and independence of a director;
- To recommend to the Board, appointment and removal of the identified directors and senior management personnel based on the laid down criteria and formulated policy;
- To formulate criteria for evaluation of Independent Directors and the Board and shall carry out evaluation of every director's performance;
- To review the performance of the Managing Director and Whole-time Director and recommend to the Board in this regard.
- To devise a policy on the Board diversity;
- To recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- To review the overall compensation policy and service agreements of the Managing Director and Whole-time Directors and other employees of appropriate cadres;
- To evaluate the remuneration paid by comparable organizations;

Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and frame work adopted by the Board. The evaluation process has been explained in the corporate governance report section in this Annual Report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

Remuneration Policy

The Company's inter-alia remuneration policy is determined by the success and performance of the individual employee and the Company. The performance of the individual employee is measured through an annual appraisal process. The Company, through its compensation program attracts, develops, motivates and retains its talented workforce.

The managerial remuneration including perquisites thereof payable to Directors are determined by the Committee and shareholders. The remuneration of the directors during the period 1st April, 2016 to 31st March, 2017 was as follows:

a) Managing Director/Whole Time Director:

| Name | Remuneration |
|---------------------------|----------------|
| Shri Rajpal Singh Kochhar | Rs. 76.88 lacs |

The above remuneration includes Salary, Bonus, Commission, Allowances and perquisites as per the rules of the Company.

b) Non-Executive Directors:

The Non-Executive Directors were paid remuneration by way of Sitting Fees Rs. 5000/- each for attending board and Rs. 2,500/- for committee meetings plus reimbursement of related actual travel and out of pocket expenses. They are entitled up to 1% commission as and when approved by the Board of Directors. During the year remuneration paid to non-executive directors was as follows:

| Director | Sitting Fee | Commission |
|--------------------------|-------------|--------------|
| Mr. Govind Deo | Rs. 40,000 | Rs. 1,20,000 |
| Mr. Bharat Sinh | Rs. 40,000 | Rs. 1,20,000 |
| Dr. Ishpal Singh Ghai | Rs. 40,000 | Rs. 1,20,000 |
| Mrs. Jasbir Kaur Kochhar | N. A. | N. A. |

6. Stakeholders’ Relationship Committee

Pursuant to the Listing Agreement and Section 178 of the Act Stakeholders’ Relationship Committee considers and resolves the grievances of security holders.

The complaints/queries/requests received from the shareholders have been duly attended to and resolved by furnishing requisite information/documents by the Company. A summary of complaints received and resolved by the Company during the financial year is given below:

The complaints received during the year under review are as follows:

| Correspondence in the nature of complaints | Q1 | Q2 | Q3 | Q4 | Total |
|--|----|----|----|----|-------|
| Securities and Exchange Board of India | - | - | - | - | - |
| Stock Exchanges | - | - | - | - | - |
| Shareholders | 16 | 9 | 11 | 5 | 41 |
| Total | 16 | 9 | 11 | 5 | 41 |

During the year under review, the above complaints regarding non-receipt of shares sent for transfer, demat queries and non-receipt of dividend warrants and annual reports were received from the shareholders, all of which have been resolved. The Company had no transfers pending at the close of the financial year.

7 Share Transfer Committee

To expedite the transfer of shares and other related matters the power of share transfer and other matters (transmission and issue of duplicate shares etc.) has been delegated to the Share Transfer Committee comprising of independent directors and top officials of the Company. The committee meets at least once in a fortnight. No investors’ complaint was pending for a period **exceeding one month**.

8 The Company’s Code of conduct for prevention of insider trading

The Board of Directors has adopted the Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosure to be made while dealing with shares of the Company, as well as the consequence of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

9 Listing Agreement

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 with Listing Agreements for different segment of capital markets to ensure better enforceability. The said regulations were effective December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into Listing Agreement with six months from the effective date. The Company entered into Listing Agreement with BSE Limited and National Stock Exchange of India Limited within stipulated time period.

10 General Body Meetings

(a) Details of the last three years’ General Meetings is given below:

| Year ended | Date and time | Place | Resolutions passed |
|------------|------------------------|--|--------------------|
| 31.03.2016 | 30.09.2016 10.00 am | Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003 | O - 5 S - 0 |
| 31.03.2015 | 30.09.2015 10.00 am | Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003 | O - 5 S - 1 |
| 31.03.2014 | 30.09.2014 10.00 am | Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003 | O - 8 S - 1 |

All the resolutions set out in the respective Notices were passed by the respective majority of the members attending the A G M. All the resolutions set out in the notices were passed by the members.

(a) Passing of Special Resolutions by Postal Ballot

During the year one E G M was also held on 12/04/2016 which was attended by Mr. Rajpal Singh Kochhar, Mr. Govind Deo, Mr. Bharat Singh and Dr. Ishpal Singh Ghai, there were two special resolutions required to be passed through Postal Ballot.

11 Compliance Certification of The Auditors

Certificate from the Company’s Auditors, P.P. Thukral & Co. confirming compliance with conditions of Corporate Governance as stipulated under respective clause and other applicable as per LODR of the Listing Agreement, is attached to this report.

12 Audit Certification

The Company is in the regime of unqualified financial statements.

13 Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

14 CEO Certification

The Chairman and Managing Director and the Chief financial Officer of the Company give annual certification on the financial reporting and internal control of the Board in terms of applicable clause and other applicable provisions LODR of the Listing Agreement.

15 Certification on Compliance with Code of Conduct

I hereby confirm that the company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the year 2016-17.

16 Disclosures

There were transactions of material nature with the Directors or the Management or relatives of the Directors during the financial year which have been fully disclosed in Sch. 23.

The company has complied fully with the requirements of the regulatory authorities on capital market. There have been no instances of non-compliance by the company on any matter related to the capital markets nor has any penalty or stricture been imposed on the company by the stock exchanges, SEBI or any statutory authority.

The Company has rigorously followed the accounting standards, laid down by the Institute of Chartered Accountants of India.

The Audit Committee regularly reviews the risk management strategy of the company to ensure the effectiveness of risk management policies and procedures.

The Chief Executive Officer and Managing Director and the Chief Financial Officer of the company have furnished the requisite certificate to the board of directors under LODR of the Listing Agreement

17 Means of communications

As the quarterly results are published in one English daily newspaper (The Pioneer/Business Standard) and one Hindi newspaper (Veer Arjun) published from Delhi. The half yearly report was not sent to the shareholders.

During the financial year the Company has not made any presentations to the institutional investors or analysts. The Management Discussion and Analysis Report is part of this Annual Report.

