

FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

1. THE DIRECTORS

Dr. (Mrs.) Daulat N Medhora
Chairperson

Mr. Nariman B. Medhora

Mr. Fredun N. Medhora

Dr. C. K. Shah

Dr. Aspi N. Raimalwala

Dr. Rohinton Kanga

2. AUDITORS

M/s. Savla & Associates

3. BANKERS

Indusind Bank Ltd.
Shamrao Vitthal Co-op Bank Ltd

4. FACTORY

14,15,16 Zorabian Industrial Complex,
Veoor, Palghar (East) - 401404

5. REGISTRAR & TRANSFER AGENTS & CUSTORDIANS OF SHARES

Purva Sharegistry (India) Pvt. Ltd. Unit No. 9
Shiv Shakti Ind. Estate
J. R. Boricha Marg, Opp. Kasturba Hospital
Lane, Lower Parel (E), Mumbai – 400011

6. REGISTERED OFFICE

26, Manoj Industrial Premises G. D. Ambekar
Marg, Wadala Mumbai - 400031



2016-17

NOTICE

THIRTIETH ANNUAL REPORT

Notice is hereby given that the 30th ANNUAL GENERAL MEETING of the members of FREDUN PHARMACEUTICALS LIMITED will be held on Thursday the 28th September 2017 at 9.30 a.m. at Ramee Guest Line, Hotel - Dadar Plot No.3, Kohinoor Road, Dadar Mumbai - 400014 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 together with the reports of the Board of Directors and the Auditors thereon;
2. To declare a Dividend on Equity shares.
3. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to provisions of Section 152 and all other applicable provisions, if any, of The Companies Act, 2013 to appoint a Director in place of Mr. Fredun N. Medhora (DIN No. 01745348) who retires by rotation and being eligible offers himself for re-appointment.

4. Appointment of the Auditors: Ratify the appointment of M/S Savala & Associates as the Statutory Auditors and to fix their remuneration:

To consider and if thought fit, to pass with or without modifications, any of the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions if any of The Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, and pursuant to the resolution passed by the members of the Company at the 29th Annual General Meeting of the Company held on 27th September 2016 for the appointment of M/S. Savla & Associates Chartered Accountants (Firm Registration No 109361W) till the conclusion of the 31st AGM, the Company hereby ratifies and confirms the appointment of Savla & Associates as the Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 31st AGM that will be held in 2018, on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to Section 61 read with Sections 13, 14 and other applicable provisions, if any of The Companies Act, 2013, the Authorized Share Capital of the



Company be and is hereby increased from Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 35,00,000 (Thirty five Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,50,000 (Two Lacks Fifty thousand) 8% Cumulative Redeemable Preference shares of Rs. 100/- each to Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 75,00,000 (Seventy Five Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,50,000 (Two Lacks Fifty thousand) 8% Cumulative Redeemable Preference shares of Rs. 100/- each ”

“AND RESOLVED FURTHER THAT clause V of the Memorandum of Association of the Company be altered and be substituted by the following new two lines:

V The Authorized Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 75,00,000 (Seventy Five Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,50,000 (Two Lacks Fifty thousand) 8% Cumulative Redeemable Preference shares of Rs. 100/- each ”

AND RESOLVED FURTHER THAT the Article 4 of the Articles of Association of the Company be and is hereby deleted and the following substituted therefore:

4. The Authorized Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 75,00,000 (Seventy Five Lacs) Equity shares of Rs. 10/- (Rupees Ten Only) each and 2,50,000 (Two Lacks Fifty thousand) 8% Cumulative Redeemable Preference shares of Rs. 100/- each ”

AND RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary, desirable or appropriate to give effect to this Resolution.”

6. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution.

“RESOLVED THAT” in accordance with the provisions of Section 196, 197, 200 203 read with Schedule V and other applicable provisions if any of The Companies Act 2013 (Appointment and Remuneration of Managerial Personnel) Rules 2014 and all other applicable rules and guidelines for managerial remuneration issued by the Central Government from time to time, including any statutory modifications or re-enactments thereof and subject to the approval of the Central Government, if necessary and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions consent of the Company be and is hereby accorded the Company hereby approves the appointment of Mr. Fredun Medhora (DIN No 01745348) as the Managing Director of the Company with substantial powers of management to be exercised by him, subject to the superintendence, control



and direction of the Board of the Directors of the company for a period of 3 (Three years) with effect from 15/10/2017 including the payment of remuneration, on the terms and conditions set out below, with the liberty to the Board of Directors of the Company to alter and vary the terms and conditions, not exceeding the limits specified under The Act or any Statutory modification or re-enactment thereof.

a. Tenure: From 15th October 2017 to 14th October 2020. (Three Years)

b. Remuneration: Rs. 2,00,000/- per month with effect from 15th October 2017 upto 14th October 2020.

a) Perquisites:

1. Medical Expenses: The Company shall pay and or reimburse all expenses incurred for himself and for his family subject to Rs. 1,00,000/- per year subject to the taxability as per Income Tax Act 1961.

2. Leave Travel Concession: The Company shall pay and or reimburse Travel Expenses incurred while on leave for himself and for his family once in a year in accordance with any rules specified by the Company but the amount should not exceed Rs. 80,000/- per year subject to the taxability as per the Income Tax Act 1961.

7. To consider and if thought fit, to pass, with or without modification, the following Resolution as a Special Resolution.

“RESOLVED THAT” in accordance with the provisions of Section 196, 197, 200 203 read with Schedule V and other applicable provisions if any of the Companies Act 2013 (Appointment and Remuneration of Managerial Personnel) Rules 2014 and all other applicable rules and guidelines for managerial remuneration issued by the Central Government from time to time, including any statutory modifications or re-enactments thereof and subject to the approval of the Central Government, if necessary and such other approvals, permissions and sanctions as may be required and subject to such conditions and modifications as may be prescribed or imposed by any of the authorities in granting such approvals, permissions and sanctions consent of the Company be and is hereby accorded the Company hereby approves the appointment of Dr. (Mrs) D N Medhora (DIN No 01745277) as the Whole Time Director designated as joint Managing Director of the Company with substantial powers of management to be exercised by her, subject to the superintendence, control and Direction of the Board of the Directors of the Company for a period of 3 (Three years) with effect from 1st January 2018 including the payment of remuneration, on the terms and conditions set out below, with the liberty to the Board of Directors of the Company to alter and vary the terms and conditions, not exceeding the limits specified under The Act or any Statutory modification or re-enactment thereof.



a. Tenure: From 1st January 2018 to 31st December 2020 (Three Years)

b. Remuneration: Rs. 1,00,000/- per month with effect from 1st January 2018 to 31st December 2020

a) Perquisites:

1. Medical Expenses: The Company shall pay and or reimburse all expenses incurred for herself and for her family subject to Rs. 60,000/- per year subject to the taxability as per Income Tax Act 1961.
2. Leave Travel Concession: The Company shall pay and or reimburse Travel Expenses incurred while on leave for herself and for her family once in a year in accordance with any rules specified by the Company but the amount should not exceed Rs. 60,000/- per year subject to the taxability as per the Income Tax Act 1961.

**By order of the Board
For FREDUN PHARMACEUTICALS LIMITED**

**Dr. (Mrs) D.N. Medhora
Chairperson**

Place : Mumbai

Date : 30/05/2017

REGISTERED OFFICE:

26, Manoj Industrial Premises

G.D. Ambekar Marg, Wadala, Mumbai-400 031



THE STATEMENT CONTAINING INFORMATION AS REQUIRED UNDER PROVISION (IV) OF PARA (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013, TO THE EXTENT APPLICABLE, GIVEN HEREUNDER:

I. GENERAL INFORMATION:

- (i) Nature of Industry: The Company is primarily in the business of Pharmaceuticals and Healthcare.
- (ii) Date or expected date of commencement of Commercial production: Not Applicable
- (iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
- (iv) Financial performance: Based on the Audited financial results for the year ended 31st March, 2017:

Particulars	(Rupees In Lakh)
Turnover & Other Income	5,861.00
Gross Profit before Interest, Depreciation & Tax	412.47
Net Profit after Tax	142.74

(v) Foreign investments or collaborators, if any : Not Applicable

II. INFORMATION ABOUT THE APPOINTEES:

(I) Background details:

Name of Director	Fredun Medhora	Dr. (Mrs) D.N. Medhora
Designation	Managing Director	Joint Managing Director
Education	Masters in Business Administration from Cardiff University-UK. Graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York	Ph.D in chemistry from University Department of Chemical Technology (UDCT)
Past Experience	Managing Director since 15th October 2014 and actively involved in the day to day business transactions and policy matters.	Was the Joint Managing Director of the Company since 1st January 2010 and fully responsible for the growth of the Company, being the founder Promoter Director of the company and a technical person



(ii) Past remuneration during the financial year ended 31st March, 2017:

Name of Director	Fredun Medhora	Dr. (Mrs) D N Medhora
Remuneration	Rs. /- 24,00,000.	Rs. 12,00,000/-

(iii) Recognition or Awards:

Dr. (Mrs) D.N. Medhora

- Scholarship from Lady Tata Memorial Trust.
- Rashtriya Rattan Award by Global Economic Council, New Delhi.
- Bharat Nav Nirman Ratan Award by All India Business Development Association.

(IV) Job Profile and their suitability :**Mr. Fredun Medhora**

Mr. Fredun N. Medhora is a graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York having completed 127 credits in 2 ½ years. He has achieved the highest graduating grade point average for entire major. He was also awarded a standing in the Dean's List for all the semesters. He was the recipient of Direct Marketing Seminar Scholarship whilst working with the Director of Small Business Development Center (SBDC) Plattsburgh New York for helping new entrepreneurs setup their business. He has gained experience in creating organization flow charts for (SBDC) office and working with prospective clients through research and gathering background information for their interests. During his Internship he was also involved in developing of the Supply Chain Management Major at the School of Business. He has been a member of the Beta Gamma Sigma Honour Society and also Phi Kappa Phi Honour Society.

The wide experience gained by him during his graduation in US has helped him in completing his Masters in Business Administration from Cardiff Business School Wales. During his studies in Cardiff he worked in the Finance Department of Student's Union of Cardiff University where he created process flow charts and job description of each individual within the office. He was assigned the topic 'Prospects of Neutraceuticals Industry in India' for his thesis during his MBA course.

He was appointed as the Whole Time Director of the Company in the year 2013 and considering his vigour for growth for the Company, he was appointed as the Managing Director of the Company since 2014. He has been entrusted with the substantial powers of the management of the company

The challenging business environment requires review of all the operations, monitoring and decision making on day to day basis which is required to be taken on fast scale and the



Company has been immensely benefited by his timely decision making.

Dr. (Mrs) D.N. Medhora

The pioneer and the founder Promoter Director of the Company. She was associated with the Company since the incorporation of the Company. and is the chairperson of the Company for more than two decades. and she is overall responsible for stabilizing the business operations. of the Company.

She is overall responsible for launching new products for export markets.

Decision making in any business requires guidance and advice on ongoing basis and her knowledge and vast experience will be going to be immensely beneficial to the Company.

(v) **Remuneration proposed:** As specified in the Resolution for Mr. Fredun Medhora and Dr. (Mrs) D.N. Medhora

(vi) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) :**

Taking into consideration the size of the Company, the profile of Managing Director and the Whole Time Director, the responsibilities shouldered by them and the industry benchmarks, the remuneration proposed to be paid is in line with the remuneration packages paid to similar senior level counterpart(s) in other Companies.

(vii) **Pecuniary relationship(s) directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed to be paid to all, the Managing Director and the Whole Time Director, they do not have any other pecuniary relationship with the Company. Mr. Fredun Medhora is related to Mr. Nariman Medhora as the son and Dr. (Mrs) D.N. Medhora being the wife of Mr. Nariman Medhora and the mother of Mr. Fredun Medhora.

Further, Mr. Fredun Medhora the Managing Director, Mr. Nariman Medhora, the Whole Time Director and Dr. (Mrs) D.N. Medhora being the Chairperson and Whole Time Director are holding equity shares in the Company.

III. OTHER INFORMATION:

(i) Reasons of loss or inadequate profits:

For the time being, the Company is earning profits in its operations. However, looking to the stiff market conditions and competitions, there may be an impact on the operations of the Company bringing down margins to some extent in future.



(ii) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms:

In the previous year the Company's expenses went up drastically due to the development and expansion in the manufacturing unit at Palghar. An increase in the interest cost has also affected the profits of the Company. However, once the expansion of the unit is complete, the Company expects good increase in productivity leading to much better profits. The Company is working very hard and already hopefully its impact will be reflected in the results for the year ending 31st March 2018.

(iii) Expected increase in productivity and profits in measurable terms:

Not Applicable

(IV.) Disclosures: The information and disclosures of the remuneration package of the managerial personnel have been duly mentioned in the notice of this Meeting.

(V.) Stock option: N.A.

**By order of the Board
For FREDUN PHARMACEUTICALS LIMITED**

**Dr. (Mrs) D.N. Medhora
Chairperson**

Place : Mumbai

Date : 30/05/2017

REGISTERED OFFICE:

26, Manoj Industrial Premises

G.D. Ambekar Marg, Wadala, Mumbai-400 031



NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 30th ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than ten percent of the total voting share capital of the Company, provided that such person shall not act as a proxy for any other person or shareholder.

Every member entitled to vote at the 30th Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September 2017 to 28th September, 2017 (both days inclusive).
3. The members/proxies should bring their attendance slips sent herewith, duly filled in for attending the meeting.
4. Entry in the meeting hall shall be strictly restricted to the members/valid proxies only carrying the attendance slip.
5. The members are requested to notify any change in their registered address/residential status immediately to the Registrars M/S. Purva Sharegistry (India) Pvt. Limited, Unit No. 9, Shiv Shakti Indl. Estate, J.R. Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai - 400 011. In case of Dematerialised shares, the aforesaid information should be given to the depository participant with whom the member has an account.
6. Members may note that The Companies Act, 2013 and Rules there under, allow the Company to send notices and documents, including Annual Report to the shareholders through electronic mode to the Registered e-mail addresses of shareholders.



- 6.1. Keeping in view the green initiative taken by the MCA and to save the cost involved in printing and dispatch, we propose to send all future communications including all the notices of General Meetings, Financial Statements and Postal Ballot Notices etc. of the Company, in electronic mode.
- 6.2. In order to facilitate the same, we request you to furnish your consent with e-mail ID quoting your folio number to our Registrar & Share Transfer Agents M/S. Purva Sharegistry (India) Pvt. Limited.
- 6.3. In case of any changes in your email address, the same may be communicated immediately.
- 6.4. In case you are holding shares in electronic form, please update your e-mail ID with your depository participant.
- 6.5. Please note that as a member of the Company, you will always be entitled to receive all communications in, Physical form, upon request.
7. The relevant Explanatory Statement pursuant to Section 102 of The Companies Act, 2013 in respect of the item no. 5 to 7 of the Notice is annexed herewith.
8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 A.M. to 5:00 P.M.) on all working days except Saturdays, Sundays and Holidays, up to and including the date of the Annual General Meeting of the Company.
9. In compliance with the provisions of Section 108 of the Companies Act, 2013, the Rules framed there under and as per the Listing Agreement the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. All shareholders holding shares as on **21st September 2017** (end of the day) being the cut-off date [i.e record date for the purpose of Rule 20(2)(ii) of The Companies (Management and Administration) Rules, 2015] fixed for determining voting rights of members will be entitled to participate in e-voting process.
10. Members who do not have access to e-voting facility may send duly completed Ballot form (attached with this notice) so as to reach the scrutinizer Mr. Rajendra R. Vaze, the Practicing Company Secretary C/O Purva Sharegistry, 9 Shiv Shakti Ind. Estate, J R Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (East), Mumbai 400 011 not later than **28th September 2017** Ballot forms received after this date will be treated as invalid.
11. Members can opt for only one mode of voting. i.e. either by Ballot Form or e –voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through the Ballot form shall be treated as invalid. The members who have cast their votes by remote E voting prior to the meeting can also attend the



meeting but shall not be entitled to cast their votes.

12. The Board, vide its Resolution passed on 30th May 2017, has appointed Mr. Rajendra R. Vaze, Practicing Company Secretary (Membership No.FCS 4247 CP NO.1975) as Scrutinizer for conducting the remote e-voting and Ballot form process in accordance with the law and in a fair and transparent manner.
13. Members may contact Mr. Fredun Medhora the Managing Director of the Company for any grievances connected with electronic means at the Registered office of the Company i.e.at 26, Manoj Industrial Premises G.D. Ambekar Marg Wadala, Mumbai-400 031
14. The Scrutinizer shall, after the conclusion of the voting at the General Meeting, first count the votes cast at the meeting and then unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make **not later than three days of the conclusion of the AGM**, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the chairperson of Company/Meeting in writing, who shall countersign the same and declare the results of the voting forthwith. The results declared with the Scrutinizer's report shall be placed on the website of the Company and will be forwarded to the BSE Limited.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E- VOTING

The instructions for members for voting electronically are as under:-

- (i) The E voting period begins on Monday 25th September 2017 (9.00 a. m IST) and ends on Wednesday the 27th September 2017 (5.00 p. m IST). During this period shareholder's of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com** during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "Fredun Pharmaceuticals Limited " from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification code/Captcha code as displayed and Click on Login.



- (vii) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and cast your vote earlier for EVSN of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in their PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account maintained with the DP of CDSL or with the company records for the said demat account or folio in dd/mm/yyyy format.
	•

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Fredun Pharmaceuticals Limited on which you choose to vote.**
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.



- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the frequently asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

Other Instructions:

1. The e-voting period commences on Monday the 25th September 2017 (9.00 a. m IST) and ends on Wednesday the 27th September 2017 (5.00 p. m IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on 21st September 2017 , may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
2. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 21st September 2017 .
3. Mr. Rajendra R. Vaze Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the



Chairperson of the Company.

5. Members who do not have access to e-voting facility may send duly completed Ballot Form (Attached to this notice) so as to reach the Scrutinizer, Mr. Rajendra R. Vaze, Practicing Company Secretary, C/O Purva Sharegistry, 9 Shiv Shakti Ind. Estate, J R Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel(East), Mumbai 400 011 not later than 28th September 2017. Ballot Form received after this date will be treated as invalid.
6. In case of any queries, you may refer the frequently asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the "downloads" section of www.evoting.com or write an email to helpdesk.evoting@cdslindia.com

ANNEXURE TO NOTICE :

Explanatory statement Pursuant to Section 102 of The Companies Act, 2013

Item No. 5

The Present Authorized Capital of the Company is Rs. 6,00,00,000/- (Six Crores Only). It is proposed to increase the Authorized Capital to Rs. 10,00,00,000/- (Ten Crores Only) in the manner as set out in the Notice in accordance with Section 61 of The Companies Act, 2013. The increase of the authorized Capital of the Company is proposed to enable, at appropriate times as the Board may hereafter decide, the issue of further capital pursuant to existing commitments and proposal to issue shares of the Company.

The consequent alteration of the Memorandum and Articles of Association of the Company will be effected in accordance with the provisions of Section 13 & 14 of The Companies Act, 2013.