18 General Shareholder Information

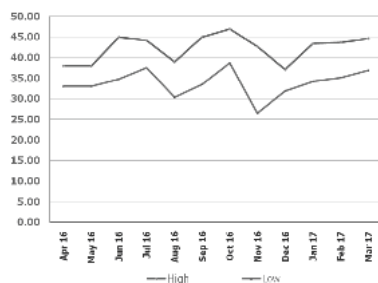
- Annual General Meeting : Friday, 29th September, 2017.
Vanita Samaj, 13, Institutional Area,
Lodi Road, New Delhi 110003
- Dates of Book Closure : September 23rd to September 29th, 2017 (both days inclusive)
- Dividend Payment Date : Within Stipulated Time, if declared.
- Financial Calendar (tentative)

| | |
|--------------------------------|----------------------------|
| Results for the quarter ending | |
| June 2017 | 2nd week of August, 2017 |
| September 2017 | 2nd week of November, 2017 |
| December 2017 | 2nd week of February 2017 |
| March 2018 | 4th week of May 2018 |

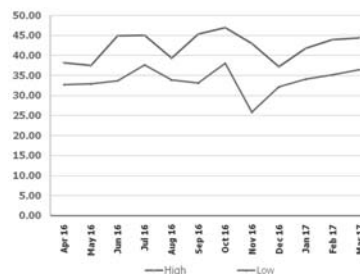
High/Low of market price of the Company’s shares traded along with the volumes on The Stock Exchange, Mumbai and on the National Stock Exchange during the April 2016 to March 2017 is furnished below:

| Period | BSE High (Rs.) | BSE Low (Rs.) | Volume No of Share | NSE High (Rs.) | NSE Low (Rs.) | Volume No of Share |
|-----------|----------------|---------------|--------------------|----------------|---------------|--------------------|
| Apr-2016 | 38.00 | 33.00 | 215096 | 38.20 | 32.75 | 432942 |
| May-2016 | 37.95 | 33.00 | 221553 | 37.50 | 32.90 | 399873 |
| Jun-2016 | 45.00 | 34.70 | 868759 | 44.95 | 33.70 | 2245870 |
| Jul-2016 | 44.20 | 37.55 | 223741 | 45.00 | 37.65 | 572855 |
| Aug-2016 | 38.60 | 30.30 | 205698 | 39.30 | 33.85 | 341089 |
| Sept-2016 | 45.00 | 33.50 | 634562 | 45.30 | 33.10 | 1462873 |
| Oct-2016 | 47.00 | 38.70 | 431795 | 46.95 | 38.10 | 867263 |
| Nov-2016 | 42.70 | 26.50 | 224315 | 43.00 | 25.80 | 504298 |
| Dec.-2016 | 37.10 | 31.85 | 95817 | 37.20 | 32.15 | 208558 |
| Jan-2017 | 43.40 | 34.25 | 242294 | 41.80 | 34.10 | 652753 |
| Feb-2017 | 43.70 | 35.10 | 333510 | 44.00 | 35.15 | 719206 |
| Mar-2017 | 44.60 | 36.85 | 438042 | 44.40 | 36.50 | 1036183 |

**BSE High: Low
2016-17**



**NSE High: Low
2016-17**



- Listing on Stock Exchanges : The Bombay Stock Exchange Limited, Mumbai
The National Stock Exchange of India Limited, Mumbai
The company has paid the listing fee for 2017-18.
- Stock Code : JAGSNPHARM EQ at NSE and 507789 at BSE
ISIN No. for NSDL & CDSL : INE048B01027

Address for correspondence and Registrar and Transfer Agents

The company has appointed M/s. MCS Share Transfer Agent Limited as Registrar and Share Transfer Agents. For matters related to the shares following may be contacted.

**Company Secretary
Jagsonpal Pharmaceuticals Ltd.
T-210 J, Shahpur Jat,
New Delhi 110049.**

MCS Share Transfer Agent Limited
Unit: Jagsonpal Pharmaceuticals Ltd.
F-65, Okhla Industrial Area, Ph. -I
New Delhi 110020.

- **SEBI Complaints redress systems (SCORES):**

The investor complaints are processed in a centralized web-based complaints redressal systems. The salient features of this systems are: Centralised database of all complaints, online upload of Action Taken reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and its current status.

- **Designated Exclusive email-id:**

The Company has designated the following email-ids exclusively for investor servicing.

For Queries on in respect of shares in physical mode, Annual Reports, Dividend etc.

cs@jagsonpal.com

sagar@jagsonpal.com

- **Distribution of shareholding as on 31.03.2017**

| Range (Shares) | Number of Shareholders | Percentage of Shareholders | Number of Shares | Percentage of Shareholding |
|----------------|------------------------|----------------------------|------------------|----------------------------|
| 1 – 500 | 7654 | 71.280 | 1280573 | 4.888 |
| 501 – 1000 | 2046 | 19.054 | 1674781 | 6.392 |
| 1001 – 10000 | 515 | 4.796 | 812594 | 3.102 |
| 10001 – 20000 | 464 | 4.321 | 1909725 | 7.289 |
| 20001 & above | 59 | 0.549 | 20520327 | 78.329 |

- **Dematerialisation of Securities**

Shares of the Company are actively traded on the Stock Exchange, Mumbai and the National Stock Exchange of India Limited. Approximately 97.33% of the Company's total shares have been dematerialized. (NSDL 87.88 % & CDSL 9.45% as at 31.03.2017)

Action required regarding non-receipt of dividend

In case of non receipt of dividend warrants, members are to correspond with the Company's Registrar / Registrar of Companies as mentioned hereinunder:

| Dividend for | Contact Office | Action to take |
|--------------------|---|---|
| 2009-10 to 2015-16 | MCS Share Transfer Agent Limited | Letter on plain paper |
| 1986-87 to 1991-92 | Not applicable due to non declaration of dividend | |
| 1991-92 to 2008-09 | Balance remaining in the unpaid dividend accounts of respective years has been transferred to IEPF, Central Government | Balance remaining in the unpaid dividend accounts of respective years has been transferred to IEPF, Central Government) Matter to be taken up with Ministry of Company Affairs Central Government |

- i) Pursuant to the provisions of the Companies Act, all unclaimed dividend pertaining to the Company remaining unpaid or unclaimed for the period of 7 years from the date of became due for payment, have been transferred to the Investor Education Fund established by Central Government.

Plant Location

20 K. M. Mathura Road, Post Office Amar Nagar
Faridabad, Haryana – 121 003

Address for Correspondence

The Company Secretary
Jagsonpal Pharmaceuticals Limited
T-210 J, Shahpur Jat, New Delhi – 110003
Phone : 011-46181100 & 46109900, Fax : 011 – 26498341, E-mail : cs@jagsonpal.com

Other facilities: Shareholders, who hold shares in single name wish to make / change the nomination in respect of their shares as permitted under Section 109A of the Act, may submit to the registrar the prescribed Form 2B

Bank details : Shareholders, are requested to notify /send the following to the Company's registrar to facilitate better service.

- (i) Any change in their address / mandate / bank details; and
- (ii) Particulars of the bank account in which they wish their dividend to be credited, in case not furnished earlier.

Shareholders are advised that respective bank details and address as furnished by the Company will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

In accordance with Regulation 26(3) of the SEBI Listing Obligations & Disclosures Requirements (LODR), Regulations, 2015. I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the year ended 31st March 2017.

For and on behalf of the Board of Directors
For JAGSONPAL PHARMACEUTICALS LIMITED
RAJAPAL SINGH KOCHHAR
Chairman & Mg. Director
(DIN 00059492)

Place : New Delhi
Dated : 28th May, 2017

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Jagsonpal Pharmaceuticals Limited

We have examined the compliance of conditions of Corporate Governance by Jagsonpal Pharmaceuticals Limited, for the year ended March 31, 2017 as stipulated in respective regulations and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing regulations, 2015.