The Board of Directors, therefore, recommends the passing of the Resolution as contained in Item No.5 of the accompanying Notice.

None of the Directors, may be considered to be concerned or interested in the proposed resolution.

A copy of the present Memorandum and Articles of Association of the Company and the proposed alteration is available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day, excluding Saturdays & holiday upto and on the day of the Annual General Meeting.

Item No. 6

The Board of Directors of the Company have decided to re appoint Mr. Fredun Medhora as the Managing Director at the Board meeting of the Company held on 30th May 2017. on the terms and conditions as mentioned and the same has already been approved by the Remuneration Committee.

The Board has already decided to fix the remuneration payable to Mr. Fredun Medhora at Rs. 2,00,000/- per month from 15th October 2017 for his tenure of appointment i.e. up to 14th October 2020. The total remuneration payable to Mr. Fredun Medhora will be as per the



provisions of Schedule V of The Companies Act, 2013, and the same has already been approved by the Remuneration Committee.

He was originally appointed as the Managing Director of the Company for the period from 15th October 2014 to 14th October 2017 and the shareholders have already approved his appointment at an Extra Ordinary General Meeting of the Company held on 10th July 2015 and considering his vigour for growth, it has become advisable to re-appoint him for the further period of three years i.e. from 15th October 2017 to 14th October 2020.

His appointment is required to be approved by a Special Resolution by the shareholders of the Company as per Schedule V

In view of this the Board of Directors of the Company have placed the matter before the shareholders for approving the appointment of Mr. Fredun Medhora as the Managing Director by a special resolution.

The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as the Board of Directors may consider necessary and deem fit, so as not to exceed the limits prescribed in 196, 197, 203 with Schedule V and all other applicable provisions, if any, of The Companies Act 2013.

Notwithstanding, where in any financial year during the currency of tenure of the Managing Director, the Company has no profits or if the profits are inadequate, it may continue to pay him remuneration by way of salary and perquisites as above, as minimum remuneration.

The Managing Director shall be entitled to leave in accordance with rules of the Company. Leave accumulated but not availed of at the time of leaving the services of the Company on any ground shall be allowed to be encashed. This will not be considered as a perquisite.

The appointment of Mr. Fredun Medhora as the Managing Director may be terminable by either party by giving two months notice in writing.

Disputes between the Company and the Managing Director or with the heirs or with the legal representatives may be settled by Arbitration under the INDIAN ARBITRATION ACT, 1940.

Apart from the aforesaid remuneration, the Managing Director shall also be entitled to reimbursement of entertainment and conveyance expenses, expenses actually incurred by him in the course of and for the purpose of the Company's business.

The Managing Director shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.

The Managing Director shall not become interested or otherwise concerned directly or through his wife or through his minor children in any selling agency of the Company except with the consent of the Company as per the provisions of the law in force as applicable to the Company

The Board of Directors of the Company have now decided to appoint Mr. Fredun Medhora as the Managing Director of the Company for the period of 3 years w.e.f 15th October 2017 upto 14th October 2020 subject to the supervision, direction of the Board of Directors of the



Company on the remuneration and hence it has become necessary that his appointment and terms and conditions of his appointment including remuneration payable to him should be approved by the shareholders of the Company and hence the Board have decided to place the resolution for the approval of the shareholders.

The draft agreements to be entered into between the Company and Mr. Fredun Medhora and the remuneration to be payable on his appointment is placed for the approval of the Members.

The total remuneration payable to Mr. Fredun Medhora shall be subject to the provisions of Schedule V of The Companies Act, 2013.

The copy of the draft agreement to be entered into by the Company with Mr. Fredun Mehora is open for inspection by Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays and Holidays.

Mr. Fredun Medhora is interested in the resolution pertaining to his appointment and Mr. Nariman Medhora and Dr. (Mrs.) D. N. Medhora are also interested in the resolution related to the appointment of Mr. Fredun Medhora as he is related to them. No other Director is interested in the Resolution.

The Resolution is set out in Item No.6 of the accompanying notice and accordingly the Board recommends the same for the approval of the Shareholders.

Item No. 7

The Board of Directors of the Company have now decided to re-appoint Dr. (Mrs) D.N. Medhora as the Whole Time Director designated as joint Managing Director of the Company at the meeting of the Board of Directors of the Company held on 30th May 2017 on the terms and conditions as mentioned.

The Board has also decided to fix the remuneration payable to Dr. (Mrs) D.N. Medhora. at Rs. 1,00,000 per month from 1st January 2018 upto 31st December 2020. The total remuneration payable to Dr. (Mrs) D.N. Medhora will be as per the provisions of Schedule V of The Companies Act, 2013 & the same has already been approved by the Remuneration Committee.

Her appointment is required to be approved by Special Resolution by the shareholders of the Company as per Schedule V

Dr. (Mrs) D.N. Medhora is qualified as M.Sc. Ph.D and is well recognized in the Pharma Field for last three decades. She is one of the founders of the Company and is associated with the Company since the year 1987. Her great knowledge and vast experience, will immensely benefit the Company. She has been instrumental in developing formulations and looking after the technical aspects of the Company.

She has already crossed the age of 72 but considering her vast experience and knowledge in the Industry, it is very much justified to appoint her as the Whole Time Director of the Company. In view of this the Board of Directors of the Company have placed the matter before the



shareholders for approving the appointment of Dr. (Mrs) D.N. Medhora as the Whole Time Director by Special Resolution.

The terms and conditions of the appointment of the Whole Time Director may be altered and varied from time to time by the Board as the Board of Directors may consider necessary and deem fit, so as not to exceed the limits prescribed in 196, 197, 203 with Schedule V and all other applicable provisions, if any, of The Companies Act 2013.

Notwithstanding, where in any financial year during the currency of tenure of the Whole Time Director, the Company has no profits or if the profits are inadequate, it may continue to pay her remuneration by way of salary and perquisites as above, as minimum remuneration.

The Whole Time Director shall be entitled to leave in accordance with rules of the Company. Leave accumulated but not availed of at the time of leaving the services of the Company on any ground shall be allowed to be encashed. This will not be considered as a perquisite.

The appointment of Dr. (Mrs) D.N. Medhora as the Whole Time Director may be terminable by either party by giving two months notice in writing.

Disputes between the Company and the Whole Time Director or with the heirs or with the legal representatives may be settled by Arbitration under the INDIAN ARBITRATION ACT, 1940.

Apart from the aforesaid remuneration, the Whole Time Director shall also be entitled to reimbursement of entertainment and conveyance expenses, other expenses actually incurred by her in the course of and for the purpose of the Company's business.

The Whole Time Director shall not be paid any sitting fees for attending the meetings of Board of Directors or Committee thereof.

The Whole Time Director shall not become interested or otherwise concerned directly or through her husband or through her son in any selling agency of the Company except with the consent of the Company as per the provisions of the law in forces as applicable to the Company

The Board of Directors of the Company have now decided to re appoint Dr. (Mrs) D.N. Medhora as the Whole Time Director of the Company for the period of 3 years w.e.f 1st January 2018 upto 31st December 2020. subject to the supervision, direction of the Board of Directors of the Company on the remuneration and hence. it has become necessary that her appointment and terms and conditions of her appointment including remuneration payable to her should be approved by the shareholders of the Company and hence the Board have decided to place the resolution for the approval of the shareholders.

The draft agreement to be entered into between the Company and Dr. (Mrs) D.N. Medhora and the remuneration to be payable on her appointment is placed for the approval of the Members.

The total remuneration payable to Dr. (Mrs) D.N. Medhora shall be subject to the provisions of Schedule V of The Companies Act, 2013 and her appointment and remuneration has been approved by the Remuneration Committee.



The copy of the draft agreement to be entered into by the Company with Dr. (Mrs) D.N. Medhora is open for inspection by Members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays and Holidays.

Dr. (Mrs) D.N. Medhora is interested in the resolution pertaining to her appointment and Mr. Fredun Medhora and Mr. Nariman Medhora are also interested in the resolution related to the appointment of Dr. (Mrs) D.N. Medhora as she is related to them. No other Director is interested in the Resolution .

The Resolution is set out in Item No.7 of the accompanying notice and accordingly the Board recommends the same for the approval of the Shareholders.

**By order of the Board
For FREDUN PHARMACEUTICALS LIMITED**

**Dr. (Mrs) D.N. Medhora
Chairperson Cum Jt. Managing Director**

Place : Mumbai

Date : 30/05/2017

REGISTERED OFFICE:

26, Manoj Industrial Premises

G.D. Ambekar Marg, Wadala, Mumbai-400 031



Details of the Directors seeking Appointment/Reappointment at the Annual General Meeting as per the Listing Agreement

NAME	Mr. Fredun Medhora
Date of Birth	9.10.1986
Date of Appointment	10.07.2015
Qualification	Masters in Business Administration from Cardiff University-UK. Graduate with honours of Magma Cum Laude in Business Entrepreneurship from Plattsburgh University New York
Brief Profile	Managing Director since 15th October 2014 and actively involved in the day to day business transactions and policy matters, and responsible for the growth of the Company.
Directorship held in other companies	Fredun Healthcare Pvt Ltd.
Membership of committees across companies	NILL
Shares held as on 31/03/2017	87,700
Relationship Between the Directors	Related to Mr. Nariman Medhora and to Dr. (Mrs) D.N. Medhora



To
The Members
Fredun Pharmaceuticals Limited
Mumbai.

Your Directors are pleased to present the 30th Annual Report of your Company with the Audited Accounts for the year ended March 31,2017

FINANCIAL RESULTS

FINANCIAL PERFORMANCE AND FUTURE PROSPECTS

(Rs. in lacks)

	March 31 st 2017	March 31 st 2016
Sales Income	5,669.62	4,232.13
Other Income	191.38	86.18
Total Income	5,861.00	4,318.32
Profit/Loss before Interest & Depreciation	526.05	476.62
Finance Cost	187.48	205.94
Depreciation / Amortization	113.58	80.43
Profit/Loss before taxes	224.99	190.25
Exceptional Income /Expenses	-	(6.33)
Prior Period adjustments	2.39	(.42)
Profit/Loss before Taxes	222.59	183.50
Income Tax	79.85	76.55
Profit/Loss after tax.	142.74	106.95

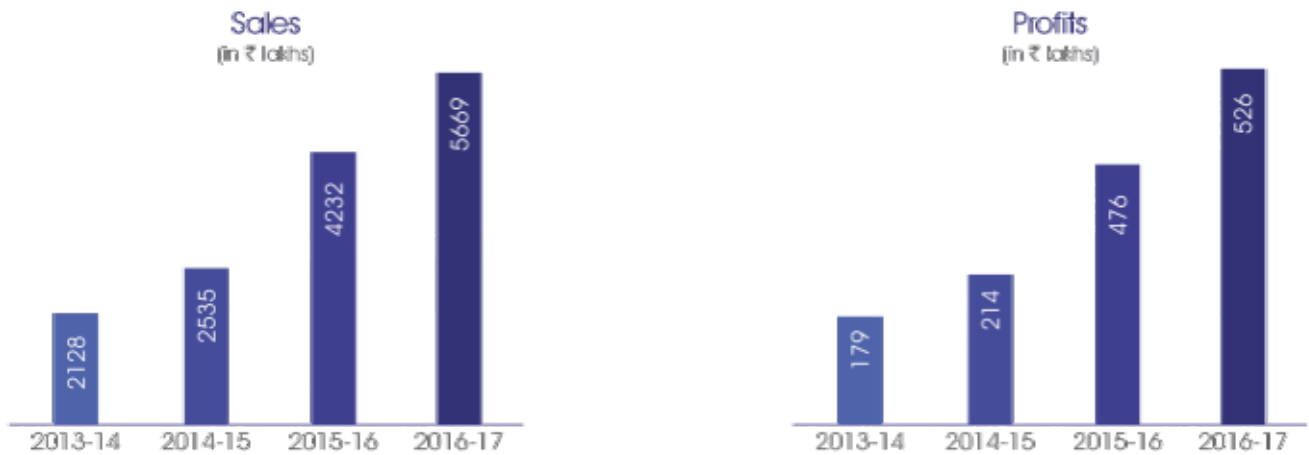
Your Company posted a total income of Rs. 5861.00 lacks compared to the income of Rs. 4318.32 lacks for the previous year and the net profit of Rs. 142.74 lacks compared to the net profit of Rs 106.95 lacks for the previous year.

The turnover of the Company has increased as compared to the previous year on account of increase in business activities and addition of high speed tableting machines and blister packing machines.

Your Directors are taking aggressive steps to increase the infrastructure of the manufacturing unit at Palghar. This will not only substantially increase the existing manufacturing capacity but will also add to two different departments to manufacture ointments creams, gels and



pellets of different APIs. This "Business Assessment" will define the scale of success in the near future. The focus of the Management is on satisfying the changing needs and wants of the customers.



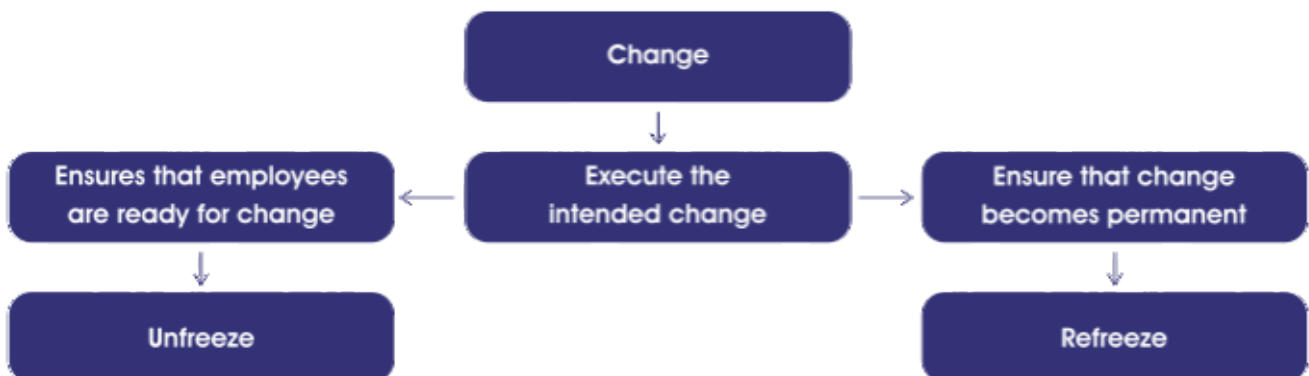
DIVIDEND

The Board of Directors have recommended a Dividend of 6 % on the ordinary equity shares of the Company payable to those shareholders of the Company whose names appear in the Register of Members as on the Book Closure date.

BUSINESS ACTIVITIES :

The growth impetus helps the business. The cash flow generated by your Company is deployed in creating infrastructure to enhance the production capacity and give confidence to the organization. The learning opportunities for individuals and educating the team to solve operational issues is considered a most important factor. In review meetings the information regarding the decisions the line managers have taken in a defined period are properly discussed.

With proper vision, mission and value statements, the alignment of business is validated and any disconnects are rectified and connected. It is of crucial importance that the change is implemented within a short time to have dynamic changes in the Business Activities. According to a German – American psychologist Mr. Kurt Lewin the change in the behaviour pattern of the employees is referred to as the "move stage" because it causes a ripple effect within an organization. It can be summarised as below :



Your Directors are confident that by following this Change Process, the management will succeed in convincing the staff of this need, openness, transparency and honesty leading to all round improvement in the business.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The Company is continuously complying with the Pollution Control Regulations in the state of Maharashtra.

Unlike other industries where R & D investment is a small portion of the total sales, it approaches about 20% in the pharma industry and hence the industry has to pay an enormous sum for a new drug patent. To make such innovator products available to the poor, generic drugs are allowed to be manufactured and marketed where the innovators patent is not applicable. Your Company has set up a complete R & D Department to develop such new formulations with proper process and analytical method validations. A consistent attempt is made to improve the existing manufacturing processes and economise the cost of production. Your Company has been successful in exporting recently patented costly molecules as their generic versions. Since the opportunities are huge, Your Company is in the process of registering such more pharmaceutical products and increase the exports. Companies with vision, values and focus will only succeed and hence the management has decided to spend more on R&D with strong commitment and will to achieve this goal.

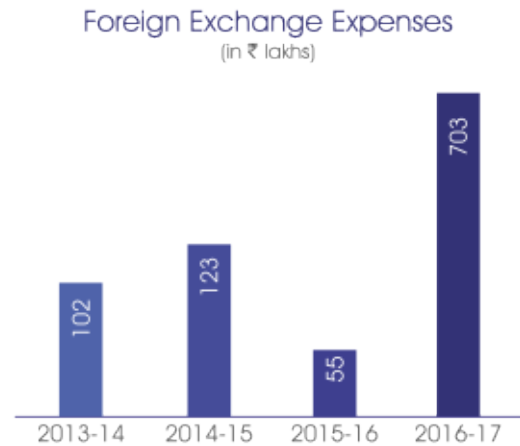
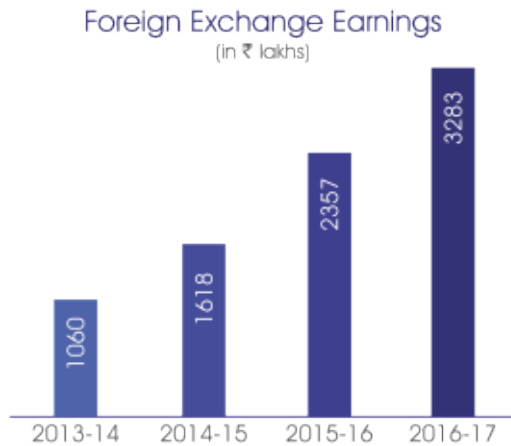
The Company also conducts In-House Energy Audit at regular intervals with proper monitoring and maintenance of all the machines.



FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: Export of Goods - Rs. 3,283.73

Foreign Exchange Outgo: – Rs. 703.27

**DEPOSITORY SYSTEM:**

Details of the Depository System are given in the section 'Additional Information' which forms a part of the Corporate Governance Report and is attached with the Annual Accounts.

BOARD MEETINGS AND COMMITTEE MEETINGS.

1. Ten (10) Board meetings were held during the year. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.
2. Four (4) Audit Committee Meetings were held during the year. The details of the Audit Committee Meetings and the attendance of the Directors are provided in the Corporate Governance Report.
3. One (1) Remuneration Committee was held during the year. The details of the Remuneration Committee Meeting and the attendance of the Directors are provided in the Corporate Governance Report.

DIRECTORS:

As per the provisions of section 152 of The Companies Act 2013 Mr. Fredun Medhora retires by rotation and being eligible for appointment offers himself for re-appointment.



ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board Composition and structure effectiveness of Board process, participation in the long-term strategic planning, information, functioning etc.

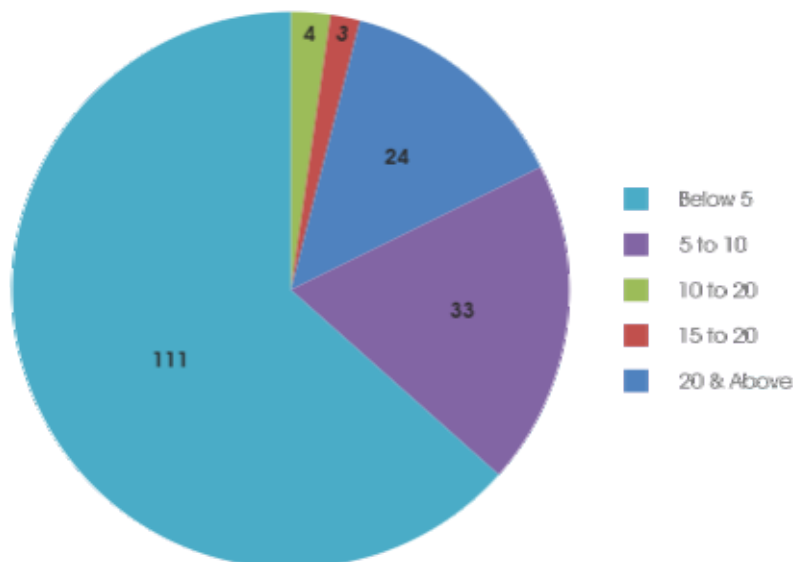
The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of Committee meetings, etc

The Board reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee Meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairperson was also evaluated on the key aspects of her role.

TRAINING AND HUMAN RESOURCE MANAGEMENT:

Morale of our professionals continued to be high. The Company continues to put concerted efforts in recruiting quality people. Development and training programs are undertaken regularly. The key focus is being given to areas like employees growth and satisfaction along with employees’ relations during the year. The relationship between management and employees continues to be one of mutual respect, appreciation and cordial.

Current Employees Tenure with the Company In years



AUDITORS

The Auditors M/s. Savla & Associates Mumbai Chartered Accountants (ICAI Registration No:109361W) were appointed as the Statutory Auditors at the Annual General Meeting held on 27th September 2016 for a period of 2 years i.e. upto the conclusion of the 31st Annual General Meeting that will be held in the year 2018 subject to the ratification by the members at every Annual General Meeting.

The Company has received a confirmation from M/S. Savla & Associates to the effect that their appointment, if made, will comply with the eligibility criteria in terms of Section 141 (3) of The Companies Act, 2013.

SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made thereunder, Mr. Rajendra Vaze of M/s. Rajendra And Co. Practising Company Secretaries, have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is annexed as Annexure I to this Report. The report is self-explanatory and does not call for any further comments.

DETAILS OF SIGNIFICANT MATERIAL ORDERS

No significant and material orders were passed by the Regulatory Authorities or the Courts or Tribunals that may have an impact on the going concern status and Company's Operations in foreseeable future.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in Form MGT 9 is annexed as Annexure II to this Report

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, and Secretarial Auditors and External consultant(s) and the reviews performed by Management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-17

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;



- (b) they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a "going concern basis";
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

During the year, the Company has not given any new loans or made any investments and has not provided any Guarantees except those which are already mentioned in the audited accounts of the Company.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the Listing Agreement. The details of the transactions with related parties are provided in the accompanying financial statements.

There were no materially significant related party transactions made by the Company during the year that would have required members approval under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The policy on materiality of related party transactions and dealing with related party transactions is approved by the Board.

VIGIL MECHANISM/ WHISTLEBLOWER POLICY

The Company has adopted a Whistleblower Policy, to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee



MANAGEMENT DISCUSSION AND ANALYSIS AND REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 the Management Discussion and Analysis and the Corporate Governance Report, as required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 is presented in a separate section forming part of the Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each of the Independent Directors, under Section 149 (7) of The Companies Act, 2013 and that he/she meets the criteria of Independence laid down in Section 149(6) of The Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulation 2015.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at Workplace (Prevention, prohibition and Redressal) Act, 2013.

All employees (permanent, contractual, temporary, trainees are covered under this policy. No complaints pertaining to sexual harassment were received during F.Y 2016-17.

ACKNOWLEDGMENTS :

The Company would like to acknowledge all its stakeholders, IndusInd Bank and Shamrao Vithal Co-operative Bank, customers, key partners for their support and all its employees for their dedication and hard work.

The Directors appreciate the continued guidance received from various Regulatory Authorities including RBI, SEBI, Ministry of Corporate Affairs, The Registrar of Companies, The Bombay Stock Exchange, Income Tax and Sales Tax and Service Tax Authorities etc.

On Behalf of the Board of Directors

Dr. (Mrs) D. N. Medhora
Chairperson

Place : Mumbai
Date : 30th May 2017.



FORM NO. MR-3

Secretarial Audit Report

for the Financial Year ended 31st March, 2017

[Pursuant to Section 204 (1) of The Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

FREDUN PHARMACEUTICALS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Fredun Pharmaceuticals Limited** (U29253MH2009PTC195323) (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 our 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, the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2017**, generally 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 made available to us and 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 thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:- (Not applicable to the Company during the audit period);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and



- Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 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 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not applicable to the Company during the audit period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the audit period)**; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period)**.
- (vi) Other laws applicable specifically to the Company namely :
1. Bombay Shops and Establishments Act.
 2. The Factories Act, 1948 and rules and regulations thereunder;
 3. Income Tax Act 1961 relating to Tax Deducted at source .
 5. The Employees Provident Fund Act.
 6. The Payment of Wages Act, 1936
 7. The Minimum Wages Act, 1948
 8. The payment of Bonus Act, 1965

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 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. No changes in the composition of the Board of Directors place during the period under review.
- Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings were taken unanimously.

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, guidelines, etc.

We further report that during the audit period the Company has following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. N.A.

The shareholders have passed necessary resolutions in an Extra Ordinary General Meeting held on 30th May 2016 for the following:

- a. Alteration of the Authorized Capital.
- b. Issue of 8% Redeemable Cumulative Preference shares & finalizing the terms and conditions of the issue.

For Rajendra And Co. ,
Company Secretaries

CS. Rajendra R. Vaze
FCS No : 4247 CP No 1975

Place: Mumbai
Date : 30th May, 2017

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



ANNEXURE A'

To,
The Members,
FREDUN PHARMACEUTICALS LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the 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 procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Rajendra And Co.,
Company Secretaries

CS Rajendra R. Vaze
FCS No.: 4247 CP No.: 1975

Place: Mumbai
Date : 30th May, 2017



FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

I REGISTRATION & OTHER DETAILS:		
i	CIN	L24239MH1987PLC043662
ii	Registration Date	06/08/1987
iii	Name of the Company	FREDUN PHARMACEUTICALS LIMITED
iv	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company
v	Address of the Registered office & contact details	26 Manoj Industrial Premises , G.D. Ambekar Marg, Wadala Mumbai-400 031
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry(India)Pvt.Ltd Unit no.9, Shivshakti Ind.Estt. J.R.Boricha marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai-400011

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of pharmaceuticals, nutraceuticals,herbal /dietary supplements	24231	98
2	Veterinary products		2

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES					
SL No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A.				
2	N.A.				



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

Category of Shareholders	No. of Shares held at the beginning of the year 31/03/2016				No. of Shares held at the end of the year 31/03/2017				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	0	0	0	0	0	0	0	0		
a) Individual/HUF	1751110	0	1751110	74.44	1751110	0	1751110	74.44		
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0		
c) Bodies Corporates	0	0	0	0	0	0	0	0		
d) Bank/Fl	0	0	0	0	0	0	0	0		
e) Any other	0	0	0	0	0	0	0	0		
*Directors	0	0	0	0	0	0	0	0		
* DIRECTORS RELATIVES	0					0				
SUB TOTAL:(A) (1)	1751110	0	1751110	74.44	1751110	0	1751110	74.44		
(2) Foreign										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1751110	0	1751110	74.44	1751110	0	1751110	74.44	0	0
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	75000	75000	3.19	0	0	0	0	3.19	0
b) Banks/Fl	0	0	0	0	75000	0	75000	0	3.19	0
C) Cenntral govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies										
g) FIIS	0	0	0	0	0	0	0	0	0	0



h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
l) Others (specify)	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B) (1)	0	75000	75000	3.19	75000	0	75000	3.19	0	0
(2) Non Institutions										
a) Bodies corporates	0	0	0	0	0	0	0	0	0	0
l) Indian	0	19000	19000	0.81	0	15000	15000	0.64	-0.17	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	21500	271770	293270	12.47	100522	180370	280892	11.94	-0.53	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	15400	0	1540000	6.55	169364	0	169364	7.2	0.65	0
c) Others (specify)										
c-1) NRI (Repeat & Non Repeat)	0	0	0	0	0	0	0	0	0	0
c-2) OCB's	0	0	0	0	0	0	0	0	0	0
c-3) Hind Undivided Family	60020	0	60020	2.55	60030	0	60030	2.55	0	0
SUB TOTAL (B) (2)	235520	290770	526290	22.37	330920	195370	526290	22.37	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	235520	365770	601290	25.56	405920	195370	601290	25.56	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1986630	365770	2352400	100	2157030	195370	2352400	100	0	0



(ii) SHARE HOLDING OF PROMOTERS								
SL No	Shareholders Name	Shareholding at the beginning of the year 31/03/2016			Shareholding at the end of the year 31/03/2017			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
	Dr. (Mrs) D.N. Medhora	1321310	56.17	0	1321310	56.17	0	0
	Mr. Nariman Medhora	342100	14.54	0	342100	14.54	0	0
	Mr. Fredun Medhora	87700	3.73	0	87700	3.73	0	0
	Total	1751110	74.44	0	1751110	74.44	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)									
Sl. No.		Share holding at the beginning of the Year 31/03/2016		Date	Reason	Increase/Decrease in Shareholding		Cumulative Share holding during the year 31/03/2017	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Dr (Mrs) D.N. Medhora	1321310	56.17	31.03.2017	NA	0	0	1321310	56.17
2	Mr. Nariman Medhora	342100	14.54	31.03.2017	NA	0	0	342100	14.54
3	Mr. Fredun Medhora	87700	3.73	31.03.2017	NA	0	0	87700	3.73



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)						
SL No	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year		% change in share holding during the year
		31/03/2016		31/03/2017		
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	Type
1	BANK OF INDIA A/C BOI MUTUAL FUND	75000	3.19			
	31/03/2017			75000	3.19	
2	SUDHA M DOSHI	62000	2.64			
	31/03/2017			62000	2.64	
3	SURIN C SHAH	20000	0.85			
	31/03/2017			20000	0.85	
4	MIHIR SHAH	16000	0.68			
	31/03/2017			16000	0.68	
5	TAPATI BHASKAR MEHTA	16000	0.68			
	12/04/2016	-1	0.00	15999	0.68	Sell
	15/04/2016	-1	0.00	15998	0.68	Sell
	22/04/2016	-1	0.00	15997	0.68	Sell
	29/04/2016	-10	0.00	15987	0.68	Sell
	10/06/2016	-8	0.00	15979	0.68	Sell
	14/10/2016	-5	0.00	15974	0.68	Sell
	21/10/2016	-8	0.00	15966	0.68	Sell
	04/11/2016	-2	0.00	15964	0.68	Sell
	31/03/2017			15964	0.68	
6	P ANITHA	20000	0.85			
	31/03/2017			20000	0.85	
7	SACHIN J SHAH	10000	0.43			
	31/03/2016			10000	0.43	
8	GUNAVANTH KUMAR HUF	20020	0.85			
	31/03/2017			20020	0.85	
9	GUNAVANTHKUMAR G VAID	20020	0.85			
	31/03/2017			20020	0.85	
10	GOTHAMCHAND A HUF	20020	0.85			
	31/03/2017			20020	0.85	



(v) Shareholding of Directors & KMP					
SL No	Name of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year
1	Dr. (Mrs) D.N. Medhora				
	At the beginning of the year	1321310	56.17	1321310	56.17
	Bought During the Year				
	Sold During the Year				
	At the end of the Year	1321310	56.17	1321310	56.17
2	Mr. Nariman Medhora				
	At the beginning of the year	342100	14.53	342100	14.53
	Bought During the Year	0	0		
	Sold During the Year	0	0	0	
	At the end of the Year	342100	14.53	342100	14.53
3	Mr Fredun Medhora				
	At the beginning of the year	87700	3.73	87700	3.73
	Bought During the Year				
	Sold During the Year	0	0	0	0
	At the end of the Year	87700	3.73	87700	3.73



(vi) INDEBTEDNESS					
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
Indebtness at the beginning of the financial year					
I) Principal Amount	124555178.90	24689223.75	1953040.00	151197442.65	
ii) Interest due but not paid	0.00	0.00	0.00	0.00	
iii) Interest accrued but not due	0.00	0.00	0.00	0.00	
Total (i+ii+iii)	124555178.90	24689223.75	1953040.00	151197442.65	
Change in Indebtedness during the financial year					
Additions	4537217.86	30234595.41	1291945.00	36063758.27	
Reduction	0.00	0.00	0.00	0.00	
Net Change	4537217.86	30234595.41	1291945.00	36063758.27	
Indebtedness at the end of the financial year					
I) Principal Amount	129092396.76	54923819.16	3244985.00	187261200.92	
ii) Interest due but not paid	0.00	0.00	0.00	0.00	
iii) Interest accrued but not due	0.00	0.00	0.00	0.00	
Total (i+ii+iii)	129092396.76	54923819.16	3244985.00	187261200.92	
(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A. Remuneration to Managing Director, Whole Time Director and/or Manager:					
SL No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Fredun Medhora Managing Director	Daulat Medhora JT Managing Director	Nariman Medhora JT managing Director	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	2400000.00	1200000.00	1320000.00	4920000.00
	(b) Value of perquisites u/s 17(2) of the income tax Act, 1961	0.00	0.00	0.00	0.00



	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		0.00	0.00	0.00	0.00
2	Stock option		0.00	0.00	0.00	0.00
3	Sweat Equity		0.00	0.00	0.00	0.00
4	Commission		0.00	0.00	0.00	0.00
	as % of profit		0.00	0.00	0.00	0.00
	others (specify)		0.00	0.00	0.00	0.00
5	Others, please specify		0.00	0.00	0.00	0.00
	Total (A)		2400000.00	1200000.00	1320000.00	4920000.00
	Ceiling as per the Act					
B. Remuneration to other directors: (NOT APPLICABLE)						
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (NOT APPLICABLE)						

(viii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
			N.A.		N.A.
A. COMPANY					
Penalty					
Punishment			NIL		N.A.
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		N.A.
Compounding	N.A.	N.A.			
C. OTHER OFFICERS IN DEFAULT : N.A.					
Penalty					
Punishment			NIL		
Compounding					N.A.



Corporate Governance Report for the year 2016-17

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective Corporate Governance practices constitute the strong foundation on which successful commercial Enterprises are built to last. The Company's Philosophy on Corporate Governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all the stakeholders comprising Regulators, employees, customers, vendors, investors and the society at large.

Corporate Governance signifies acceptance by the management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

The Company understands and respects its fiduciary role and responsibility to the shareholders and strives hard to meet their expectations. The Company believes that best board practices, transparent disclosures and shareholder empowerment are necessary for creating shareholder value.

The Company has infused the philosophy of Corporate Governance into all its activities. The philosophy on Corporate Governance is an important tool for shareholder protection and maximization of their long term values. The cardinal principals such as independence, accountability, responsibility, transparency, fair and timely disclosures, credibility etc. serve as the means for implementing the philosophy of corporate governance in letter and spirit.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has executed fresh Listing Agreement with the Stock Exchange Mumbai.

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated as per Regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI Listing Regulations as applicable with regard to corporate Governance.

CODE OF CONDUCT

The Board of Directors has laid down a code of conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance with the said code of conduct for the year ended 31st March 2017.

Necessary declaration to this effect signed by the Managing Director forms part of the Annual Report of the Company for the year ended 31st March 2017.

BOARD OF DIRECTORS

The Board of Directors, along with its committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

The Board currently comprises of six Directors of which Three Directors are the Executive Directors. The other Three Directors are Non-Executive Independent Directors, commensurate



with the size of the Company, complexity and nature of various underlying businesses. The Board of your Company consists of persons having professional background, varied experience, knowledge and commitment to discharge their responsibilities and duties. The Chairman of the Board is an Executive Director, and as such 50% of the Board Comprises of Independent Directors. All the independent directors have confirmed that they meet 'Independence' criteria as per Regulation 16 (1) (b) of the SEBI Listing Regulations read with Section 149 (6) of The Act.



None of the Directors on the Company's Board hold the Directorship in more than ten Public Companies. Further none of them is a member of more than ten committees and chairman of more than five committees across all the public companies in which he/she is a Director. All the Directors have made necessary disclosures regarding committee position held by them in other Companies. None of the Independent Directors of the company are related to each other. The appointment of Executive Directors including the tenure and terms of remuneration has already been approved by the members.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

The maximum time gap between any two consecutive meetings did not exceed four months and during the year Ten Board meetings were held. The necessary quorum was present for all the meetings.

Attendance of directors during fiscal 2017

Name of the director	Attendance at the last AGM	No. of Board meeting held, and attended, during tenure										% of attendance
		1	2	3	4	5	6	7	8	9	10	
Mr. N. B. Medhora	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	90
Dr. (Mrs.) D.N. Medhora	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	70
Mr. Fredun Medhora	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	90
Dr. Aspi Raimalwala	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	80
Dr. C.K. Shah	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	100
Dr. Rohinton Kanga	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	↓	100

↓ Attended in person ↓ Absent

Meeting on 27/04/2016, 30/05/2016, 08/06/2016, 11/08/2016, 07/10/2016, 09/11/2016, 18/01/2017, 13/02/2017, 24/02/2017 & 24/03/2017



During the year 2016-17, time to time the information is being provided to the Board.

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS:

All departments of the Company schedule their work plans in advance, particularly with regard to matters requiring consideration at the Board/Committee meetings. All such matters are communicated to the Managing Director in advance so that the same could be included in the Agenda for the Board/Committee meetings.

POST MEETING FOLLOW-UP MECHANISM:

The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned departments.

During the year under review 10 Board meetings were held. The dates on which the said meetings were held are as follows:

- (1) 27th April 2016
- (2) 30th May 2016
- (3) 8th June 2016
- (4) 11th August 2016
- (5) 7th October 2016
- (6) 9th November 2016
- (7) 18th January 2017
- (8) 13th February 2017
- (9) 24th February 2017
- (10) 24th March 2017

The Composition of the Board, attendance at Board meetings held during the financial year under review and at the general meeting, number of directorship (including the companies) Memberships/ Chairmanship of the board and committees of the public companies as on 31st March, 2017 are as follows:

Name Of Director	Category	Board meetings held during the year 2016-17		AGM held on 30th September, 2016	Number of Directorships in other Public Limited Companies		Number of Committee positions held in other Public Limited Companies	
		Held	Attended		Chairman/ Director	Member	Chairman	Member
Dr. (Mrs) Daulat N. Medhora	Executive Non Independent Whole Time Director	10	7	Attended	NILL	NILL	NILL	NILL
Mr. Nariman B. Medhora	Executive Non Independent Whole Time Director	10	9	Attended	NILL	NILL	NILL	NILL
Mr. Fredun N. Medhora	Executive Non Independent Managing Director	10	9	Attended	NILL	NILL	NILL	NILL

Dr. C.K. Shah	Non-Executive Independent Director	10	10	Attended	NILL	NILL	NILL	NILL
Dr. Aspi N. Raimalwala	Non-Executive Independent Director	10	8	Absent	NILL	NILL	NILL	NILL
Dr. Rohinton Kanga	Non-Executive Independent Director	10	10	Attended	NILL	NILL	NILL	NILL

THE COMMITTEES OF THE BOARD:

The Board has constituted (I), Audit Committee, (II) Remuneration Committee and (III), Shareholders Relationship Committee. The minutes of the meeting of all committees of the board are placed before the board for discussions and for approval.

a. AUDIT COMMITTEE

* The Audit Committee of the Company is constituted in line with the provisions applicable.