We 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 P.P. Thukral & Co.
Chartered Accountants
Firm's registration Number :000632N
(Suresh Sethi)

Place: New Delhi
Date:28th May 2017

Partner
Membership Number : 089318

Independent Auditor's Report**To The Members Jagsonpal Pharmaceuticals Limited Report on the Financial Statements**

We have audited the accompanying financial statements of **Jagsonpal Pharmaceuticals Limited** ('the Company'), which comprises the balance sheet as at 31 March 2017, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated 134(5) of the Companies Act, 2013 (the Act") with respect to the preparation of these financial statements to 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 the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

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

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

reasonableness of the accounting estimates made by the Company's 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, of the state of affairs of the Company as at March 31, 2017 and its profit and its 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, 2016, issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as It appears from our examination of those books.
- (c) The Balance Sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its financial statements in Note no. 23 of the financial statements;
- ii. The Company did not have any long term contracts including derivative contracts as at March 31, 2017.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
- iv. The Company has provided requisite disclosures in its financial statement as to holdings as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For P. P. THUKRAL & Co.
Chartered Accountants
FRN: 000632N
SURESH SETHI
Partner
M. No. : 089318

Place: New Delhi
 Date: 28/05/2017

Annexure B to Independent Auditor's

Referred to the Independent Auditors' report of even date to the members of **Jagsonpal Pharmaceuticals Limited** on the financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause(i) of Sub-section 3 of section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Jagsonpal Pharmaceuticals Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the

Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. "Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that
 - (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P. P. THUKRAL & Co.
Chartered Accountants
FRN: 000632N
SURESH SETHI
Partner
M. No. : 089318

Place: New Delhi
 Date: 28/05/2017

Annexure A to Independent Auditor's Report

Referred to the Independent Auditor's Report of even date to the members of Jagsonpal Pharmaceuticals Limited on the financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 9 on fixed assets to the financial statements, are held in the name of the Company.

- ii. The inventory has been physically verified by the Management during the year. In respect of inventory lying with third parties, to the extent, such inventories have not been physically verified by the management, such inventories have been substantially confirmed by the third parties. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii) (b) and (iii) (c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 as prescribed by the Central government for the maintenance of cost records under Section 148 (I) of the Act relating to the manufacture of Bulk Drugs and pharmaceuticals specialties and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained, We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, income tax and value added tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of duty of customs which have not been deposited on account of any dispute. The particulars of dues as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

ANNEXURE OF CASES PENDING WITH VAT/SALES TAX AND OTHER LAWS

| <u>Nature of the statute</u> | <u>Nature of dues</u> | <u>Amount</u> | <u>Period to which the amount relates</u> | <u>Forum where the dispute is pending</u> |
|------------------------------|-----------------------|---------------|---|---|
| Vat/Sales Tax Chennai | Demand | 4228435.00 | 2008-2009 | Sales Tax Authority |
| -----do----- | ---do--- | 6154874.00 | 2009-2010 | -----do----- |
| -----do----- | ---do--- | 6445289.00 | 2010-2011 | -----do----- |
| -----do----- | ---do--- | 1964604.00 | 2011-2012 | -----do----- |
| Vat/Sales Tax Kolkata | Demand | 2904851.00 | 2008-2009 | -----do----- |
| -----do----- | ---do--- | 1670707.00 | 2009-2010 | -----do----- |
| -----do----- | ---do--- | 14527.00 | 2010-2011 | -----do----- |
| -----do-----Pune | ---do--- | 87070.00 | 2002-2003 | -----do----- |
| | | 23470357.00 | | |

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and Governments. Therefore, paragraph 3 (viii) of the Order is not applicable.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally, accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a nidhi company and the nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related

parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For P. P. THUKRAL & Co.
Chartered Accountants
FRN: 000632N
SURESH SETHI
Partner
M. No. : 089318

Place: New Delhi
 Date: 28/05/2017

Balance Sheet as at 31 March, 2017

| Particulars | Note No. | As at 31.03.2017 ₹ Lakhs | As at 31.03.2016 ₹ Lakhs |
|------------------------------------|--------------|--------------------------------|--------------------------------|
| A EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 1 | 1,309.90 | 1,309.90 |
| (b) Reserves and surplus | 2 | 9,681.49 | 8,526.55 |
| | | <u>10,991.39</u> | <u>9,836.45</u> |
| 2 Non-current liabilities | | | |
| (a) Long-term borrowings | 3 | 0.00 | 0.00 |
| (b) Deferred tax liabilities (net) | 4 | 326.13 | 360.86 |
| | | <u>326.13</u> | <u>360.26</u> |
| 3 Current liabilities | | | |
| (a) Short-term borrowings | 5 | 792.81 | 3,849.27 |
| (b) Trade payables | 6 | 898.23 | 972.68 |
| (c) Other current liabilities | 7 | 711.67 | 661.30 |
| (d) Short-term provisions | 8 | 540.90 | 247.63 |
| | | <u>2,943.61</u> | <u>5,730.87</u> |
| | TOTAL | <u>14,261.13</u> | <u>15,928.18</u> |
| B ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Fixed assets | | | |
| (i) Tangible assets | 9 | 2,156.48 | 5,158.41 |
| (ii) Capital work in progress | | 0.00 | 0.00 |
| (iii) Intangible assets | 9 | 3.00 | 3.00 |
| (b) Non-current investments | 10 | 0.05 | 0.05 |
| (c) Long-term loans and advances | 11 | 1,090.16 | 670.89 |
| | | <u>3,249.69</u> | <u>5,832.35</u> |
| 2 Current assets | | | |
| (a) Inventories | 12 | 4,761.91 | 3,983.75 |
| (b) Trade receivables | 13 | 3,941.29 | 4,169.02 |
| (c) Cash and cash equivalents | 14 | 2,005.95 | 1,553.33 |
| (d) Short-term loans and advances | 15 | 302.29 | 389.73 |
| | | <u>11,011.44</u> | <u>10,095.83</u> |
| | TOTAL | <u>14,261.13</u> | <u>15,928.18</u> |

See accompanying notes forming
part of the financial statements

1 to 23

In terms of our report attached.
For P P Thukral and Co.

Chartered Accountants
FRN. No. 000632N

Suresh Sethi
Partner

M.No. 89318
Place : New Delhi
Date : 28/5/2017

For and on behalf of the Board of Directors

R. P. S. Kochhar DIN 00059494
Chrmn & Managing Director

Govind Deo DIN 00521939
Bharat Singh DIN 00347364

Dr. Ishpal Singh Ghai DIN 06551659
Directors

S.K. Dudeja
Chief Financial Officer

R.K. Kapoor
Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2017

| Particulars | Note No. | For the year ended 31.03.2017 ₹ Lakhs | For the year ended 31.03.2016 ₹ Lakhs |
|---|----------|---|---|
| 1 Revenue from operations (gross) | 16 | 14507.20 | 14418.92 |
| Less: Excise duty | 16 | 120.16 | 70.13 |
| Revenue from operations (net) | | 14387.04 | 14348.79 |
| 2 Other income | 17 | 46.89 | 65.64 |
| 3 Total revenue | | 14433.93 | 14414.42 |
| 4 Expenses | | | |
| (a) Cost of materials consumed | 18 | 5,387.47 | 5,627.89 |
| (b) Purchases of stock-in-trade | 18 | 1,346.42 | 906.68 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 18 | -838.92 | -622.24 |
| (d) Employee benefits expense | 19 | 4095.20 | 3783.71 |
| (e) Finance costs | 20 | 264.48 | 529.70 |
| (f) Depreciation and amortisation expense | 9 | 199.40 | 309.36 |
| (g) Other expenses | 21 | 3820.02 | 3471.80 |
| Total expenses | | 14,274.07 | 14,006.90 |
| 5 Profit / (Loss) before tax, exceptional items | | 159.86 | 407.53 |
| 6 Exceptional items | 17a | 1279.81 | - |
| 5 Profit / (Loss) before tax | | 1,439.67 | 407.53 |
| 6 Tax expense: | | | |
| (a) Current tax expense for current year | | 287.93 | 81.51 |
| (c) Deferred tax | | -34.73 | 0.60 |
| | | 253.20 | 82.11 |
| 7 Profit for the year | | 1,186.47 | 325.42 |
| 8 Earnings per share (of ₹5/- each): | | | |
| (a) Basic | | | |
| (i) Continuing operations | 22 | 4.53 | 1.24 |
| (ii) Total operations | 22 | 4.53 | 1.24 |
| See accompanying notes forming part of the financial statements | 1 to 23 | | |

In terms of our report attached.