* The role of the Audit Committee includes the following:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - any changes in accounting policies and practices;
 - major accounting entries based on exercise of judgment by management;
 - qualifications in draft audit report;
 - significant adjustments arising out of audit;
 - the going concern assumption;
 - compliance with accounting standards;
 - compliance with stock exchange and legal requirements concerning financial statements;
 - any related party transactions as per Accounting Standard 18.
- Reviewing the Company's financial and risk management policies.



- Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- iii. The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.
- iv. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2016-17	
		Held	Attended
Dr. Raimalwala (1st Part of Financial Year)	Executive Non Independent Director	4	2
Dr. C.K. Shah	Non-Executive Independent Director	4	4
Mr. F. N. Medhora	Managing Director	4	4
Dr. Kanga (2nd Part of Financial Year)	Non-Executive Independent Director	4	2

- I. Four (4) Audit Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:
- a) 30/05/2016
 - b) 11/08/2016
 - c) 09/11/2016
 - d) 13/02/2017.

The necessary quorum was present for all the meetings.

b. REMUNERATION COMMITTEE

- i. The Company has a Remuneration Committee of Directors.
- ii. The broad terms of reference of the Remuneration Committee are as under:
 - To approve the annual remuneration plan of the Company;
 - To approve the remuneration and commission/incentive remuneration payable to the Managing Director and Whole Time Director for each financial year;
 - Such other matters as the Board may from time to time request the Remuneration



Committee to examine and recommend/approve.

iii. Details of the Remuneration for the year ended March 31st 2017

All the members of the Committee are the Independent Directors and a meeting of the Committee was held on the 11th day of August 2016.

Name	Category	Number of meetings during the year 2016-17	
		Held	Attended
Dr. C. K. Shah	Executive Non Independent Director	1	1
Dr. Kanga	Non-Executive Independent Director	1	1
Dr. Raimalwala	Non-Executive Independent Director	1	1

c. STAKEHOLDERS RELATIONSHIP COMMITTEES

The Shareholders Relationship Committee comprises of Three Independent Directors The Shareholders Relationship Committee of the Board is empowered to oversee the redressal of investors complaint, share transfers, non-receipt of annual report, dividend payment, issue of duplicate certificate, transmission (with and without legal representation) of shares and other miscellaneous complaint. During the year under review Seven Meetings of the committee were held.

The composition of the Shareholders Relationship Committee is as follows:

Name	Category	Number of meetings during the year 2016-17	
		Held	Attended
Dr. (Mrs) D. N. Medhora	Executive Whole-time Director	7	5
Dr. C. K. Shah	Non-Executive Independent Director	7	7
Dr. Raimalwala (1st Part of Financial Year)	Non-Executive Independent Director	7	4
Dr. Kanga (2nd Part of Financial Year)	Non-Executive Independent Director	7	3

Details of Investors Complaint received and redresses during the year 2016-17 are as follows:

Opening Balance	Received During the year	Resolved During the Year	Closing Balance
Nil	Nil	Nil	Nil

A meeting of only the Independent Directors of the Company as required to be held was held



on the 18th day of January 2017 at which all Independent Directors of the Company were present.

1. SUBSIDIARY COMPANIES

There is no subsidiary of the Company .

MANAGING DIRECTOR/WHOLE TIME DIRECTOR

Mr. Fredun Medhora was appointed as the Managing Director of the Company by the shareholders of the Company at an Extra Ordinary General Meeting held on 10th July 2015 for the period of three years i.e. upto 14.10.2017.

Mr. Nariman Medhora was also appointed as the Whole Time Director of the Company by the shareholders of the Company at an Extra Ordinary General Meeting held on 10th July 2015 for the period of three years i.e. upto 04.05.2018.

Dr. Mrs. D.N. Medhora was appointed as the Whole Time Director of the Company by the shareholders of the Company at the 27th annual General Meeting of the Company held on 30th September 2014 for the period of three years i.e. upto 31.12.2017 .

As per their terms of appointment the remuneration Comprises of a salary and other benefits of Rs. 24,00,000/- (Rupees Twenty four Lacks) per annum as salary with Medical Expenses of Rs. 60,000/- per annum and Leave Travel concession of Rs. 60,000/- per annum to **Mr. Fredun Medhora** and Rs. 12,00,000/- (Rupees Twelve Lacks) per annum as salary with Medical Expenses of Rs. 80,000/- per annum and Leave Travel concession of Rs. 80,000/- per annum to **Mr. Nariman Medhora** and Rs. 12,00,000/- (Rupees Twelve Lacks) per annum as salary with Medical Expenses of Rs. 20,000/- per annum and Leave Travel concession of Rs. 25,000/- per annum to **Dr. (Mrs) D.N. Medhora** with authority to the Board or to a committee thereof to fix the remuneration within the maximum permissible limit. .

Service of the Managing Director and the Whole Time Directors may be terminated by either party giving the other party two months' notice or the Company paying two months' salary in lieu thereof. There are no separate provisions for the payment of severance fees.

DIRECTORS SHAREHOLDING

Details of shares of the Company held by the Directors as on March 31st, 2017 are given below:

Sr. No.	Name of the director	Number of shares held.
1.	Dr. (Mrs) Daulat Medhora	13,21,310
2.	Mr Nariman Medhora	3,42,100
3.	Mr.Fredun Medhora	87,700
4.	Dr..C.K. Shah	0
5.	Dr. Aspi Raimahwala	0
6.	Dr. Rohinton Kanga	1000
7.	Total	17,52,110

COMPLIANCE OFFICER

Name, designation and address of Compliance Officer:

Mr. Fredun Medhora
Managing Director
Fredun Pharmaceuticals Limited

DISCLOSURES

Details of related party transactions entered in to by the Company are included in the notes to account. Material individual transaction with related party are in the normal course of an arm's length basis and do not have potential conflict with the interest of the Company at large. Transactions with related party entered into by the Company in the normal course are placed before the audit committee.

A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the audit committee.

Details of material individual transactions with related parties or others, which are not on an arm's length basis, are also placed before the audit committee, together with Management's justification for the same.

As at March, 31st, 2017 the Company has not accepted any fixed deposits nor any such deposits outstanding.

The Company has complied with various Rules and Regulations prescribed by Stock Exchange, Securities and Exchange Board of India or any other statutory/regulatory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

ISSUE OF EQUITY SHARES :

The Company has not made any Equity Issue during the financial year ended 31st March, 2017.

Status of the compliance in respect of Non mandatory Requirements

a. Chairman of the Board:

The Executive Chairperson does not maintain any separate office for the Company.

b. Remuneration Committee :.

Details are given under the heading 'Remuneration Committee'

c. Shareholder's Right :

Details are given under the heading "Means of communication"

Audit Qualifications :

During the year under review, there was no qualification in the auditor's report on the Company's financial statements.



Mechanism for evaluating non-executive board members:

The performance evolution of the non-executive member is done by the Board annually based on the criteria of attendance and contribution at Board/Committee Meetings and also for the role played at the other meetings.

Reconciliation Audit :

A qualified practicing Company Secretary carried out Reconciliation Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The Secretarial Audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Secretarial Audit

Mr. Rajendra R. Vaze (FCS No. 4847 CP No. 1975) Practicing Company Secretary have conducted the Secretarial Audit of the Company for the Financial Year 2016-17. Their Audit Report confirms that the Company has complied with the applicable provisions of The Companies Act, 2013 and the rules made there under, Listing Agreements with the Stock Exchange, Listing Regulations, applicable SEBI Regulations and other Laws applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.

General Information for Members :

The Company is registered with the Register of Companies Mumbai, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L24239MH1987PLC043662**

GENERAL BODY MEETINGS.

The details of the general meetings held during immediate three previous years as under:

AGM/ EGM	Financial year ended	Date of meeting	Location of the Meeting	Time	Special resolution passed
27th AGM	31/03/2014	30/09/2014	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	Three Special Resolutions was passed
28th AGM	31/03/2015	30/09/2015	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	03.00 p.m	One Special Resolutions was passed.

EGM	During year 2015-16	10/07/2015	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	Two Special Resolutions were passed.
29th AGM	31/03/2016	27/09/2016	Ramee Guest Line Hotel Dadar, Plot No. 3, Kohinoor Road, Dadar Mumbai -400 014	11.00 a.m	One Special Resolution was passed.
EGM	During year 2016-17	30/05/2016	Ramee Guest Line Hotel Dadar, Plot No. 3, Kohinoor Road, Dadar Mumbai -400 014	11.00 a.m	Two Special Resolutions were passed.

BALLOT: N.A.**MEANS OF COMMUNICATION:**

The quarterly and half-yearly un-audited financial results are from time to time published in One English and One Marathi (being the regional language in Mumbai) language Newspaper.

Half yearly report sent to each household of shareholders	No. As results of the Company is published in the newspapers.
Quarterly result	The Company has Published its Quarterly Results in Newspaper
Website, where displayed whether it also displays official news releases	Yes (www.fredungroup.com)
Other information like any press releases, any analysts stock Exchange Disclosures etc.	Yes regularly displayed on the Company's website.

Certain rights that a shareholder in the Company enjoys:

- To transfer the shares.
- To receive the share certificates upon transfer within the stipulated period prescribed in the Listing Agreement.
- To receive notice of general meetings, annual report, the Balance Sheet and Profit and Loss account and the Auditor's report.
- To appoint proxy to attend and vote at the general meetings.
- To attend and speak in person, at general meetings.
- To vote at the general meeting on show of hands wherein every shareholder has one vote.



In case of vote on poll, the number of votes of a shareholder is proportionate to the number of equity shares held by him.

- To demand poll along with other shareholder(s) who collectively hold 5,000 shares or are not less than 1/10th of the total voting power in respect of any resolution.
- To requisition an extraordinary general meeting of any Company by shareholders who collectively hold not less than 1/10th of the total paid-up capital of the Company.
- To move amendments to resolutions proposed at meetings.
- To receive dividend and other corporate benefits like rights, bonus shares etc. as and when declared/announced.
- To inspect various registers of the Company.
- To inspect the minute books of general meetings & to receive copies thereof after complying with the procedure prescribed under the Companies Act, 2013.
- To appoint or remove Director(s) and Auditor(s) and thus participate in the management through them.
- To proceed against the Company by way of civil or criminal proceedings.
- To apply for the winding-up of the Company.
- To receive the residual proceeds upon winding up of a Company.

GENERAL INFORMATION FOR MEMBERS.

FINANCIAL CALENDAR:

Financial Year April 1st 2016 to March 31st 2017 as well as up to the date of the AGM i.e. up to 28th September 2017	
Board Meeting for consideration of accounts	: 30/05/2017
Book Closure dates	: 22/09/2019 to 28/09/2017
Last date of Receipt of proxy forms	: 27th September, 2017
Date, Time and Venue of 30th AGM 2016	Tuesday, the 28th September 2017 at 09.30 a.m. at Ramee Guest Line Hotel Dadar, Plot No. 3, Kohinoor Road, Dadar Mumbai -400 014
Un audited Financial Results for the quarter ending :	
June 30th 2016	: 11th August 2016
September 30th 2016	: 9th November 2016
December 31st 2016	: 13th February 2017
Financial results for the year Ending March 31st 2017:	: 30th May 2017



LISTING ON STOCK EXCHANGES:

In order to impart liquidity and convenience for trading, the equity shares of the Company are listed at the following Stock Exchange. The annual fees for 2016-2017 have been paid to the stock Exchange where the shares are listed.

Sr. No.	Name& address of the Stock Exchange	Security Code
1.	Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 023	539730

Names of Depositories in India for dematerialisation of equity shares (ISIN NO. INE194R01017)

Sr. No.	Particulars
1.	National Securities Depository Limited (NSDL) ISIN No. INE194R01017
2.	Central Depositories Services (India) Limited (CDSL) ISIN No. INE194R01017

Market Information:

Market price data - monthly high - low of the closing price on the BSE during the period from April 2016 to March 2017 is given below:

The Monthly high and low quotation of shares traded on BSE

Month	High Price	Low Price
April-16	14.47	13.12
May-16	15.19	15.19
June-16	20	15.9
July-16	25	21
August-16	25	25
September-16	25	25
October-16	32.5	26.25
November-16	42.25	34.1
December-16	46.25	44.35
January-17	60.1	48.55
February-17	61	61
March-17	61	61



DISTRIBUTION OF SHAREHOLDINGS AS ON 31-3-2017

Shareholding of Nominal Value	No. of Shareholders	% of Total no. of Shareholders	Amount (in Rs)	% to Total Capital
Up to 5000	362	71.12	636020	2.70
5001 to 10000	98	19.25	912760	3.88
10001 to 20000	17	3.34	300000	1.28
20001 to 30000	3	0.59	82000	0.35
30001 to 40000	2	0.39	75000	0.32
40001 to 50000	5	0.98	240000	1.02
50001 to 100000	7	1.38	573280	2.44
100001 and above	15	2.95	20704940	88.02
TOTAL	509	100.00	23524000	100.00

Shares forming 91.70 % of the share capital are in Demat form.

Shares forming 8.30 % of share capital are in Physical form.

Registrars and Share Transfer Agents:

Share transfer, transmissions and all other investor related activities are attended to and processed at the office of our Registrars and Transfer Agents.

For acknowledgement of transfer deeds and any other documents or for any grievances / complaints, kindly contact at the following address:

Mr Vinayak Karande

Purva Sharegistry (India) Pvt. Ltd.,

9, Shiv Shakti Ind. Estate, J R Boricha Marg,

Off N. M. Joshi Marg, Near Lodha Excelus,

Lower Parel (E), Mumbai 400 011,

Tel No. 23018261/23016761. Fax No, 2301251.

E-mail: busicomp@vsnl.com



Share Transfer Process:

The Company's shares which are in Demat form are transferable through the depository system. Shares in physical form are processed by the Registrars and Share Transfer Agents, Purva Sharegistry (India) Pvt. Ltd., and approved by the Investor Grievance (Share) Committee of the Company or authorized officials of the company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by Purva Sharegistry (India) Pvt. Limited.

Shareholding Pattern As At March 31, 2017**CATEGORIES OF SHAREHOLDERS**

Category	No. of Shareholders	Total	% to Share capital
A. Promoters and Promoter Group	3	1751110	74.44
B. Foreign Institutional Investors	0	0	0
C. Other Bodies Corporate	2	15000	0.64
D. Bank, Mutual Funds and Financial Institutions	1	75000	3.19
E. Overseas Corporate Body			
F. NRI			
G. HUF	4	60030	2.55
H. Others (individual)	3	60020	2.55
Others(Individuals)	496	451260	19.182
TOTAL	509	2352400	100.00

DECLARATION UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

In accordance with Para D of Schedule V of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015 , I hereby I confirm that all the Directors and the senior Management personnel of the Company have affirmed compliance with the code of Conduct as applicable to them for the financial year ended 31st March 2017.

Fredun Medhora
Managing Director

Place: Mumbai
Date: 30th May 2017



**PRACTICING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE
OF THE CONDITIONS OF CORPORATE GOVERNANCE.**

To the members of Fredun Pharmaceuticals Limited

1. We have examined the compliance of the conditions of Corporate Governance by Fredun Pharmaceuticals Limited for the year 1st April, 2016 to 31st March, 2017 as stipulated in relevant Clauses of chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the 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 an opinion on the financial statements of the Company.
3. 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 above mentioned Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Rajendra And Co.,
Company Secretaries,

CS. Rajendra R. Vaze .
FCS 4847. CP 1975 .

Place: Mumbai
Dated: 30th May, 2017.



1) Management Discussion and Analysis

The core business of the Company is exporting formulations as Branded Generics and introducing new formulations to meet the growing requirements of different customers globally. The shift in healthcare from treatment to prevention has made many Pharma Companies to think differently about health & disease. As the Pharma Companies have an edge with respect to innovation and technology your Company having an R & D Department is planning to develop such nutraceuticals & Dietary Supplements. The Company has plans to diversify into Nutraceuticals & Dietary Supplements not only for humans but also for veterinary use.

2) Business Highlights

The growth of the Company was mainly due to the revenue from exports to African and ASEAN Countries. The Company has the capabilities to produce latest generics and enter niche areas where there are good sales potential with relatively limited competition. Over the years the Company has focused on increasing the Export activities and as on date the Company has its presence in various countries and plans to expand globally. The Company is in a continuous process of modernizing the technology and introducing new formulations to meet the growing requirements of different customers. The Company has made various process improvements to cut down the cost and improve the quality of the products.

The Company also caters to development of formulation of drugs that are equivalent to the innovator products for sale in the emerging markets and also enter local market. Highly technical personnel are involved in the process and analytical method validations and BA/BE studies.

3) Business Outlook

To increase volumes of the product portfolio, the Company has been systematically investing in its productive infrastructure by installing high speed tableting and blister packing machines. The Company has made well planned investments to increase capacity in existing infrastructure and create new manufacturing departments to manufacture ointments, creams and gels and also pellets manufacturing department of different APIs.

4) Challenges

The Regulatory Authorities for approving pharmaceutical products are getting tougher. This is a positive development, but it also creates greater challenges for the manufacturer. The market conditions are getting seriously competitive and healthcare costs everywhere continue to rise. The Indian manufacturers will have to synchronize Indian manufacturing standards with the ones adopted globally to help Indian manufactured products gain a steady stand in the International Market.



5) Key Growth Segments

The launch of biosimilars at relatively lower cost will be the major boost especially for the Indian Market. Fredun Pharmaceuticals Ltd's growth was largely driven by new product launches in the ARV drugs segment and validating some Psychotropic products and registering the same for export market. The Company expects to maintain robust growth due to strong acceptance of our newly launched ARV products. The Company has also launched a herbal galactagogue and a few dietary supplements for veterinary use in the local market as well as registering the same in different countries for exports. The cash flow generated by your Company will be deployed in creating infrastructure, to produce ointments, creams / gels department and pellets manufacturing department.

6) Human Resource Management at Fredun Pharmaceuticals Ltd

The Company has a positive Outlook for the next year. The Company continues to put concerted efforts in recruiting quality people and lowering work stress. Development programs remain the key focus areas for the Company. This will increase the productivity and support the Company's business plan especially in its key Emerging Markets. The Company has installed the ERP System having GST operating systems to modernize and develop the business with complete transparency and efficiency.



TO THE MEMBERS OF, FREDUN PHARMACEUTICALS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **FREDUN PHARMACEUTICAL LTD.**, which comprise of the Balance Sheet as at March **31, 2017**, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements in that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the act for safeguarding assets of the company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.



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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's 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/Loss and its Cash Flow for the year ended on that date

Emphasis of Matter

- 8) In our opinion & to the best of our information & according to the explanations given to us, attention is drawn to the following, in respect of these financial statements
- a) Cost Audit is not applicable to the company, as per provisions of section 148(1) of the Act.
 - b) In accordance with the requirements for disclosure of amounts due to SSI units, as per "Micro, Small and Medium Enterprises Development Act, 2006" the company has not complied the list of its sundry creditors who satisfy this criterion. Our opinion is not qualified in respect of these matters.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure I**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the Annexure referred to in paragraph 5 above and as required by Section 143 (3) of the Act, we report, to the extent applicable, that ;
 - (i) We have sought and obtained all the information and explanations, which to the best of



our knowledge and belief were necessary for the purpose of our audit of the aforesaid financial statements.

- (ii) In our opinion, proper books of accounts, as required by law have been kept by the company, so far as it appears from our examination of such books.
- (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the books of account.
- (iv) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the mandatory Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, so far as appears from our examination of such books.
- (v) On the basis of written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified from being appointed as director under sub section (2) of Section 164 of the Companies Act, 2013.
- (vi) 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 II"**.
- (vii) With respect to the matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations on the financial position of the Company
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the investor Education and Protection Fund by company
- (viii) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read with the notes thereon give the information required by the Companies Act, 2013 in manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-
 - (a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2017.
 - (b) In the case of Profit & Loss Account, of the Profits of the company for the year ended on that date.
 - (c) In the case of Cash Flow Statement of the company for the year ended on that date.
 - (d) a statement of changes in equity, if applicable; and
 - (e) any explanatory note annexed to, or forming part of, any document



FOR SAVLA & ASSOCIATES

Chartered Accountants

DEEPAK G. SAVLA

(PARTNER)

Membership No.: -043901

Place :- Mumbai

Date :- 30/05/2017



Annexure I to Auditors Report

The Annexure as referred in paragraph 1 under 'Report on Legal and Regulatory Requirements' of our Independent Auditors Report to the members of the Company on the financial statements, for the year ended 31 March 2016, we report that:

(i) Fixed Assets

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification
- (c) The title deeds of the immovable properties are partially held by the company and partially mortgage. Details of the same are attached herewith marked as 'Annexure III'

(ii) Inventories

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable
- (b) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) Loans Granted

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. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of directives issued by Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 or any other relevant provisions of Companies Act and the Rules framed there under. Hence the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from



the public are not applicable.

(vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

(vii) Statutory Dues

(a) According to the records of the company, the company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it.

(b) According to the records of the company, there are no dues of income tax of sales tax or service tax or duty of customs or duty of excise or value added tax, which has not been deposited on account of any dispute.

(viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

(ix) The moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.

(x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

(xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act

(xii) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund/society. Therefore the provisions of clause 4 (xii) of the Companies (Auditors Reports) Order, 2013 are not applicable to the company.

(xiii) Based on our audit procedures and on the information and explanations given by the



management, we are of the opinion that all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

(xiv) Based on our audit procedures and on the information and explanations given by the management, 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 and hence not commented upon.

(xv) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR SAVLA & ASSOCIATES
Chartered Accountants

DEEPAK G. SAVLA
(PARTNER)
Membership No.: -043901
Place :- Mumbai
Date :- 30/05/2017



Annexure II to the Auditors Report

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

We have audited the internal financial controls over financial reporting of FREDUN PHARMACEUTICALS LTD. ("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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing



the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over



financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR SAVLA & ASSOCIATES

Chartered Accountants

DEEPAK G. SAVLA

(PARTNER)

Membership No.: -043901

Place :- Mumbai

Date :- 30/05/2017



Annexure III to the Auditors Report

Details of Fixed Assets mortgaged against Loan

<u>Detail of Plant & Machinery</u>				
Sr. no.	Party Name	Asset Name	Value	Name of Company
1	ACG PAM PHARMA TECHNOLOGIES PVT.LTD.	AF 90 T CAPSULE M/C	68,14,503	Reliance Capital Ltd
	ELMACH PACKAGES (I) PVT. LTD	Blister Pack M/c		
2	PRISM PHARMA MACHINERY	FBD Machine	17,78,625	Reliance Capital Ltd
3	CHAMUNDA PHARMA MACHINERY PVT. LTD.	Rapid mixer granulator-400 KG	23,11,875	Reliance Capital Ltd
4	DIONEX SOFTRON GMBH	2 HPLC	19,79,347	Reliance Capital Ltd
<u>Details of Asset on which charge is created</u>				
Sr. no.		Asset Name	Value	Name of Bank
1		Factory Building	13,66,44,000	Indusind Bank
2		Office Premises		Indusind Bank



BALANCE SHEET

Fredun Pharmaceuticals Ltd. Annual Report 2016-2017

Balance Sheet as at 31st March 2017

	Note		As at 31-Mar 2017 Audited	As at 31-Mar-2016 Audited
Equity and Liabilities				
<i>Shareholders' funds</i>				
Share Capital	1	4,87,45,500.00		2,62,45,500.00
Reserves & Surplus	2	2,38,54,648.93	7,26,00,148.93	1,33,53,487.00
<i>Non-current liabilities</i>				
Long-term borrowings	3	7,23,91,207.16		6,19,29,463.00
Deferred tax liabilities (Net)		84,81,570.00		68,96,400.00
Long-term provisions	4	28,11,516.00	8,36,84,293.16	43,17,728.00
<i>Current Liabilities</i>				
Short-term borrowings	5	7,58,23,959.58		6,85,34,731.00
Trade payables	6	22,82,73,523.85		16,27,36,715.00
Other current liabilities	7	7,74,62,596.91		7,17,99,552.00
Short-term provisions	8	2,31,33,036.76	40,46,93,117.10	1,61,85,987.00
			56,09,77,559.19	43,19,99,563.00
Assets				
<i>Non-current assets</i>				
Fixed Assets	9	20,50,37,672.25		14,50,56,640.00
Non-current investments	10	2,600.00		2,600.00
Loans and advances (long-term)	11	35,01,360.00		31,18,971.00
Other non-current assets		0.00	20,85,41,632.25	10,67,889.00
<i>Current assets</i>				
Inventories	12	6,93,65,633.31		10,27,04,943.00
Trade receivables	13	20,38,02,572.41		11,40,16,600.00
Cash and cash equivalents	14	75,04,741.37		1,38,84,158.00
Loans and advances (short-term)	15	1,02,40,103.28		30,10,420.00
Other Current Assets	16	6,15,22,876.57	35,24,35,926.94	4,91,37,342.00
			56,09,77,559.19	43,19,99,563.00

As per our report of even date

For SAVLA & ASSOCIATES

For FREDUN PHARMACEUTICALS LIMITED

Chartered Accountants

DEEPAK G. SAVLA

Partner, M.No.:043901

Firm reg No. 109361W

DAULAT NARIMAN MEDHORA

DIRECTOR

FREDUN NARIMAN MEDHORA

DIRECTOR

Place : Mumbai

Date : 30/05/2017

Place : Mumbai

Date : 30/05/2017



PROFIT & LOSS STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2016-2017

Profit & Loss Statement for the year ended 31st March 2017

(Rs. In Lakh)

Sr. No	PARTICULARS	Note	Year ended 31/03/2017 (Audited)	Year ended 31/03/2016 (Audited)
1.	INCOME FROM OPERATIONS			
a.	Revenue from operations	17	5,669.62	4,232.13
b.	Other income	18	191.38	86.18
	Total Income from Operations (a+b)		5,861.00	4,318.32
2.	Expenses:			
a.	Cost of materials consumed	19	3,395.85	3,042.33
b.	Purchase of Stock-in-trade		23.68	82.84
c.	Variation in Stocks	20	298.35	(442.06)
d.	Employee Benefit Expenses	21	491.82	382.57
e.	Other Expenses	23	1,125.26	776.02
f.	Depreciation		113.58	80.43
	Total Expenses		5,448.54	3,922.13
3.	Profit before Finance Cost, Exceptional & Prior Period Items (1-2)		412.47	396.19
4.	Finance Cost	22	187.48	205.94
5.	Profit before Exceptional & Prior Period Items (3-4)		224.98	190.25
6.	Exceptional Income / Expenses		0.00	6.33
7.	Profit Before Extraordinary Items & Tax (5-6)		224.98	183.92
8.	Prior Period Items	24	2.39	0.42
9.	Profit before Tax (7-8)		222.59	183.50
10.	Tax Expenses	25	79.85	76.55
11.	Net Profit for the Period (9-10)		142.74	106.95

See accompanying Notes to Financial Statements

As per our report of even date

For SAVLA & ASSOCIATES

For FREDUN PHARMACEUTICALS LIMITED

Chartered Accountants

DEEPAK G. SAVLA

Partner, M.No.:043901

Firm reg No. 109361W

DAULAT NARIMAN MEDHORA FREDUN NARIMAN MEDHORA

DIRECTOR

DIRECTOR

Place : Mumbai

Date : 30/05/2017

Place : Mumbai

Date : 30/05/2017



CASH FLOW STATEMENT

Fredun Pharmaceuticals Ltd. Annual Report 2016-2017

FREDUN PHARMACEUTICALS LTD.				
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017				
	(RS. IN LACS) F.Y. 2016-2017		(RS. IN LACS) F.Y. 2015-2016	
A) CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT BEFORE TAXATION		222.59		183.49
<u>ADJUSTMENTS FOR :</u>				
DEPRECIATION	113.58		80.43	
PROVISION FOR EMPLOYEE BENEFITS	37.73		19.39	
ASSETS WRITTEN OFF DUE TO CHANGE IN DEP POLICY	0.00		0.00	
DEFERRED REVENUE EXPENSES WRITTEN OFF	0.00		0.00	
UNREALISED LOSS ON FOREIGN EXCHANGE FLUCTUATION	0.00		0.00	
INTEREST PAID	152.81		156.98	
SUNDRY BALANCE WRITTEN OFF	0.00		0.32	
INTEREST RECEIVED	(2.68)		(1.68)	
CREDITORS WRITTEN BACK	0.00		(1.45)	
PROFIT/LOSS ON SALE OF FIXED ASSET	0.00		0.00	
	0.00	301.44	0.00	253.99
<u>ADJUSTMENT TO OPERATING PROFIT</u>		524.03		437.48
PRIOR PERIOD ADJUSTMENTS		0.00		0.00
ADJUSTMENT FOR PROPOSED DIVIDEND & TAX		(37.73)		(19.39)
ADJUSTMENT FOR TAX PROVISION		(64.00)		(60.30)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		422.30		357.79
<u>EFFECTS OF CHANGES IN WORKING CAPITAL ITEMS</u>				
<u>INCREASE / DECREASE IN :-</u>				
INVENTORY	333.39		(598.44)	
TRADE RECEIVABLES	(897.86)		(621.73)	
LOANS & ADVANCES	(72.30)		4.71	
OTHER CURRENT ASSETS	(123.86)		(225.79)	
TRADE PAYABLES	655.37		929.34	
CURRENT LIABILITIES & PROVISIONS	126.10		466.99	
		20.84		(44.92)
<u>INCREASE / DECREASE IN :-</u>		443.14		312.87
LONG TERM LOANS & ADVANCES	(3.82)		17.31	
LONG TERM PROVISIONS	(52.79)		2.32	
		(56.61)		19.63
NET CASH FLOW FROM OPERATING ACTIVITIES		386.53		332.50
<u>EFFECTS OF CHANGES IN NON CURRENT ITEMS</u>				
OTHER NON CURRENT ASSETS		10.68		0.00
NET ADJUSTED CASH FLOW FROM OPERATING ACTIVITIES		397.21		332.50



B) CASH FLOW FROM INVESTING ACTIVITIES				
INVESTMENTS PURCHASED	0.00		0.00	
PURCHASE OF FIXED ASSETS	(291.78)		(739.37)	
CAPITAL WORK IN PROGRESS	(421.61)		140.58	
		(713.39)		(598.79)
		(316.18)		(266.29)
C) CASH FLOW FROM FINANCING ACTIVITIES				
INCREASE / DECREASE IN LOANS	225.00		0.00	
INCREASE / DECREASE IN ISSUE OF SHARE CAPITAL	177.51		500.27	
INTEREST RECEIVED	2.68		1.68	
INTEREST PAID	(152.81)		(156.98)	
		252.38		344.97
NET INCREASE / DECREASE IN CASH		(63.80)		78.68
OPENING CASH & BANK BALANCE		138.85		60.17
CLOSING CASH & BANK BALANCE		75.05		138.85

Note:-

1. The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 on "Cash Flow Statement".
2. Cash & cash equivalents consist of cash, cheques and stamps on hand and with collecting agents and balances with scheduled and other banks on current and deposit accounts.
3. Direct taxes paid are treated as arising from operating activities and not bifurcated between investing and financing activities.
4. Figures in Negative sign indicate cash outflow.
5. Previous year figures have been regrouped & recast, wherever necessary, to conform to the current year's classification.
6. The notes referred to in the Balance Sheet and Profit & Loss A/c. form an integral part of the Cash Flow Statement.



EQUITY & LIABILITIES NOTES

Fiedun Pharmaceuticals Ltd. Annual Report 2016-2017

Notes to Equity and Liabilities as at 31st March 2017

Note		2016-17 Dr (Rs.)	2016-17 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
1	Share Capital				
	Authorised		6,00,00,000.00		3,00,00,000.00
			0.00		0.00
	Equity Share Capital (Paidup)		2,35,24,000.00		2,35,24,000.00
	Forfeited Equity Shares Capital		2,21,500.00		2,21,500.00
	Preference share capital (8% Cumulative)		2,50,00,000.00		2,50,00,000.00
			4,87,45,500.00	0.00	26245500.00
2	Reserves & Surplus				
	Profit and Loss Account		1,33,53,488.00		45,98,288.00
	Provision for Preference Dividend	16,67,000.00		2,00,000.00	
	Provision for Equity Dividend	14,11,440.00		14,11,440.00	
	Provision for Dividend Tax	6,94,501.00		3,28,057.00	
	Profit for the period		1,42,74,101.93		1,06,94,696.00
		37,72,941.00	2,76,27,589.93	1939497.00	1,52,92,984.00
3	Balance Carried to B/S		2,38,54,648.93		1,33,53,487.00
	Long-term borrowings				
	Unsecured Loans		3,55,67,394.12		1,59,95,584.00
	ICICI Bank Ltd Car Loan -LAMUM00026591859		0.00		1,75,296.00
	ICICI Bank Ltd Car Loan- LAMUM00029696376		0.00		1,80,049.00
	HDFC Bank Skoda Car Loan		13,62,040.07		0.00
	HDFC Bank Edavour Car Loan		14,38,901.63		0.00
	ICICI Bank Ltd Car Loan- LAMUM00029772362		99,620.00		1,66,024.00
	Indusind Bank Limited Term Loan 103602		0.00		2,20,135.00
	Indusind Bank Limited Term Loan 103606		17,82,307.63		25,38,111.00
	Indusind Bank Limited Term Loan 103607		25,25,979.74		38,38,095.00
	Indusind Bank Limited Term Loan 103608		22,25,152.51		29,21,988.00
	Indusind Bank Limited Term Loan 103609		48,94,686.32		63,08,169.00
	Indusind Bank Limited Term Loan 103610		56,60,525.78		72,34,604.00
	Indusind Bank Limited Term Loan 103611		59,95,114.48		76,03,129.00
	Indusind Bank Limited Working Capital Term Loan		88,77,974.16		1,18,17,215.00
	Reliance Capital Ltd RLSLMUM000245420		0.00		2,809.00
	Reliance Capital Limited RLSRMUM		10,38,374.10		0.00
	Reliance Capital Ltd RLSLMUM000249561		0.00		1,859.00
	Reliance Capital Ltd RLSLRMUM000291296		9,23,136.62		22,61,184.00
Reliance Capital Ltd RLSRMUM000312312		0.00		6,62,245.00	
Reliance Capital Ltd RLSLMUM000201504		0.00		2,967.00	
			7,23,91,207.16	0.00	6,19,29,463.00

4 Long-term provisions	Provision For Gratuity	25,57,464.00	23,79,964.00
	Provision for Leave Salary	2,54,052.00	19,37,764.00
		28,11,516.00	43,17,728.00
5 Short-term borrowings	Indusind Bank Limited (PCFCR)	5,65,27,358.52	4,44,40,460.00
	Indusind Bank Limited Cash/Credit 650014054254	1,62,67,801.46	1,47,88,785.00
	Indusind Bank Limited New Rupee Loan	0.00	92,29,591.00
	Indusind Bank Limited CA A/c25250000100075895	29,63,385.00	75,895.00
	Indusind Bank Limited PSDL	65,414.60	0.00
		7,58,23,959.58	6,85,34,731.00
6 Trade payables	Sundry Creditors	22,82,73,523.85	16,27,36,715.00
7 Other current liabilities	Current Maturity of Long Term Borrowings	3,58,01,049.18	2,48,95,971.00
	Liability for capital goods	1,63,64,163.79	1,55,64,137.00
	Advance from customers	1,80,14,146.00	2,67,80,069.00
	Central Excise / Cenvat Refund Payable	72,80,186.00	44,16,140.00
	Payable towards credit card	3,051.94	1,43,235.00
		7,74,62,596.91	7,17,99,552.00
8 Short-term provisions	Provision for Statutory Liabilities	90,37,811.50	68,07,499.00
	Provision for Dividend	2,87,341.00	16,11,440.00
	Provision for Dividend Distribution Tax	38,41,096.00	5,97,522.00
	Provision for Employee Related Liabilities	61,87,581.00	45,59,248.00
	Other Short Term Provisions	37,79,207.26	26,10,278.00
		2,31,33,036.76	1,61,85,987.00



Note. 9-Fixed Assets

TANGIBLE ASSETS				
Particulars	GROSSBLOCK			
	As at 1 Apr 16	Additions	Deductions	As at 31 Mar 17
Freehold	5235279.00			5235279.00
Building	55266174.82	65950.00		55332124.82
Plant & Machinery	89740314.55	10250927.75		99991242.30
Electrical Installation	26669040.43	506545.63		27175586.06
Lab Glassware	1374897.93	3481300.00		4856197.93
Furniture	10295006.17	3966223.00		14261229.17
Motor Car	3845739.00	6883276.00	843087.00	9885928.00
Office Premises	6730140.00	3051906.00		9782046.00
Computer	2798131.45	1047188.27		3845319.72
Factory Equipment	691568.00	91000.00		782568.00
Electrical Fittings	2671879.63	402906.56		3074786.19
Office equipment	313077.00	273135.00		586212.00
Computer Software	2345215.65			2345215.65
Total	250137962.82	30020358.21	843087.00	279315234.03