For P P Thukral and Co.Chartered Accountants
FRN. No. 000632N**Suresh Sethi**
PartnerM.No. 89318
Place : New Delhi
Date : 28/5/2017**For and on behalf of the Board of Directors****R. P. S. Kochhar** DIN 00059494
Chrmn & Managing Director**Govind Deo** DIN 00521939
Bharat Sinh DIN 00347364**Dr. Ishpal Singh Ghai** DIN 06551659
Directors**S.K. Dudeja**
Chief Financial Officer**R.K. Kapoor**
Company Secretary

Cash Flow Statement for the year ended 31 March, 2017

| Particulars | For the year ended 31 March, 2017 | | For theyear ended 31 March, 2016 | |
|--|--------------------------------------|----------------|-------------------------------------|---------------|
| | ₹ Lakhs | ₹ Lakhs | ₹ Lakhs | ₹ Lakhs |
| A. Cash flow from operating activities | | | | |
| Net Profit / (Loss) before extraordinary items and tax | | 1,439.67 | | 407.53 |
| <i>Adjustments for:</i> | | | | |
| Depreciation and amortisation | 199.40 | | 309.36 | |
| Profit/Loss on sale/written off assets | -1279.81 | | | |
| Finance costs | 264.48 | | 529.70 | |
| Misc income | 46.89 | | -65.54 | |
| | -862.81 | -862.81 | | 773.42 |
| Operating profit / (loss) before working capital changes | | 576.87 | | 1,180.95 |
| <i>Changes in working capital:</i> | | | | |
| <i>Adjustments for (increase) / decrease in operating assets:</i> | | | | |
| Inventories | 778.16 | | 677.55 | |
| Trade receivables | -227.73 | | -319.86 | |
| Short-term loans and advances | -87.44 | | 107.11 | |
| Long-term loans and advances | 419.27 | -882.26 | 24.27 | -489.07 |
| <i>Adjustments for increase / (decrease) in operating liabilities:</i> | | | | |
| Trade payables | -74.45 | | 185.78 | |
| Other current liabilities | 50.37 | | 36.85 | |
| Other long-term liabilities | 0.00 | | 0.00 | |
| Short-term provisions | 293.27 | | 0.00 | |
| | | <u>269.19</u> | | |
| | | -613.07 | | -409.39 |
| Cash generated from operations | | -36.22 | | 985.35 |
| Net income tax (paid) / refunds | | -287.93 | | -81.51 |
| Net cash flow from / (used in) operating activities (A) | | <u>-324.15</u> | | <u>903.85</u> |
| B. Cash flow from investing activities | | | | |
| Capital expenditure on fixed assets | 257.92 | | 274.88 | |
| Proceeds from sale of fixed assets | -4340.27 | | - | |
| - Others | -46.89 | | -65.64 | 209.24 |
| | -4,129.24 | -4,129.24 | | |
| Net cash flow from / (used in) investing activities (B) | | -4,129.24 | | 209.24 |

C. Cash flow from financing activities

| | | | | |
|---|------------------|------------------|----------------|----------|
| Net increase / (decrease) in working capital borrowings | -3,035.32 | | -247.59 | |
| Proceeds from other short-term borrowings | -21.14 | | 165.81 | |
| Repayment of other short-term borrowings | | | | |
| Finance cost | -264.48 | | -529.70 | |
| Dividends paid | -26.20 | | -26.20 | |
| Tax on dividend | -5.33 | | -5.33 | |
| | -3,352.47 | -3,352.47 | -643.01 | -643.01 |
| Cash flow from extraordinary items | | | | |
| Net cash flow from / (used in) financing activities (C) | | -3,352.47 | | -643.01 |
| Net increase / (decrease) in Cash and cash equivalents (A+B+C) | | 452.62 | | 51.59 |
| Cash and cash equivalents at the beginning of the year | | 1553.33 | | 1501.74 |
| Effect of exchange differences on restatement of foreign currency Cash and cash equivalents | | | | |
| Cash and cash equivalents at the end of the year | | 2,005.95 | | 1,553.33 |
| See accompanying notes forming part of the financial statements | | | | |

In terms of our report attached.

For P P Thukral and Co.

Chartered Accountants

FRN. No. 000632N

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 28/5/2017

For and on behalf of the Board of Directors

R. P. S. Kochhar DIN 00059494

Chrmn & Managing Director

Govind Deo DIN 00521939

Bharat Sinh DIN 00347364

Dr. Ishpal Singh Ghai DIN 06551659

Directors

S.K. Dudeja

Chief Financial Officer

R.K. Kapoor

Company Secretary

Significant Accounting Policies

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

C. Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalised.

D. Intangible Assets

Intangible Assets are stated at cost of acquisition.

E. Depreciation and Amortisation

Depreciation on fixed assets is provided as per Schedule II of the Companies Act, 2013. Leasehold land is not amortised.

F. Impairment of Assets

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

G. Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- (c) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

H. Investments

Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

I. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, packing materials, trading and other products are determined on weighted average basis.

J. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, excise duty, adjusted for discounts (net), goods returned and breakages and expiry. Dividend income is recognized when received. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

K. Excise Duty

Excise duty is accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in bonded warehouses.

L. Employee Benefits

- (i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

M. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

N. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date.

O. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Notes forming part of the financial statements

| Particulars | As at 31.03.2017 ₹ Lakhs | As at 31.03.2016 ₹ Lakhs |
|---|--------------------------------|--------------------------------|
| Note 1 Share capital | | |
| (a) Authorised | | |
| 3,00,00,000 Equity shares of Rs. 5 each with voting rights | 1500.00 | 1500.00 |
| 2,00,00,000 Equity shares of Rs. 5 each with differential voting rights | 1000.00 | 1000.00 |
| | <u>2500.00</u> | <u>2500.00</u> |
| (b) Issued, Subscribed and fully paid up | | |
| 2,61,98,000 Equity shares of Rs. 5 each with voting rights | 1309.90 | 1309.90 |
| Total | <u>1,309.90</u> | <u>1,309.90</u> |
| Details of persons holding more than 5% Equity shares | | |
| Body Corporate: Aresko Progressive Pvt. Ltd. Equity Shares 17215254 | 65.71% | |
| Note 2 Reserves and Surplus | | |
| (a) Securities premium account | | |
| Opening balance | 60.00 | 60.00 |
| Closing balance | <u>60.00</u> | <u>60.00</u> |
| (b) Revaluation reserve | | |
| Opening balance | 783.92 | 783.92 |
| Closing balance | <u>783.92</u> | <u>783.92</u> |
| (c) General reserve | | |
| Opening balance | 4,160.36 | 4,140.36 |
| Add: Transferred from surplus in Statement of Profit and Loss | 20.00 | 20.00 |
| Closing balance | <u>4,180.36</u> | <u>4,160.36</u> |
| (d) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | 3,522.27 | 3,248.38 |
| Add: Profit / (Loss) for the year | 1,186.47 | 325.42 |
| Amounts transferred: | | |
| Dividends proposed to be distributed to equity shareholders (₹0.10 per share) | 26.20 | 26.20 |
| Tax on dividend | 5.33 | 5.33 |
| Transferred to: | | |
| General reserve | 20.00 | 20.00 |
| Closing balance | <u>4,657.21</u> | <u>3,522.27</u> |
| Total | <u>9,681.49</u> | <u>8,526.55</u> |