DEPRECIATION				NETBLOCK	
Upto 31 Mar 16	Deductions	For the Year	Upto 31 Mar 17	As at 31 Mar 17	As at 31 Mar 16
				5235279.00	5235279.00
12984407.88		1869989.55	14854397.43	40477727.39	42281766.94
33566070.95		3525158.07	37091229.02	62900013.28	56174243.60
3294829.55		2597539.17	5892368.72	21283217.34	23374210.88
1059764.95		235965.92	1295730.87	3560467.06	315132.98
3981815.22		869058.43	4850873.65	9410355.52	6313190.95
1135396.16		530353.38	1665749.54	8220178.46	2710342.84
1810064.48		319163.16	2129227.64	7652818.36	4920075.52
2254863.72		468918.60	2723782.32	1121537.40	543267.73
325438.38		102518.51	427956.89	354611.11	366129.62
883051.49		220236.66	1103288.15	1971498.04	1788828.14
288097.63		29642.00	317739.63	268472.37	24979.37
1336024.26		589193.66	1925217.92	419997.73	1009191.39
62919824.67		11357737.11	74277561.78	162876173.06	187218138.15
		Capital Work in Progress		42161499.19	
		Total		205037672.25	



Notes to Assets as at 31st March 2017

Note		2016-17 Dr (Rs.)	2016-17 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
10	Non-current investments				
	The SVC Bank Equity Shares	2,600.00		2,600.00	
11	Loans and advances (long-term)				
	Other Security Deposits	32,44,985.00		22,53,040.00	
	Other Long Term Loans and advances	2,56,375.00		8,65,931.00	
		35,01,360.00		31,18,971.00	0.00
12	Inventories				
	Closing Stock Finished Goods	70,35,849.00		3,03,46,428.00	
	Closing Stock Packing Materials	1,76,43,332.00		2,00,57,700.00	
	Closing Stock Raw Materials	2,60,23,841.00		2,71,13,309.00	
	Closing Stock Work In Progress	1,86,62,611.31		2,51,87,506.00	
		6,93,65,633.31		10,27,04,943.00	0.00
13	Trade receivables				
	Over 6 months	6,01,89,090.11		10,95,031.00	
	Others	14,36,13,482.30		11,29,21,569.00	
	Sundry Debtors	20,38,02,572.41		11,40,16,600.00	
14	Cash and cash equivalents				
	Balances with Banks	69,76,749.65		1,04,52,679.00	
	Cash In Hand	5,27,991.72		34,31,479.00	
		75,04,741.37		1,38,84,158.00	0.00
15	Loans and advances (short-term)				
	Given to Suppliers	94,55,821.78		20,18,082.00	
	Given to Employees	3,22,198.50		4,78,284.00	
	Other Short Term Loans & Advances	4,62,083.00		5,14,054.00	
		1,02,40,103.28		30,10,420.00	0.00
16	Other Current Assets				
	Payment of Taxes	3,58,236.00		14,39,664.00	
	Interest Accrued on Investments	1,97,812.00		1,31,004.00	
	Recoverable from government agencies	5,24,52,237.76		4,54,83,252.00	
	Export Incentives Receivables	53,10,403.70		12,47,153.00	
	Prepaid Expenses	31,98,885.11		7,12,312.00	
	Short Term Loans	5,302.00		1,23,957.00	
		6,15,22,876.57		4,91,37,342.00	0.00

P & L STATEMENT

Fiedun Pharmaceuticals Ltd. Annual Report 2016-2017

Notes to P & L Statement as on 31st March 2017

Note		2016-17 Dr (Rs.)	2016-17 Cr (Rs.)	Previous Yr.(Dr)	Previous Yr.(Cr)
17	Revenue from operations				
	Sale of Products		53,60,57,272.06		40,31,20,196.00
	Sale of Services		3,09,04,896.00		2,00,93,302.00
			56,69,62,168.06	0.00	42,32,13,498.00
18	Other income				
	Discount Received		0.00		22,263.00
	Dividend (Income)		300.00		300.00
	Duty Draw back		46,56,437.00		32,64,714.00
	Interest A/c Income		2,67,879.38		1,68,048.00
	Misc. Other Income		60,159.82		2,74,589.00
	Sale of Scrap		0.00		88,889.00
	Rent		24,000.00		24,000.00
	Insurance Claim Received		74,82,381.00		35,82,576.00
	Product Registration Charges		0.00		4,16,391.00
	Sundry Credit Balance W/off		0.00		1,45,486.00
	DEPB Licence Sale		46,99,394.00		6,30,984.00
	Sale of Motor Car		12,44,444.00		0.00
	Sample & Product Development		30,000.00		0.00
	Foreign Exchange Gain/ Loss A/c		6,73,040.12		0.00
			1,91,38,035.32	0.00	86,18,240.00
19	Cost of materials consumed				
	Cost of Materials Consumed	33,95,84,587.84		30,42,32,783.00	
	Purchases	23,67,998.00		82,84,386.00	
		34,19,52,585.84		31,25,17,169.00	0.00
20	Variation in Stocks				
	Closing stock	2,98,35,473.62			4,42,05,772.00
21	Employee Benefit Expenses				
	Gratuity	3,55,453.00		7,71,077.00	
	Labour Welfare Fund Employers Contribution	11,736.00		9,684.00	
	Medical Expenses	3,54,813.00		17,007.00	
	P F Administration Charges	1,40,687.00		1,12,883.00	
	ESIC	3,42,132.00		0.00	
	P F Employers Contribution	20,88,570.00		16,27,622.00	
	P F Employees Contribution	60,644.00		0.00	
	Salary Wages and Bonus	4,40,76,162.00		3,44,44,965.00	
	Staff Welfare	17,52,172.34		12,73,406.00	
		4,91,82,369.34		3,82,56,644.00	0.00
22	Finance Cost				
	Bank Charges	28,06,348.91		44,31,212.00	
	Bank Interest	93,38,712.86		1,05,83,180.00	
	Interest Expenses	59,42,506.87		51,15,008.00	
	Other Finance Charges	6,60,729.79		4,64,543.00	
		1,87,48,298.43		2,05,93,943.00	0.00

23 Other Expenses				
Manufacturing & Service Cost				
Clearing & Forwarding Exp Inward	3,98,370.00		2,56,637.00	
Electricity Expenses Factory	1,57,92,205.00		1,11,83,661.00	
Factory Expenses	54,52,813.00		29,54,292.00	
Fire Safety Expenses	28,390.00		64,510.00	
Freight Inward	2,22,931.00		3,20,988.00	
Garden Maintenance Expenses	5,13,437.00		8,85,998.00	
Lab Chemical Expenses	6,49,260.46		4,21,274.00	
Labour Charges Expenses	15,78,350.00		15,250.00	
Light Diesel Oil Purchase	1,54,900.00		1,43,700.00	
Rent Plant & Machinery	81,93,711.00		21,25,200.00	
Repairs & Maintenance Expenses	86,05,514.54		76,55,814.00	
Testing & Analytical Expenses	4,50,843.00		9,92,599.00	
Transport Expenses Inward	5,73,897.00		12,64,649.00	
Loading & Unloading Expenses	1,57,700.00		0.00	
Blocks & Designing (At Work)	2,12,700.00		0.00	
	4,29,85,022.00		2,82,84,572.00	0.00
Other Expenses				
Custom Duty A/c	5,85,595.00		60,670.00	
Octroi Duty	7,367.00		3,092.00	
VAT	0.00		26,097.00	
Central Sales Tax on Purchase	9,46,750.67		6,12,094.00	
A.G.M. Expenses	54,353.10		6,788.00	
Agency Expenses	2,66,350.00		3,74,053.00	
Books & Periodicals	1,07,702.00		27,041.00	
Computer Software Expenses	1,17,325.00		2,26,683.00	
Computer Expenses	2,97,019.00		2,38,275.00	
Conveyance Expenses	2,71,801.18		2,32,952.00	
Courier charges	10,10,791.68		7,12,218.00	
Directors Sitting Fees	33,000.00		14,443.00	
Credit Card Charges	11,607.53		0.00	
Donation Expenses	54,501.00		5,000.00	
ECGC Expenses	8,26,120.00		5,88,251.00	
Electricity Expenses office	4,03,109.00		4,07,195.00	
Foreign Exchange Gain/Loss A/C	0.00		26,08,449.00	
Hire Charges	1,76,091.53		2,32,800.00	
Membership & Subscription	3,16,320.00		1,94,832.00	
Miscellaneous Expenses	2.54		2,999.00	
Miscellaneous Expenses W/off	18.72		160.00	
Motor Car Expenses	4,79,626.42		3,26,818.00	
Newspaper & Magazines	19,705.00		8,630.00	
Printing & Stationery Expenses	15,56,539.39		8,47,094.00	



Profession Tax (Employers)	2,500.00	2,500.00	
Professional Fees	1,11,02,462.72	39,30,633.00	
ROC Expenses	7,500.00	2,25,000.00	
Rates , Taxes And Fees	36,24,779.50	35,51,033.00	
Rent Expenses	27,65,000.00	16,15,000.00	
Security Charges Expenses	15,84,072.00	8,93,424.00	
Sundry Debtors W/off	0.00	32,338.00	
Telephone expenses	14,49,583.59	8,94,496.00	
Travelling Expenses	32,61,267.47	20,62,417.00	
Office Expenses	2,41,876.64	29,754.00	
Service Tax (not claimed)	46,584.00	65,380.00	
Audit fees	3,90,000.00	4,46,550.00	
Advertisement Expenses	1,34,051.00	22,45,028.00	
Business promotion expenses	1,06,500.00	6,83,151.00	
Product Seminar Charges	77,47,188.95	16,38,073.00	
M R Fees	13,21,137.56	10,41,171.00	
Insurance Charges	9,35,011.50	8,49,483.00	
Commission expenses	1,20,75,848.36	1,18,88,748.00	
Discount Expenses	0.00	16,684.00	
Sales Promotion expenses	12,74,890.32	28,34,712.00	
Sample expenses	3,18,175.00	2,14,433.00	
Transport Expenses Outward	16,32,872.00	8,33,591.00	
Clearing & Forwarding Exp Outward	17,98,603.45	11,42,396.00	
Freight Outward expenses	77,32,346.11	44,25,003.00	
Dividend Expenses	8,500.00	0.00	
Entertainment Exps	53,687.00	0.00	
Krishi Kalyan Cess	1,33,704.10	0.00	
Loss on sale of Fixed Assets	8,43,087.00	0.00	
Penalties	500.00	0.00	
Product Registration	12,35,589.00	0.00	
Swachha Bharat	1,69,731.65	0.00	
Other Charges	1,763.00	0.00	
	6,95,40,507.68	4,93,17,632.00	0.00
	11,25,25,529.68	7,76,02,204.00	
24 Prior Period Items			
Prior Period Expenses	2,38,939.25	42,356.00	0.00
25 Tax Expenses			
Provision for Deferred Tax	15,85,170.00	6029919.00	
Provision for Income Tax	64,00,000.00	1625201.00	
	79,85,170.00	76,55,120.00	0.00



FREDUN PHARMACEUTICALS LIMITED

Notes to financial statements for the year ended 31/03/2017

A. SIGNIFICANT ACCOUNTING POLICY

Basis of Accounting :

The accounts of the Company are prepared under the historical cost convention and in accordance with the applicable accounting standards except where otherwise stated. For recognition of Income & Expenditure generally Mercantile system of accounting is followed.

Revenue Recognition :

Sales are exclusive of duty, packing and forwarding charges and sales tax, Revenue from sales of goods are recognised upon passage of title to customer which generally coincides with their delivery.

Use of Estimates :

The presentation of Financial Statements in conformity with generally accepted accounting principles required management to make estimates & assumption that affects the reported amount of assets & liabilities on the date of the financial statements and reported amount of revenue and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialise.

Fixed Assets :

Fixed Assets are shown at cost less depreciation.

Depreciation :

Consequent to the enactment of the Companies Act 2013 and its applicability for accounting period commencing on or after April 2014, the Company reviewed its method of providing for depreciation on its tangible fixed assets and also reassessed the useful lives of such assets. According the method of providing depreciation has been changed from Written down value method to the straight line method to depreciate all class of tangible assets.

Foreign Currency Transaction :

- i) Monetary assets and liabilities related to foreign currency transactions and outstanding at the close of the year are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.
- ii) Transactions in foreign currency are recorded in the books of accounts in Indian Rupees at the rate of exchange prevailing on the date of transaction.

Contingent Liabilities & Commitments :

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 recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

Tax on Income :

Deferred Tax is recognised subject to the consideration of prudence on timing differences, being the differences between taxable income & accounting income that originates in one period & are capable of reversal in one or more subsequent periods.

Retirement Benefits :

Provident Fund is administered through Regional Provident Fund Commissioner. The accruing liability gratuity is calculated according to actuarial valuation and fully provided up to 31st March 2017. However encashment of Leave to staff is accounted on cash basis.

For Savla & Associates
Chartered Accountants

For FREDUN PHARMACEUTICALS LIMITED

Deepak G. Savla
Mem No. 043901

DAULAT NARIMAN MEDHORA
DIRECTOR

FREDUN NARIMAN MEDHORA
DIRECTOR

Place : Mumbai
Date : 30/05/2017

Place : Mumbai
Date : 30/05/2017



FREDUN PHARMACEUTICALS LIMITED**Notes to financial statements for the year ended 31/03/2017****Reconciliation of Shares Outstanding at the beginning and at the end of the year**

Equity Shares	31/03/2017		31/03/2016	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	23,52,400	2,35,24,000	23,52,400	2,35,24,000
Addition during the year	-	-	-	-
Deductions during the year	-	-	-	-
Outstanding at the end of the year	23,52,400	2,35,24,000	23,52,400	2,35,24,000

Preference Shares	31/03/2017		31/03/2016	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the year	25,000	25,00,000	25,000	25,00,000
Addition during the year	2,50,000	2,50,00,000	-	-
Deductions during the year	25,000	25,00,000	-	-
Outstanding at the end of the year	2,50,000	2,50,00,000	25,000	25,00,000

Rights, Preference & Restrictions attached to each class of Share Capital**I. Equity Shares**

The company has only class of equity share having a par value of Rs. 10/- each. Each holder of the equity share is entitled to one vote per share. Dividend of 6% has been declared for the financial year 2016-2017 by the company on these shares. In the event of liquidation of the Company the holders of the equity shares are entitled to receive the remaining assets of the Company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holder. Of joint holders, the vote of senior who votes in person or by proxy shall be accepted. For this purpose, seniority shall be determined by the order in which names of share holder stand in register of members.

II. 8% Cumulative Redeemable Preference Shares

Dividend - 8% of Face Value

Redeemable in Financial year 2017-2018



Details of shareholders holding more than 5% shares in the company

Names of the Shareholder	31/03/2017		31/03/2016	
	No of Shares	% of Holding	No of Shares	% of Holding
Daulat N. Medhora	13,21,310	56.17	13,61,500	57.88
Nariman B. Medhora	3,42,100	14.54	3,45,600	14.69
Fredun Healthcare Pvt. Ltd.			1,82,000	7.74

EARNING PER SHARE (EPS)

	31/03/2017	31/03/2016
a. Net Profit/Loss attributable to Equity Shareholders (Basic)	6.39	4.55
b. Details of No. of Shares used for Basic Earning Per Share	23,52,400	23,52,400
c. Net Profit/Loss attributable to Equity Shareholders (Diluted)		
d. Details of No. of Shares used for Diluted Earning Per Share		
Face Value per Share		



FREDUN PHARMACEUTICALS LIMITED**Notes to financial statements for the year ended 31/03/2017****VALUE OF IMPORTS (on CIF Basis)**

Particulars	31/03/2017	31/03/2016
Raw Materials	3,73,51,157	8,60,22,655
Packing Materials	0	0
Traded Goods	0	0
Stores, Spares and Components	0	0
Capital Goods	30,21,300	0

PAYMENTS TO AUDITORS

Particulars	31/03/2017	31/03/2016
Tax Audit Fees	3,00,000.00	3,57,240.00
Other Consultancy	40,000.00	20,610.00
Certification Fees	50,000.00	68,700.00
	<u>3,90,000.00</u>	<u>4,46,550.00</u>

EARNINGS IN FOREIGN EXCHANGE

Particulars	31/03/2017	31/03/2016
FOB Value of Manufactured Goods Exported	31,80,75,372.82	21,95,79,273.00
FOB Value of Traded Goods Exported	-	1,00,00,223.00
Revenue received from Services	-	-
Interest income received	-	-
Dividend income received	-	-
Insurance and freight on exports	1,02,84,508.20	61,27,668.00
Profit in foreign currency on Sale of Asset	-	-
Royalty, Knowhow, Professional & consultancy fees	-	-
Other Income received in foreign currency	-	-
Total earnings in Foreign Exchange	<u>32,83,59,881.02</u>	<u>23,57,07,164.00</u>



EXPENDITURE IN FOREIGN CURRENCY

Particulars	31/03/2017	31/03/2016
Expenditure incurred in Foreign Exchange	-	-
Interest charges in foreign currency	62,05,682.54	-
Commission, Brokerage and Discount charges	-	-
Professional Charges	5,05,069.72	4,73,973.00
Bank and Finance charges	-	4,66,973.00
Logistic charges	-	-
Foreign Tax	-	-
Royalty charges	-	-
Sales, Marketing and Advertising exps	1,00,73,838.08	42,09,786.24
Meeting Exps	-	3,57,341.00
Reaserch and development exps	-	-
Intangible Asset Charges	-	-
Membership and Subscription exps	12,21,341.00	-
Insurance charges	-	-
Telecommuniocation exps	-	-
Other expenditure in foreign currency	1,19,49,399.88	-
Total Exps in foreign currency	<u>2,99,55,331.22</u>	<u>55,08,073.24</u>
Net earning in Foreign Currency	<u>2,98,404,549.81</u>	<u>2,30,199,090.76</u>
Capital Expenditure in Foreign Currency	-	-



FREDUN PHARMACEUTICALS LIMITED**Notes to financial statements for the year ended 31/03/2017**

1. The Company's Board of Directors is responsible for the preparation of these financial statement in term of the requirements of the Companies Act, 2013 that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
2. In the opinion of Board of Directors the provision for depreciation and all known liabilities are adequate and are not in excess of the amounts considered reasonably necessary.
3. Balance of some of the trade receivables, trade payables, loans and advances are subject to confirmation.
4. The liability of VAT and set off have been accounted for on the basis of working prepared by the company.
5. In accordance with the requirement for disclosure of amounts due to SSI units, as per "Micro, Small and Medium Enterprises Development Act, 2006" the company has not complied the list of its sundry creditors who satisfy this criterion.
6. Information given in accordance with Accounting Standard-18 on Related Party Disclosures issued by ICAI :

Names of the Related Parties : Key Management Personnel :

- i) Mr. N.B.Medhora
- ii) Mrs. Dr. D.N.Medhora
- iii) Mr. Fredun N. Medhora

Business Organisation controlled by Key Management Personnel or their relatives :

- i) Fredna Enterprises
- ii) Fredun Healthcare Pvt. Ltd.

Following are the transactions entered into with the related parties :

Director's Remuneration paid to Mr.N.B.Medhora (Managing Director)	Rs.13,20,000/-
Director's Remuneration paid to Mrs. Dr. D.N.Medhora (Joint Managing Director)	Rs.12,00,000/-
Director's Remuneration paid to Mr. Fredun N. Medhora (Director)	Rs.24,00,000/-
Rent paid to Mr. Nariman Medhora for utilising a godown of his proprietary firm	Rs. 15,00,000/-
Purchases made from Fredna Enterprises	Rs. 1,27,688/-
Sale made to Fredun Healthcare Pvt Ltd	Rs. 54,750/-



7. The payment made towards Credit cards expenses are in the name of Directors.

8. Information given in accordance with the requirements of Accounting Standard 17 on Segment Reporting :

The Company is operating in only one segment i.e. Pharmaceutical Formulations

The Geographical segment is considered as secondary segment.

Geographical Segments :

The Company primarily operates in India & therefore the geographicals segment is dividend into Indian and Overseas markets :

Sales in India : Rs.20,76,84,296/-

Overseas : Rs.32,83,72,976/-

9. With regards to the Term Loans taken from Shamrao Vithal Co-op Bank Ltd., the bank itself debits the installment amounts periodically. And thus delay in Payment of installment is only due to the bank debiting the installments amount late and not due to company's lag.

10. Previous year's figures are regrouped & rearranged wherever necessary.

For Savla & Associates
Chartered Accountants

For FREDUN PHARMACEUTICALS LIMITED

Deepak G. Savla
Mem No. 043901

DAULAT NARIMAN MEDHORA
DIRECTOR

FREDUN NARIMAN MEDHORA
DIRECTOR

Place : Mumbai
Date : 30/05/2017

Place : Mumbai
Date : 30/05/2017



FREDUN PHARMACEUTICALS LIMITED**Notes to financial statements for the year ended 31/03/2017****COST OF MATERIAL CONSUMED**

Particulars	31/03/2017	31/03/2016
Raw Materials	Rs	Rs
Opening Stock		
Opening Stock	2,71,13,309.00	1,89,48,694.00
Stock in Transit		
Add : Purchases		
Purchases	21,24,70,808.19	23,44,47,609.11
Less : Closing Stock		
Closing Stock	2,60,23,841.00	2,71,13,309.00
Stock in Transit		
<u>Packing Materials</u>		
Opening Stock		
Opening Stock	2,00,57,700.00	1,25,06,056.00
Stock in Transit		77,692.00
Add : Purchases		
Packing Expenses	3,07,046.43	35,713.50
	17,400.00	
Purchases	11,71,98,324.68	8,00,96,843.66
Less : Closing Stock		
Closing Stock	1,76,43,332.00	2,00,57,700.00
Stock in Transit		



Stores & Spares

Opening Stock	-	-
Add : Purchases	14,60,591.32	13,02,902.30
Consumables Purchases	46,26,581.22	39,88,281.03
Stores & Spare Parts		
Less : Closing Stock	-	-
	60,87,172.54	52,91,183.33
	33,95,84,587.84	30,42,32,782.60

PURCHASE OF STOCK-IN-TRADE

	Rs	Rs
Particulars	31/03/2017	31/03/2016
Traded Goods		
Purchases	23,67,998.00	82,84,386.44
	23,67,998.00	82,84,386.44

CHANGE IN INVENTORIES

	Rs	Rs
Particulars	31/03/2017	31/03/2016
Finished Goods		
Opening Stock	3,03,46,428.26	14,46,964.00
Less : Closing Stock	70,35,849.00	3,03,46,428.26
	2,33,10,579.26	(2,88,99,464.26)
Work in Progress		
Opening Stock	2,51,87,505.67	98,81,198.00
Less : Closing Stock	1,86,62,611.31	2,51,87,505.67
	65,24,894.36	(1,53,06,307.67)
	2,98,35,473.62	(4,42,05,771.93)



ENTRANCE SLIP

Fredun Pharmaceuticals Ltd. Annual Report 2016-2017

FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

Registered Office:

26 Manoj Industrial Premises,
G D Ambekar Marg, Wadala,
Mumbai-400 031 Maharashtra
Phone:022-4031811

ENTRANCE SLIP

30th Annual General Meeting on Thursday, 28th September 2017 at 9:30 a.m.

Registered Folio No. / DP ID/Client ID	
Name and address of the Member(s) Joint Holder 1 Joint Holder 2	

I/We hereby record my/our presence at the 30th Annual General Meeting of the Company at Ramee Guest Line, Hotel - Dadar Plot No.3, Kohinoor Road, Dadar Mumbai - 400014.

on Thursday, 28th September 2017 at 09.30 a.m.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Please hand over this slip at the Attendance/Entrance Verification Counter at the ENTRANCE

(Only Shareholders /Proxies are allowed to attend the meeting)

(A member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting)



FREDUN PHARMACEUTICALS LTD

CIN: L24239MH1987PLC043662

Registered Office:

26 Manoj Industrial Premises,
G D Ambekar Marg, Wadala,
Mumbai-400 031 Maharashtra
Phone:022-4031811

PROXY FORM

PROXY FORM

**(Pursuant to Section 105(6) of The Companies Act., 2013 and rule 19(3) of the
Companies (Management and Administrative) Rules 2014.**

**30th Annual General Meeting on Thursday, 28th September 2017 at 9:30 a.m. at
Ramee Guest Line, Hotel - Dadar Plot No.3, Kohinoor Road, Dadar Mumbai - 400014.**

Name of the Member(s):

Registered Address:

E-mail ID:

Folio No./DP ID/Client ID:

I/We being member(s) of FREDUN PHARMACEUTICALS LTD, holding ____ shares of the
Company hereby appoint :

(1) Name.....Address

Email Id..... Signatureor failing him;

(2) Name.....Address

Email Id..... Signatureor failing him;

(3) Name.....Address

Email Id..... Signatureor failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual
General meeting of the Company to be held on Thursday the 28th September 2017 at 9.30
a.m. at Mumbai Marathi Granthasangrahalay, MMGS Marg, Dadar (E), Mumbai - 400014 and at
any adjournment thereof in respect of such resolutions as are indicated hereinafter:



Description of the Resolutions:

1. Adoption of Annual Accounts of the company for the Financial year ended March 31, 2017 together with the Reports of the Directors and the Auditors thereon.
2. Declaration of the Dividends.
3. Re appointment of Mr. Fredun Medhora retiring by rotation and being eligible offers himself for re- appointment.
4. Appointment of the Statutory Auditors of the company.
5. Increasing the Authorised capital
6. Appointment of the Managing Director.
7. Appointment of the Whole time Director

Signed thisday of2017

Signature of the Member

Signature of the Proxy holder(s)

Notes:

1. This form of proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Proxy.

EVSN (Electronic Voting Sequence Number)	



FREDUN PHARMACEUTICALS LIMITED

Compassionate Healthcare



CIN No : L24239MH1987PLC043662

Date : 30th May 2017

Dear Shareholder(s),

The Company is in process of updation of its records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE Listing Agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we intend to update your PAN No., phone no. and e-mail id in our records. We would also like to update your current signature records in our system.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No. :

Pan No. :

E-mail ID :

Telephone No. :

Name and Signatures : i.

ii.

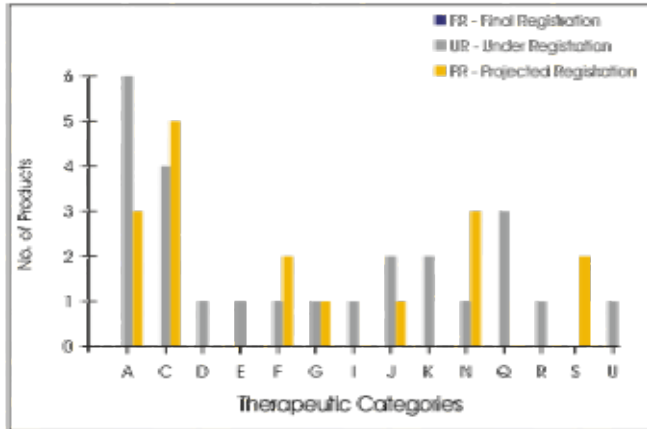
iii.

Thanking you,

For, Fredun Pharmaceuticals Limited
Fredun Medhora
Managing Director



PRODUCT REGISTRATIONS

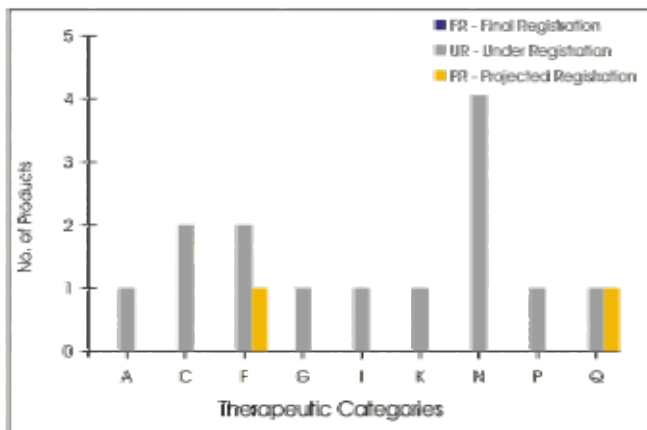


CAMBODIA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	6	3
C - ANTI-DIABETIC	-	4	5
D - ANTHELMINTIC	-	1	-
E - ANTIHISTAMINES / ANTIALLERGIC	-	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	2
G - ANALGESICS / NSAID	-	1	1
I - ANTICOAGULANTS	-	1	-
J - ANTI INFLAMATORY	-	2	1
K - ANTIHYPERTENSIVES	-	2	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	1	3
Q - CARDIOVASCULAR	-	3	-
R - LAXATIVE	-	1	-
S - IMPOTENCE DRUGS	-	-	2
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-

TOTAL - 25 17



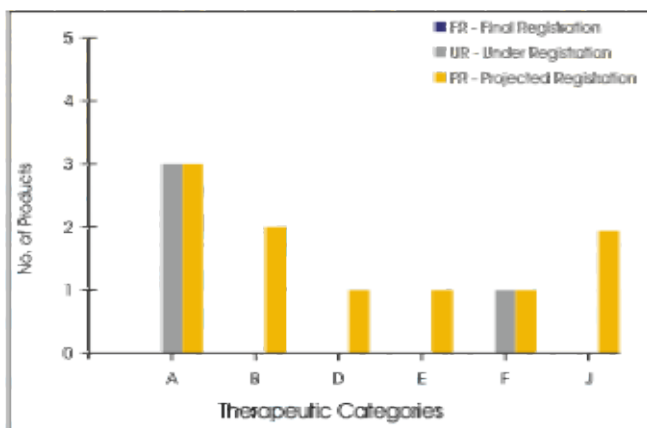
CENTRAL AMERICA

(Nicaragua, Honduras, Guatemala, Dominican Republic, Guyana & El Salvador)

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	1	-
C - ANTI-DIABETIC	-	2	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	2	1
G - ANALGESICS / NSAID	-	1	-
I - ANTICOAGULANTS	-	1	-
K - ANTIHYPERTENSIVES	-	1	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	4	-
P - DIURETIC	-	1	-
Q - CARDIOVASCULAR	-	1	1

TOTAL - 14 2



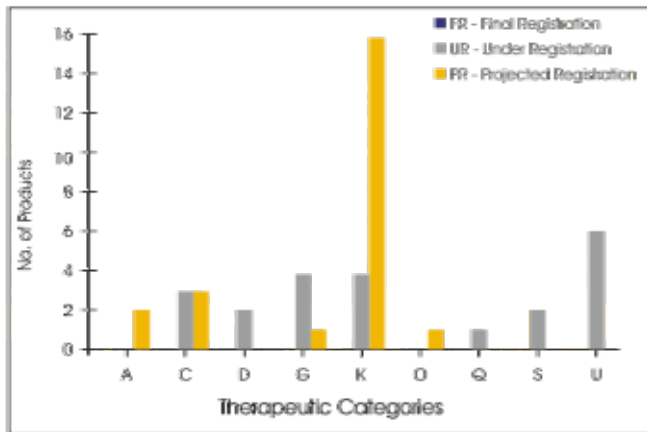
CONGO

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	3	3
B - ANTI-MALARIAL	-	-	2
D - ANTHELMINTIC	-	-	1
E - ANTIHISTAMINES / ANTIALLERGIC	-	-	1
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	1
J - ANTI INFLAMATORY	-	-	2

TOTAL - 4 10



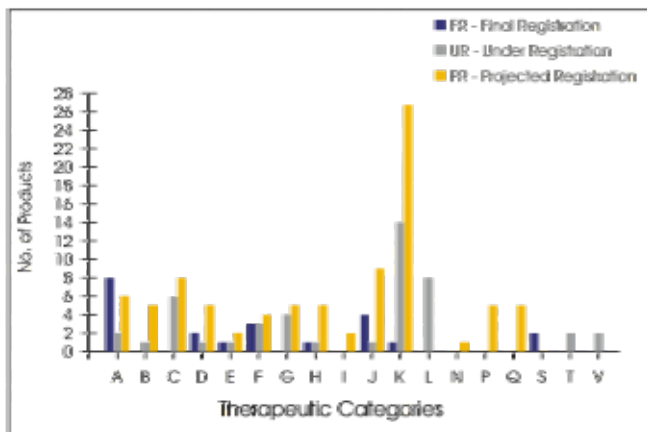


GHANA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	-	2
C - ANTI-DIABETIC	-	3	3
D - ANTHELMINTIC	-	2	-
G - ANALGESICS / NSAID	-	4	1
K - ANTIHYPERTENSIVES	-	4	16
O - ANTIDIARRHOEAL	-	-	1
Q - CARDIOVASCULAR	-	1	-
S - IMPOTENCE DRUGS	-	2	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	6	-

TOTAL - 22 23

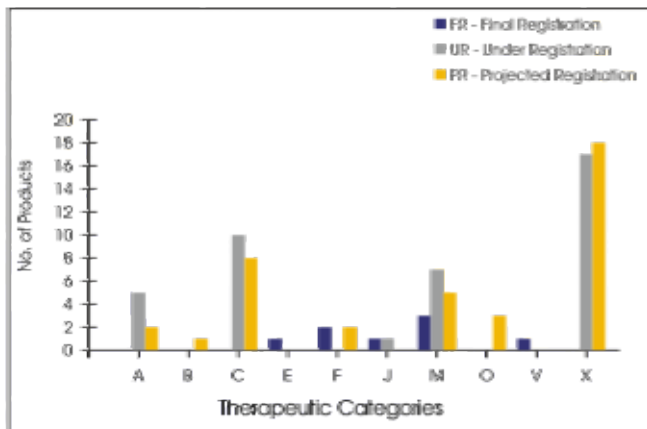


KENYA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	8	2	6
B - ANTI-MALARIAL	-	1	5
C - ANTI-DIABETIC	-	6	8
D - ANTHELMINTIC	2	1	5
E - ANTIHISTAMINES / ANTIALLERGIC	1	1	2
F - ANTACID / ANTIULCER / ANTI-EMETIC	3	3	4
G - ANALGESICS / NSAID	-	4	5
H - ANTIFUNGAL	1	1	5
I - ANTICOAGULANTS	-	-	2
J - ANTI INFLAMATORY	4	1	9
K - ANTIHYPERTENSIVES	1	14	27
L - ANTIVIRAL	-	8	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	1
P - DIURETIC	-	-	6
Q - CARDIOVASCULAR	-	-	6
S - IMPOTENCE DRUGS	2	-	-
T - ANTI OBESITY	-	2	-
V - BONE MODULATING DRUGS	-	2	-

TOTAL 22 46 91



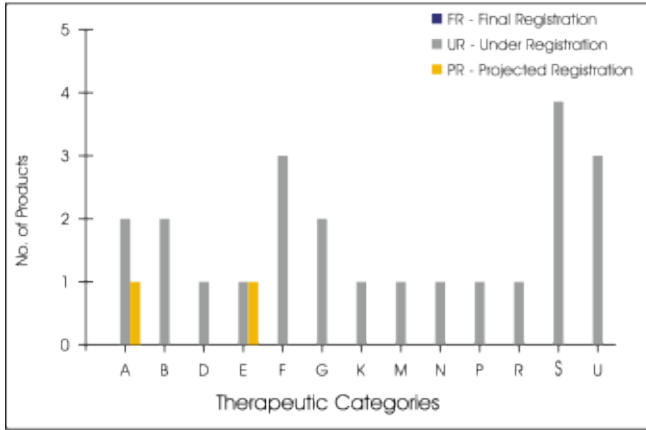
MYANMAR

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	5	2
B - ANTI-MALARIAL	-	-	1
C - ANTI-DIABETIC	-	10	8
E - ANTIHISTAMINES / ANTIALLERGIC	1	-	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	2	-	2
J - ANTI INFLAMATORY	1	1	-
M - ANTI-RETROVIRAL / ANTI HIV	3	7	5
O - ANTIDIARRHOEAL	-	-	3
V - BONE MODULATING DRUGS	1	-	-
X - PSYCHOTROPICS / ANTI - PSYCHOTICS	-	17	18

TOTAL 8 40 39



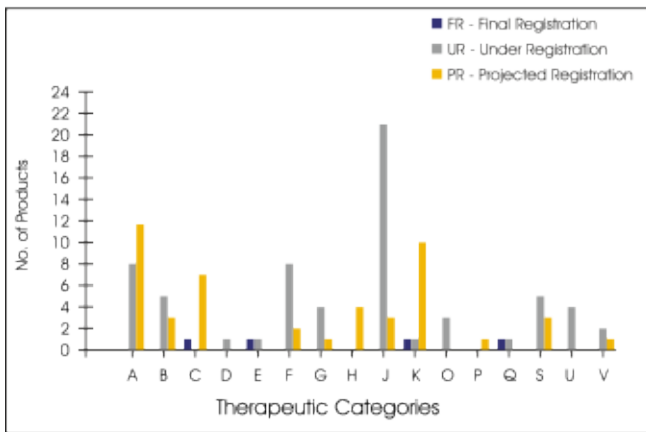


MOZAMBIQUE

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	2	1
B - ANTI-MALARIAL	-	2	-
D - ANTHELMINTIC	-	1	-
E - ANTIHISTAMINES / ANTIALLERGIC	-	1	1
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	3	-
G - ANALGESICS / NSAID	-	2	-
K - ANTIHYPERTENSIVES	-	1	-
M - ANTI-RETROVIRAL / ANTI HIV	-	1	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	1	-
P - DIURETIC	-	1	-
R - LAXATIVE	-	1	-
S - IMPOTENCE DRUGS	-	4	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	3	-