| Particulars | As at 31.03.2017 ₹ Lakhs | As at 31.03.2016 ₹ Lakhs |
|---|--------------------------------|--------------------------------|
| Note 3 Long-term borrowings | | |
| (a) Deposits | 0 | 0 |
| Unsecured, due for more than one year. | | |
| Intt @ 10 % p.a.(pr year 10% p.a.) | <u>0</u> | <u>0</u> |
| Note 4 Deferred tax liability / asset | | |
| Tax effect of items constituting deferred tax liability | | |
| On difference between book balance and tax | 326.13 | 360.86 |
| balance of fixed assets | | |
| Total | <u>326.13</u> | <u>360.86</u> |
| Note 5 Short-term borrowings | | |
| (a) Loans repayable on demand | | |
| From banks | | |
| cash credit facility from banks secured | 0.04 | 3,035.36 |
| by hypothecation of book debts and | | |
| inventories comprising of raw materials, | | |
| work in process and finished goods | | |
| (b) Unsecured Loans(from directors) | 792.77 | 813.91 |
| Total | <u>792.81</u> | <u>3,849.27</u> |
| Note 6 Trade payables | | |
| Trade payables: | | |
| Acceptances | 201.33 | 282.38 |
| Other than Acceptances includes | 696.90 | 690.30 |
| MSM enterprises Rs. 29 lakhs | | |
| Total | <u>898.23</u> | <u>972.68</u> |
| Note 7 Other current liabilities | | |
| (a) Interest accrued but not due on borrowings | 0.00 | 0.00 |
| (b) Other payables | | |
| (i) Trade/security deposits received | 73.99 | 73.99 |
| (ii) Others (includes Statutory remittances, | 637.68 | 587.31 |
| Contributions to PF and ESIC, | | |
| Withholding Taxes, VAT, etc.) | | |
| Total | <u>711.67</u> | <u>661.30</u> |
| Note 8 Short-term provisions | | |
| (b) Provision - Others: | | |
| (i) Provision for tax | 509.37 | 216.10 |
| (ii) Provision for proposed equity dividend | 26.20 | 26.20 |
| (iii) Provision for tax on proposed dividends | 5.33 | 5.33 |
| Total | <u>540.90</u> | <u>247.63</u> |

Note 9 Fixed assets

| A. Tangible assets Own | Gross block | | | | | ₹ Lakhs |
|-------------------------|-------------------------|-----------|-----------|----------------------------|-------------------|-------------------------|
| | Balance as at 1.04.2016 | Additions | Disposals | Borrowing cost capitalised | Other adjustments | Balance as at 31.3.2017 |
| (a) Land | | | | | | |
| Freehold | 875.94 | 0.00 | | | | 875.94 |
| Leasehold* | 428.06 | 0.00 | 428.06 | | | 0.00 |
| (b) Buildings | 2,911.66 | 23.95 | 1,556.40 | | | 1,379.22 |
| (c) Plant and Equipment | 2,350.80 | 170.06 | 1,240.93 | | | 1,279.94 |
| (d) Vehicles | 221.48 | 0.00 | | | | 221.48 |
| (e) Other assets* | 2,244.45 | 63.90 | 780.24 | | | 1,528.11 |
| Total | 9,032.40 | 257.92 | 4,005.63 | | - | 5,284.68 |
| Previous year | 8,757.52 | 274.88 | | | | 9,032.40 |

* includes Furniture and fixtures and office equipment

| | Accumulated Depreciation & Impairment | | | Net block | | |
|-------------------------|---------------------------------------|--|----------------------------------|-------------------------|-------------------------|-------------------------|
| | Balance as at 1.4.2016 | Depreciation/impairment expense for the year | Eliminated on disposal of assets | Balance as at 31.3.2017 | Balance as at 31.3.2017 | Balance as at 31.3.2016 |
| (a) Land | | | | | | |
| Freehold | | | | | 875.94 | 875.94 |
| Leasehold* | | | | | 0.00 | 428.06 |
| (b) Buildings | 930.74 | 45.08 | 375.58 | 600.24 | 779.08 | 1,980.92 |
| (c) Plant and Equipment | 1286.59 | 72.43 | 301.02 | 1058.00 | 221.93 | 1,064.21 |
| (d) Vehicles | 215.54 | 0.00 | 0.00 | 215.54 | 5.94 | 5.94 |
| (e) Other assets | 1440.99 | 81.89 | 268.46 | 1254.42 | 273.69 | 803.47 |
| Total | 3,873.86 | 199.40 | 945.06 | 3,128.20 | 2,156.48 | 5,158.41 |
| Previous Year | 3,564.50 | 309.36 | | 3,873.86 | 5,158.41 | 5,193.03 |

31st March, 2016 31st March, 2015
₹ Lakhs ₹ Lakhs

B. Intangible assets

(a) Goodwill

3.00 3.00**Total**3.00 3.00**C. Depreciation and amortisation relating to continuing operations:**

Depreciation and amortisation for the year on tangible assets as per Note 9

199.40 309.36

Less: Utilised from revaluation reserve

0.00 0.00

Depreciation and amortisation relating to continuing operations

199.40 309.36

| Particulars | As at 31 March 2017 | | As at 31 March 2016 | |
|--|------------------------|------------------------|------------------------|------------------|
| | Quoted ₹ Lakhs | Total ₹ Lakhs | Quoted ₹ Lakhs | Total ₹ Lakhs |
| Note 10 Non-current investments | | | | |
| <u>Other investments</u> (Quoted) | | | | |
| Investment in equity instruments of other entities (1043 fully paid shares of Sun Pharmaceuticals Limited) | | 0.05 | | 0.05 |
| Total | | <u>0.05</u> | | <u>0.05</u> |
| Aggregate market value of listed and quoted investments | | 7.71 | | 8.84 |
| Note 11 Long-term loans and advances | | | | |
| Unsecured and considered good | | | | |
| (a) Security deposits | | 71.84 | | 68.09 |
| (b) Advance income tax | | 1018.32 | | 602.80 |
| Total | | <u>1,090.16</u> | | <u>670.89</u> |
| Note 12 Inventories | | | | |
| (At lower of cost and net realisable value) | | | | |
| (a) Raw materials | | 297.36 | | 358.12 |
| (b) Work-in-progress | | 747.54 | | 1017.66 |
| (c) Finished goods | | 3717.01 | | 2607.97 |
| Total | | <u>4,761.91</u> | | <u>3,983.75</u> |
| Note 13 Trade Receivables | | | | |
| Trade receivables outstanding for a period exceeding six months from the date they were due for payment | | | | |
| Secured, considered good | | 158.96 | | 195.85 |
| Doubtful | | 0.00 | | 0.00 |
| | | <u>158.96</u> | | <u>195.85</u> |
| Less: Provision for doubtful trade receivables | | 0.00 | | 0.00 |
| | | 158.96 | | 195.85 |
| Other Trade receivables | | | | |
| Secured, considered good | | 3,782.33 | | 3,973.17 |
| Less : Provision for doubtful trade receivables | | 0.00 | | 0.00 |
| Total | | <u>3,941.29</u> | | <u>4,169.02</u> |

| Particulars | As at 31 March, 2017 ₹ Lakhs | As at 31 March, 2016 ₹ Lakhs |
|--|---------------------------------|---------------------------------|
| Note 14 Cash and cash equivalents | | |
| (a) Cash in hand | 28.88 | 29.21 |
| (c) Balances with banks | | |
| (i) In current accounts | 927.75 | 1,452.58 |
| (ii) In deposit accounts (maturity less than 12 months) | 1,049.32 | 71.54 |
| Total | <u>2,005.95</u> | <u>1,553.33</u> |
| Note 15 Short-term loans and advances | | |
| (a) Balances with government authorities | 209.58 | 232.13 |
| (b) Others includes staff advances, prepaid expenses and earnest money | 92.71 | 157.60 |
| Total | <u>302.29</u> | <u>389.73</u> |
| Note 16 Revenue from operations | | |
| (a) Sale of products (Refer Note (i) below) | 14507.20 | 14418.92 |
| (b) <u>Less:</u> Excise duty | 120.16 | 70.13 |
| Total | <u>14,387.04</u> | <u>14,348.79</u> |
| (i) Sale of products comprises : | | |
| Capsules | 4771.73 | 3849.58 |
| Tablets | 4047.35 | 3466.65 |
| Syrups | 1667.69 | 1934.19 |
| Ampoules | 2496.71 | 3815.51 |
| Vials | 22.11 | 40.24 |
| Ointments | 507.41 | 331.02 |
| Bulk drugs and intermediates | 864.43 | 903.13 |
| Dry powder | 90.51 | 31.13 |
| Infusion | 39.26 | 46.83 |
| Total | <u>14507.20</u> | <u>14418.28</u> |

| Note 17 Other income | | |
|--|--|--|
| Particulars | For the year ended 31 March, 2017 ₹ Lakhs | For the year ended 31 March, 2016 ₹ Lakhs |
| (a) Interest income (Refer Note (i) below) | 12.61 | 6.34 |
| (b) Dividend income: (from long-term investments) | 0.02 | 0.03 |
| (c) Other operating income (net of expenses directly attributable to such income) | 34.26 | 59.26 |
| Total | 46.89 | 65.63 |
| | | |
| (i) Interest income comprises: | | |
| Interest from banks on: deposits | 12.51 | 5.74 |
| Other interest | 0.10 | 0.60 |
| Total - Interest income | 12.61 | 6.34 |
| | | |
| Note17(a) Other Income | | |
| Other non-operating income comprises: Exceptional items | | |
| Profit on sales of assets | <u>1279.81</u> | <u>0.00</u> |
| Total | 1279.81 | 0.00 |
| | | |
| Note18.a Cost of materials consumed | | |
| Opening stock | 358.12 | 302.80 |
| Add: Purchases | 5,326.71 | 5683.21 |
| | 5,684.83 | 5986.01 |
| Less: Closing stock | 297.36 | 358.12 |
| Cost of material consumed | 5,387.47 | 5627.89 |
| Material consumed comprises: | | |
| Others | 5,387.47 | 5,627.89 |
| Total | 5,387.47 | 5,627.89 |
| | | |
| Note 18.b Purchase of traded goods | | |
| Capsules | 648.37 | 416.53 |
| Tablets | 385.76 | 224.11 |
| Syrups | 150.38 | 199.72 |
| Ampoules | 38.73 | 0.00 |
| Vials | 0.00 | 0.00 |
| Ointments | 73.97 | 13.41 |
| Dry powder | 27.64 | 18.14 |
| Infusion | 21.57 | 34.77 |
| Total | 1,346.42 | 906.68 |

| Particulars | For the year ended 31 March, 2017 ₹ Lakhs | For the year ended 31 March, 2016 ₹ Lakhs |
|--|---|---|
| Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade | | |
| <u>Inventories at the end of the year:</u> | | |
| Finished goods | 3,717.01 | 2,607.97 |
| Work-in-progress | 747.54 | 1,017.66 |
| | 4464.55 | 3625.63 |
| <u>Inventories at the beginning of the year:</u> | | |
| Finished goods | 2,607.97 | 2,424.40 |
| Work-in-progress | 1,017.66 | 578.99 |
| | 3625.63 | 3003.39 |
| Net (increase) / decrease | -838.92 | -622.24 |
| Note 19 Employee benefits expense | | |
| Salaries and wages | 3851.93 | 3503.09 |
| Contributions to provident and other funds (Refer Note 22) | 179.37 | 197.70 |
| Staff welfare expenses | 63.90 | 82.92 |
| Total | 4095.20 | 3783.71 |
| Employee benefit plans | | |
| a. Defined contribution plans | | |
| The Company makes Provident Fund and Pension fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 179.37 lakhs (Year ended 31 March 2016 ₹ 197.70 lakhs) for Provident Fund and pension fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. | | |
| b. Defined benefit plans | | |
| The Company offers the following employee benefit schemes to its employees: | | |
| i. Gratuity | | |
| The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements. | | |
| Particulars | Year ended 31 March 2017 Gratuity ₹ lakhs | Year ended 31 March 2016 Gratuity ₹ lakhs |
| Components of employer expense | | |
| Current service cost | 22.75 | 18.90 |
| Interest cost | 21.22 | 20.89 |
| Expected return on plan assets | (36.84) | (33.37) |
| Actuarial losses/(gains) | (12.06) | (3.14) |
| Total expense recognised in the Statement of Profit and Loss | (4.94) | 29.28 |
| Actual contribution and benefit payments for year | | |
| Actual benefit payments | 4.10 | 0.00 |
| Actual contributions | 19.25 | 10.75 |

| | | |
|--|-----------------|----------------|
| Net asset/(liability) recognised in the Balance Sheet | | |
| Present value of defined benefit obligation | | |
| Fair value of plan assets | 293.04 | 265.24 |
| Funded status [Surplus/(deficit)] | 484.77 | 432.78 |
| Unrecognised past service costs | 191.74 | 167.53 |
| Net asset/(liability) recognised in the Balance Sheet | 191.74 | 167.53 |
| Change in defined benefit obligations (DBO) during the year | | |
| Present value of DBO at beginning of the year | 265.24 | 261.16 |
| Current service cost | 30.63 | 18.90 |
| Interest cost | 13.34 | 20.89 |
| Actuarial (gains)/losses | (12.06) | (3.57) |
| Benefits paid | (4.10) | 0.00 |
| Present value of DBO at the end of the year | 293.04 | 265.24 |
| Change in fair value of assets during the year | | |
| Plan assets at beginning of the year | 432.77 | 388.66 |
| Acquisition adjustment | - | - |
| Expected return on plan assets | 36.84 | 33.36 |
| Actual company contributions | 19.25 | 10.74 |
| Actuarial gain/(loss) | (4.20) | (3.57) |
| Benefits paid | - | - |
| Plan assets at the end of the year | 484.77 | 432.78 |
| Actual return on plan assets | 36.84 | 31.40 |
| Actuarial assumptions | | |
| Discount rate | 8.00% | 8.00% |
| Salary escalation | 6.00% | 6.00% |
| Note 20 Finance costs | | |
| (a) Interest expense on: | | |
| (i) Borrowings | 250.29 | 510.71 |
| (b) Other borrowing costs | 14.19 | 18.99 |
| Total | 264.48 | 529.70 |
| Note 21 Other expenses | | |
| Consumption of stores and spare parts | 37.39 | 29.28 |
| Power and fuel | 212.21 | 225.57 |
| Rent including lease rentals | 148.33 | 187.78 |
| Repairs and maintenance - Buildings | 11.19 | 34.59 |
| Repairs and maintenance - Machinery | 0.27 | 1.77 |
| Repairs and maintenance - Others | 84.73 | 104.15 |
| Insurance | 57.47 | 65.37 |
| Rates and taxes | 17.88 | 3.06 |
| Travelling and conveyance | 1,414.41 | 1,099.55 |
| Freight and forwarding | 417.34 | 429.98 |
| Sales administration expenses | 957.08 | 866.28 |
| Donations and contributions | 2.62 | 2.05 |
| Payments to auditors (Refer Note (i) below) | 6.00 | 5.54 |
| Miscellaneous expenses | 453.10 | 416.84 |
| Total | 3820.02 | 3471.80 |