TOTAL - 23 2

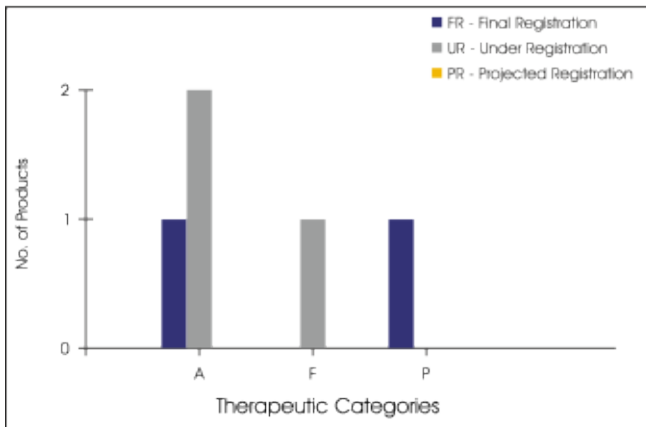


NIGERIA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	8	11
B - ANTI-MALARIAL	-	5	3
C - ANTI-DIABETIC	1	-	7
D - ANTHELMINTIC	-	1	-
E - ANTIHISTAMINES / ANTIALLERGIC	1	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	8	2
G - ANALGESICS / NSAID	-	4	1
H - ANTIFUNGAL	-	-	4
J - ANTI INFLAMATORY	-	21	3
K - ANTIHYPERTENSIVES	1	1	10
O - ANTIDIARRHOEAL	-	3	-
P - DIURETIC	-	-	1
Q - CARDIOVASCULAR	1	1	-
S - IMPOTENCE DRUGS	-	5	3
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	4	-
V - BONE MODULATING DRUGS	-	2	1

TOTAL 4 64 47



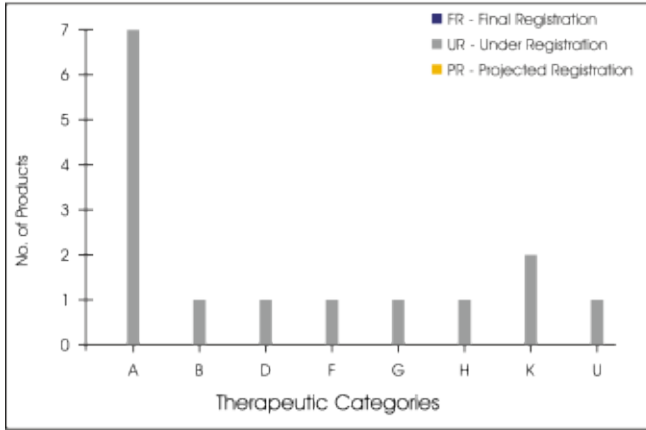
PHILIPPINES

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	1	2	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	-
P - DIURETIC	1	-	-

TOTAL 2 3 -

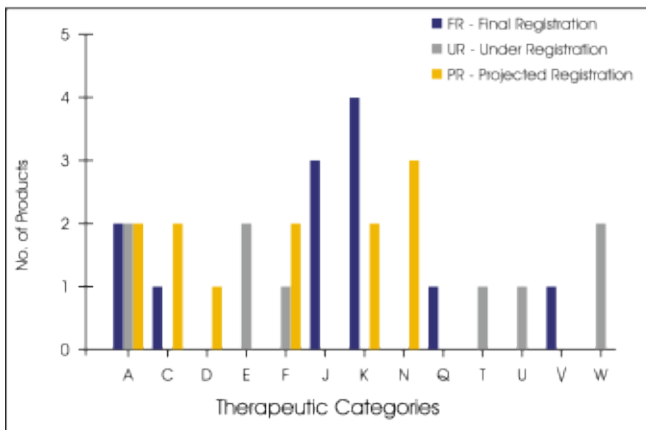




RWANDA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	7	-
B - ANTI-MALARIAL	-	1	-
D - ANTHELMINTIC	-	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	-
G - ANALGESICS / NSAID	-	1	-
H - ANTIFUNGAL	-	1	-
K - ANTIHYPERTENSIVES	-	2	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
TOTAL	-	15	-

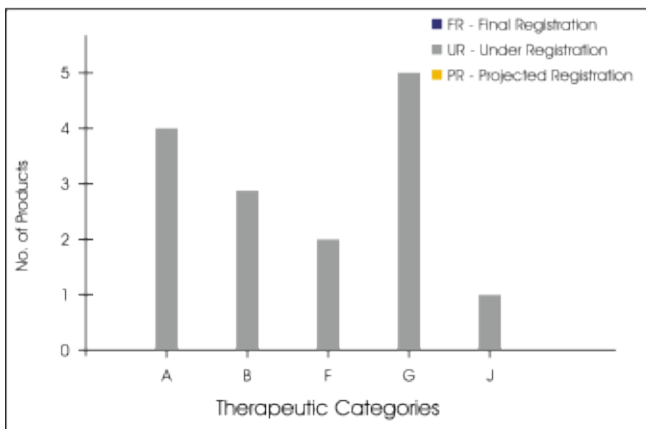


SRILANKA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	2	2	2
C - ANTI-DIABETIC	1	-	2
D - ANTHELMINTIC	-	-	1
E - ANTIHISTAMINES / ANTIALLERGIC	-	2	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	2
J - ANTI INFLAMMATORY	3	-	-
K - ANTIHYPERTENSIVES	4	-	2
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	3
Q - CARDIOVASCULAR	1	-	-
T - ANTI OBESITY	-	1	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
V - BONE MODULATING DRUGS	1	-	-
W - PROSTATIC HYPERPLASIA (BPH)	-	2	-

TOTAL 12 9 12



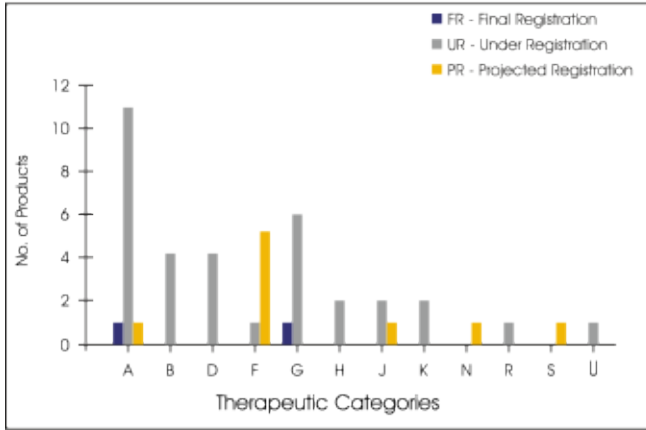
SUDAN

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	4	-
B - ANTI-MALARIAL	-	3	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	2	-
G - ANALGESICS / NSAID	-	5	-
J - ANTI INFLAMMATORY	-	1	-

TOTAL - 15 -



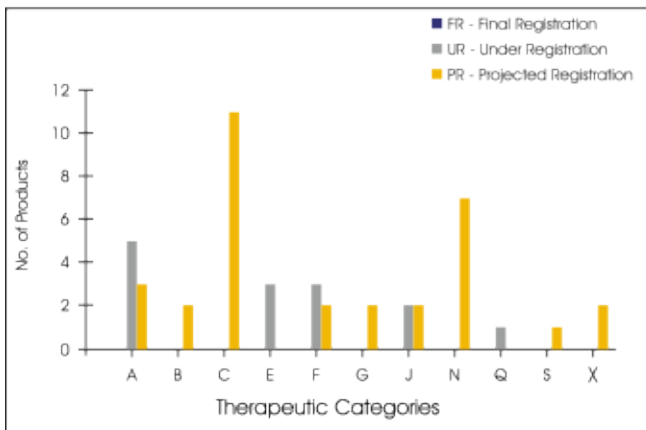


UGANDA

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	1	11	1
B - ANTI-MALARIAL	-	4	-
D - ANTHELMINTIC	-	4	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	1	5
G - ANALGESICS / NSAID	1	6	-
H - ANTIFUNGAL	-	2	-
J - ANTI INFLAMMATORY	-	2	1
K - ANTIHYPERTENSIVES	-	2	-
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	1
R - LAXATIVE	-	1	-
S - IMPOTENCE DRUGS	-	-	1
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-

TOTAL 2 34 9

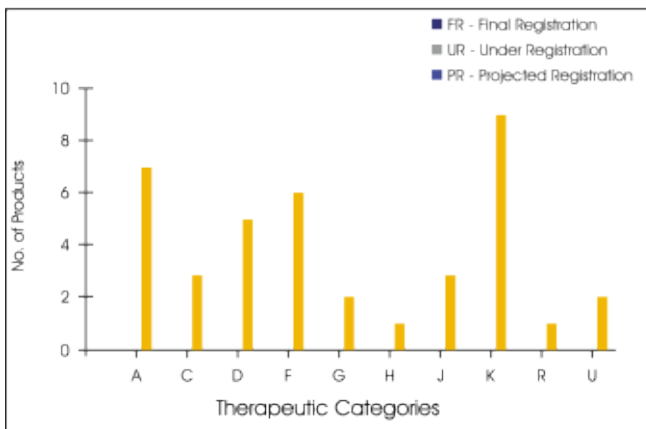


VIETNAM

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	5	3
B - ANTI-MALARIAL	-	-	2
C - ANTI-DIABETIC	-	-	11
E - ANTIHISTAMINES / ANTIALLERGIC	-	3	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	3	2
G - ANALGESICS / NSAID	-	-	2
J - ANTI INFLAMMATORY	-	2	2
N - ANTICONVULSANTS / ANTI-EPILEPTIC	-	-	7
Q - CARDIOVASCULAR	-	1	-
S - IMPOTENCE DRUGS	-	-	1
X - PSYCHOTROPICS / ANTI - PSYCHOTICS	-	-	2

TOTAL - 14 32



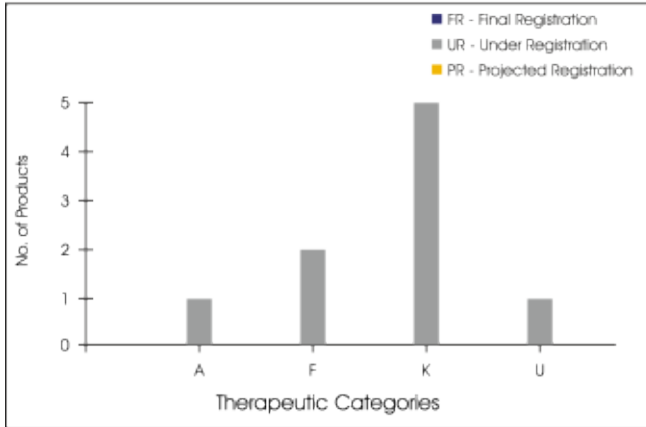
YEMEN

Category

Category	FR	UR	PR
A - ANTI-BACTERIAL	-	-	7
C - ANTI-DIABETIC	-	-	3
D - ANTHELMINTIC	-	-	5
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	-	6
G - ANALGESICS / NSAID	-	-	2
H - ANTIFUNGAL	-	-	1
J - ANTI INFLAMMATORY	-	-	3
K - ANTIHYPERTENSIVES	-	-	9
R - LAXATIVE	-	-	1
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	-	2

TOTAL - - 39

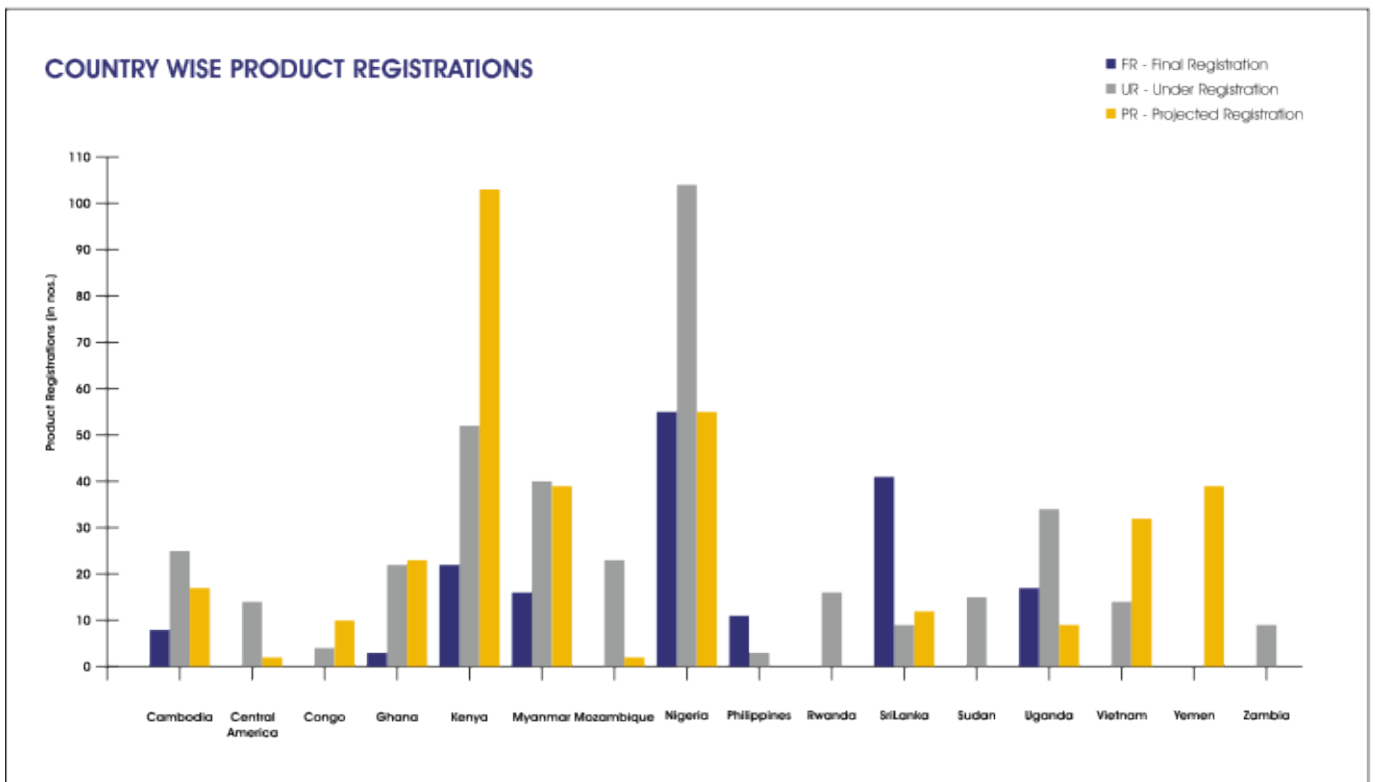




ZAMBIA

Category

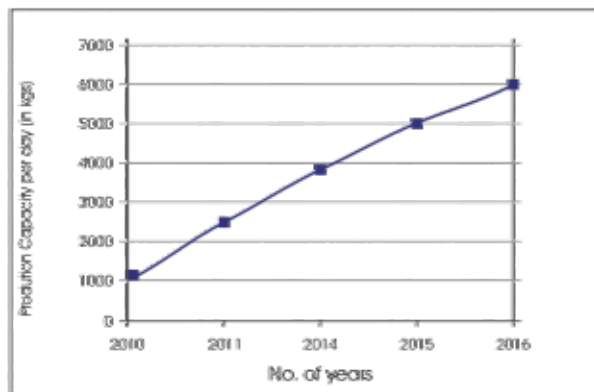
Category	FR	UR	PR
A - ANTI-BACTERIAL	-	1	-
F - ANTACID / ANTIULCER / ANTI-EMETIC	-	2	-
K - ANTIHYPERTENSIVES	-	5	-
U - APPETITE STIMULANT WITH MULTIVITAMINS/ MULTIVITAMINS AND MULTIMINERALS	-	1	-
TOTAL	-	9	-



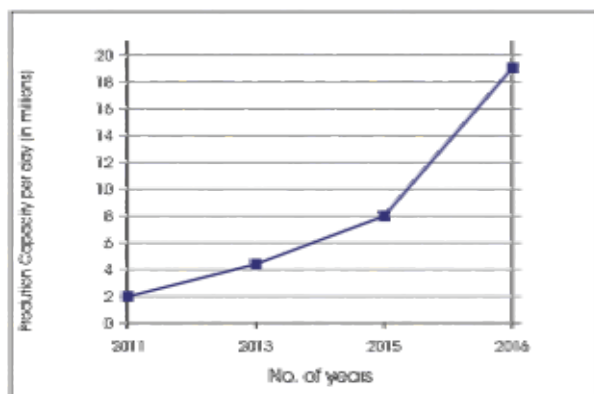
NOTE: FR/UR Registration includes New Registration and Renewals.



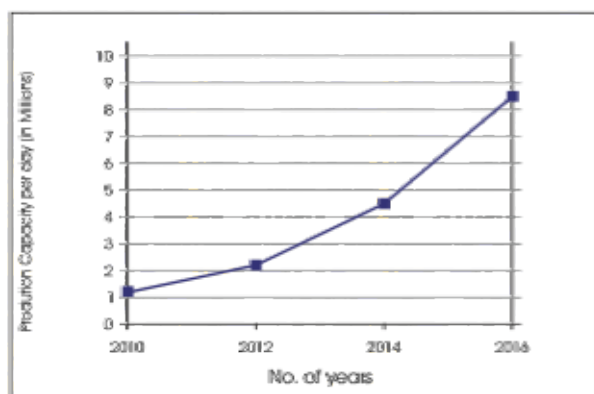
PRODUCTION CAPACITY



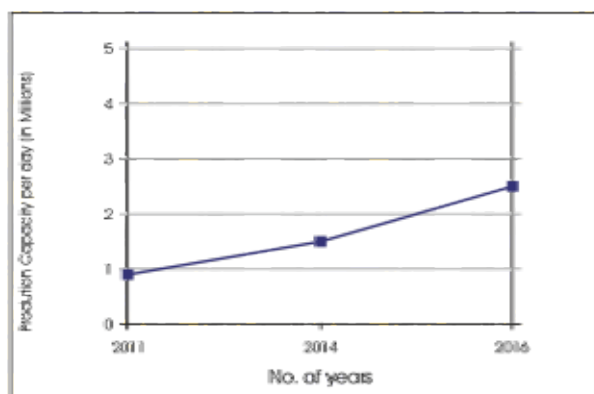
TABLETS (GRANULATION)



TABLETS (COMPRESSION)



TABLETS (COATING)



CAPSULES

Granulation Capacity per day (in kgs)

Years	Capacity (in kgs)
2010	1250
2011	2500
2014	3750
2015	5000
2016	6000

Compression Capacity per day (in Millions)

Years	Capacity (in millions)
2011	2
2013	4.5
2015	8
2016	19

Coating Capacity per day (in Millions)

Years	Capacity (in millions)
2010	1.2
2012	2.3
2014	4.5
2016	8.5

Capsules Capacity per day (in Millions)

Years	Capacity (in millions)
2011	0.9
2014	1.5
2016	2.5



VENUE MAP



BOOK-POST



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If undelivered please return to:
FREDUN PHARMACEUTICALS LIMITED
Manoj Industrial Premises, G.D. Ambekar Marg,
Wadala, Mumbai - 400 031. (INDIA)
business@fredungroup.com
www.fredungroup.com

**30TH ANNUAL REPORT
2016 - 2017**



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