| Particulars | For the year ended 31 March, 2017 ₹ Lakhs | For the year ended 31 March, 2016 ₹ Lakhs |
|--|---|---|
| Payments to the auditors comprises : | | |
| Statutory audit | 1.75 | 1.75 |
| Cost audit | 1.75 | 1.00 |
| Reimbursement of expenses | 2.50 | 2.79 |
| Total | 6.00 | 5.54 |
| Note 22 Disclosures under Accounting Standards | | |
| Earnings per share | | |
| Basic | | |
| <u>Continuing operations</u> | | |
| Net profit / (loss) for the year from continuing operations | 1,186.47 | 325.42 |
| Net profit / (loss) for the year from continuing operations attributable to the equity shareholders | 1,186.47 | 325.42 |
| Weighted average number of Equity Shares | 261.98 | 261.98 |
| Par value per share | 5 | 5 |
| Earnings per share from continuing operations - Basic | 4.53 | 1.24 |
| <u>Total operations</u> | | |
| Net profit / (loss) for the year | 1,186.47 | 325.42 |
| Net profit / (loss) for the year attributable to the equity shareholders | 1,186.47 | 325.42 |
| Weighted average number of equity shares | 261.98 | 261.98 |
| Par value per share | 5 | 5 |
| Earnings per share - Basic | 4.53 | 1.24 |
| <u>Basic (excluding extraordinary items)</u> | | |
| <u>Continuing operations</u> | | |
| Net profit / (loss) for the year from continuing operations | 1186.47 | 325.42 |
| (Add) / Less: Extraordinary items (net of tax) relating to continuing operations | | |
| Net profit / (loss) for the year from continuing operations attributable to the equity shareholders, excluding extraordinary items | 1186.47 | 325.42 |
| Weighted average number of equity shares | 261.980 | 261.98 |
| Par value per share | 5 | 5 |
| Earnings per share from continuing operations, excluding extraordinary items - Basic | 4.53 | 1.24 |
| <u>Total operations</u> | | |
| Net profit / (loss) for the year | 1186.47 | 325.42 |
| (Add) / Less: Extraordinary items (net of tax) | | |
| Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items | 0.00 | 0.00 |
| Weighted average number of equity shares | 1186.47 | 325.42 |
| Par value per share | 261.98 | 261.98 |
| Earnings per share, excluding extraordinary items - Basic | 5 | 5 |
| | 4.53 | 1.24 |

| Particulars | For the year ended 31 March, 2017 ₹ Lakhs | For the year ended 31 March, 2016 ₹ Lakhs | |
|---|---|---|--|
| Note 23 Additional information to the financial statements | | | |
| Contingent liabilities and commitments (to the extent not provided for) | | | |
| (i) Contingent liabilities | 234.70 | 312.54 | |
| Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 | | | |
| (i) Principal amount remaining due and unpaid to any supplier as at the end of the accounting year | 29 | 36 | |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | 0 | 0 | |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | 0 | 0 | |
| (iv) The amount of interest due and payable for the year | 0 | 0 | |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | 0 | 0 | |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | 0 | 0 | |
| <p>Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.</p> | | | |
| Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges | | | |
| <p>Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:</p> | | | |
| Name of the party | Relationship | Amount outstanding as at 31 March, 2017 | Maximum balance outstanding during the year |
| N.A. | N.A. | N.A. | N.A. |
| Value of imports calculated on CIF basis: | | | |
| Raw materials | 890.25 | 1187.43 | |
| Expenditure in foreign currency: | | | |
| Other matters | 38.83 | 31.03 | |

| Particulars | For the year ended 31 March, 2017 ₹ Lakhs | For the year ended 31 March, 2016 ₹ Lakhs | |
|---|---|---|--------------|
| Details of consumption of imported and indigenous items | | | |
| Imported | | | |
| Raw materials | 927.66 | 1140.33 | |
| Percentage | 15% | 21% | |
| Total | 927.66 | 1140.33 | |
| Indigenous | | | |
| Raw materials | 5306.23 | 4542.88 | |
| Percentage | 85% | 79% | |
| Total | 5306.23 | 4542.88 | |
| Earnings in foreign exchange | | | |
| Export of goods calculated on FOB basis | 1014.06 | 674.19 | |
| Segment information | | | |
| The Company has identified Pharmaceutical business segment as its primary segment | | | |
| Revenue | 14507.20 | 14,418.92 | |
| Profit before taxes | 1439.67 | 407.53 | |
| Tax expense | 253.20 | 82.10 | |
| Net profit for the year | 1186.47 | 325.42 | |
| Related party transactions | | | |
| | | Names of related parties | |
| (a) Details of related parties: | | | |
| Key Management Personnel (KMP) | | Mr. Rajpal Singh Kochhar | |
| Note: Related parties have been identified by the Management | | | |
| Details of related party transactions during the year ended 31 March, 2017 | | | |
| | | ₹ Lakhs | |
| | KMP | Relatives of KMP | Total |
| Remuneration | 76.86 | 18.08 | 94.96 |
| | (76.88) | (26.75) | (109.78) |
| Interest | 56.51 | | 56.51 |
| | (73.12) | | |
| Associate Companies M/s Naari Pharma Private Ltd. | | | |
| Purchase of products | 271.71 | | |
| Sale of products | 241.04 | | |
| Sale of fixed assets | 4744.05 | | |
| Note: Figures in brackets relates to the previous year | | | |
| Disclosure on SBN | | | |
| | SBN | Other denomination notes | Total |
| Closing cash in hand as on 08.11.2016 | 2575655.47 | 633758.72 | 3209403 |
| (+) Permitted receipts | | 2035502 | 2035502 |
| (-) Permitted payments | 68154.47 | 1697371.53 | 1765526 |
| (-) Amount deposited in Banks | 2507500 | 56500 | 2564000 |
| Closing cash in hand as on 31.12.2016 | 0 | 915389.19 | 915389.20 |
| Previous year's figures have been regrouped /reclassified wherever necessary. | | | |

Past Record

(Rs. in Lacs)

| Particulars | Financial Year Ending | | | | | | | | | | | | |
|--------------------------|-----------------------|---------|---------|------------------|-------------------|-------------------|---------|---------|-----------|----------|------------------|----------|------------------|
| | 03/1992 | 03/1993 | 03/1994 | 12/1994 (9 mths) | 12/1995 (12 mths) | 03/1997 (15 mths) | 03/1998 | 03/1999 | 03/2000 | 03/2001 | 09/2001 (6 mths) | 12/2002 | 03/2004 (6 mths) |
| Fixed Assets | 230.30 | 572.00 | 948.80 | 1101.01 | 1173.10 | 1424.40 | 1475.95 | 1583.51 | 1659.45 | 2816.91 | 2794.12 | 2845.60 | 3076.20 |
| Investments | 0.00 | 0.00 | 9.70 | 9.71 | 299.10 | 299.10 | 0.10 | 0.10 | 0.10 | 0.05 | 0.05 | 0.05 | 0.05 |
| Net Current Assets | 173.10 | 309.80 | 402.90 | 763.59 | 915.50 | 1196.60 | 1952.59 | 2744.99 | 3689.50 | 4465.56 | 4790.28 | 4223.88 | 4031.09 |
| Total Capital Employed | 403.30 | 881.80 | 1361.30 | 1874.98 | 2387.70 | 2921.10 | 3428.63 | 4328.60 | 5349.05 | 7282.52 | 7584.45 | 7069.53 | 7107.16 |
| Shareholders' Funds | 303.60 | 717.10 | 1183.20 | 1434.17 | 2018.50 | 2361.80 | 2810.68 | 3256.16 | 4066.42 | 6023.78 | 5919.38 | 6157.61 | 6601.21 |
| Sales | 2594.00 | 3448.00 | 4089.00 | 4125.75 | 5970.90 | 7561.20 | 7908.75 | 9146.08 | 111846.29 | 13651.87 | 5690.26 | 15446.93 | 17278.09 |
| Other income | 15.30 | 8.00 | 34.00 | 29.81 | 10.50 | 12.60 | 28.27 | 35.65 | 43.26 | 21.74 | 28.11 | 63.23 | 81.46 |
| Operating Profit | 171.00 | 343.40 | 501.90 | 558.28 | 984.90 | 1251.40 | 1216.83 | 1314.23 | 1852.59 | 1975.24 | 606.31 | 1435.74 | 1710.50 |
| Interest | 95.70 | 139.20 | 181.80 | 139.20 | 283.60 | 541.00 | 403.11 | 458.68 | 444.81 | 509.19 | 283.77 | 570.34 | 405.12 |
| Depreciation | 10.00 | 11.40 | 18.80 | 18.82 | 30.20 | 52.00 | 55.15 | 67.32 | 78.34 | 89.95 | 50.57 | 129.74 | 144.66 |
| Tax | 19.00 | 66.50 | 66.80 | 107.29 | 150.00 | 188.00 | 190.00 | 217.00 | 388.00 | 361.00 | 90.00 | 220.00 | 366.00 |
| Profit after Tax | 46.20 | 126.40 | 234.50 | 292.97 | 431.10 | 470.40 | 568.57 | 571.22 | 941.44 | 1015.10 | 181.98 | 515.66 | 794.71 |
| Retained Earnings | 19.70 | 95.40 | 199.00 | 259.69 | 386.60 | 137.30 | 460.51 | 455.69 | 820.49 | 885.97 | 109.37 | 282.25 | 471.08 |
| Dividend (including tax) | 26.50 | 31.00 | 35.50 | 33.28 | 44.50 | 112.70 | 108.06 | 108.06 | 119.86 | 108.26 | 72.17 | 138.15 | 295.54 |
| Dividend (%) | 15.00 | 17.50 | 20.00 | 18.75 | 25.00 | 25.00 | 30.00 | 30.00 | 30.00 | 30.00 | 20.00 | 37.50 | 80.00 |
| Earning Per Share (Rs.) | 2.61 | 7.13 | 13.22 | 16.50 | 13.17 | 14.35 | 17.36 | 17.44 | 28.75 | 31.00 | 5.56 | 15.75 | 23.45 |

Past Record

(Rs. in Lacs)

| Financial Year Ending | | 03/2017 | 03/2016 | 03/2015 | 03/2014 | 03/2013 | 03/2012 | 03/2011 | 03/2010 | 03/2009 | 03/2008 | 03/2007 | 03/2006 (15 mths) | 03/2005 (15 mths) |
|------------------------------|--|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------------------|----------------------|
| Particulars | | | | | | | | | | | | | | |
| Fixed Assets | | 2106.47 | 5158.41 | 5193.03 | 5638.08 | 5831.67 | 5911.54 | 5768.28 | 5318.80 | 5348.63 | 4652.85 | 4372.50 | 3669.37 | 3154.82 |
| Investments | | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 | 0.05 |
| Net Current Assets | | 8860.60 | 5178.87 | 5648.27 | 5566.10 | 4561.95 | 4746.65 | 4388.25 | 4204.95 | 3253.95 | 4392.98 | 4516.88 | 4326.69 | 4320.64 |
| Total Capital Employed | | 11784.16 | 10650.36 | 10190.66 | 10580.24 | 10211.93 | 10356.13 | 9819.81 | 9214.23 | 8346.40 | 7956.61 | 7836.79 | 7738.05 | 7475.51 |
| Shareholders' Funds | | 10991.39 | 9836.45 | 9542.56 | 9858.87 | 9837.14 | 9846.94 | 9291.39 | 8756.97 | 8016.83 | 7503.37 | 7249.80 | 7023.54 | 6814.25 |
| Sales | | 14507.00 | 14418.92 | 13909.10 | 14540.57 | 17037.53 | 18066.51 | 16535.26 | 14318.55 | 14201.48 | 15779.95 | 14252.62 | 17213.43 | 14801.11 |
| Other income | | 46.89 | 65.64 | 11.10 | 6.07 | 32.31 | 36.92 | 26.02 | 36.30 | 27.06 | 25.50 | 77.28 | 48.82 | 25.86 |
| Operating Profit | | 623.74 | 1246.58 | 883.72 | 1073.86 | 1037.73 | 1698.39 | 1479.08 | 1608.13 | 1572.76 | 1323.04 | 1193.76 | 1463.41 | 1288.11 |
| Interest | | 264.48 | 529.70 | 445.86 | 538.19 | 513.35 | 435.82 | 332.18 | 349.62 | 457.93 | 635.14 | 563.02 | 469.87 | 329.80 |
| Depreciation | | 199.40 | 309.38 | 270.69 | 282.54 | 270.76 | 253.58 | 220.90 | 208.50 | 124.98 | 168.72 | 165.19 | 150.93 | 131.71 |
| Tax | | -2.76 | 82.10 | 50.06 | 41.06 | 70.36 | 263.30 | 208.85 | 72.46 | 319.30 | 188.74 | 161.86 | 282.36 | 280.14 |
| Profit after Tax | | 157.10 | 325.42 | 117.11 | 212.07 | 183.26 | 745.69 | 717.96 | 924.20 | 617.23 | 307.60 | 280.29 | 497.18 | 546.47 |
| Retained Earnings | | 125.57 | 293.89 | 85.67 | 58.52 | 31.02 | 593.44 | 565.73 | 771.45 | 540.16 | 276.69 | 249.64 | 470.20 | 236.43 |
| Dividend (including tax) | | 31.53 | 31.53 | 31.44 | 153.25 | 152.25 | 152.25 | 152.25 | 152.75 | 76.63 | 30.65 | 30.65 | 29.87 | 295.38 |
| Dividend (%) | | 2.00 | 2.00 | 2.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 5.00 | 2.00 | 2.00 | 2.00 | 20.00 |
| Earning Per Share (Rs.) | | 0.48 | 1.24 | 0.45 | 0.81 | 0.70 | 2.85 | 2.54 | 3.53 | 2.36 | 1.17 | 1.07 | 1.89 | 2.03 |

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CIN No. L74899DLI978PLC009181

| | |
|--|---------------------------|
| JPL/SEC/STOCK-CORR-2013 | Date : October 10th, 2017 |
| The National Stock Exchange of India Ltd. Exchange Plaza, Kamala Mills Compound Bandra-Kurla Complex Bandra (E), Mumbai - 400 051. | |
| CM Quote : JAGSNPHARM | |
| Subject : Unmodified report of auditors | |

Dear Sir,

Pursuant to cl. 4.1 of SEBI circular no. CIR/CFD/CMD/56/2016 DT 27.05.2016, we hereby declare that there is no audit qualification in auditors' report and financial results stand unmodified.

Please take on record

Thanking you,

Yours faithfully,
For **JAGSONPAL PHARMACEUTICALS LTD.**


(R. K. KAPOOR)
COMPANY SECRETARY.

