



JAGSONPAL
36th ANNUAL REPORT
2014-2015



JAGSONPAL PHARMACEUTICALS LIMITED



BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Sanjiv Kumar Dudeja

BANKERS

Punjab & Sind Bank
Central Bank of India

COMPANY SECRETARY

R. K. Kapoor

AUDITORS

P. P. Thukral & Co.
Chartered Accountants

REGISTERED OFFICE:

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

Works:

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

14, 15, 16, 54, 55, 56, Sector – 5, IIE, Pant Nagar
Rudra Pur, (U. S. NAGAR) U. K. 263 153

REGISTRAR & SHARE TRANSFER AGENTS:

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

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NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the members of **JAGSONPAL PHARMACEUTICALS LIMITED** will be held on Wednesday, the 30th day of September, 2015 at 10.00 A. M. at Vanita Samaj, 13, Institutional Area, New Delhi – 110003 to transact the following business.

ORDINARY BUSINESS

- 01** To receive, consider and adopt the Audited Financial Statements of the Company for the period ended on 31st March, 2015 together with the reports of the Board of Directors and the Auditors' report.
- 02** To declare dividend on Equity Shares
- 03** To re-appoint the Auditors and to fix their remuneration and in this regard pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED That pursuant to the provisions of sections 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 M/s P P Thukral & Co., Chartered Accountants, Registration No. 000632N be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of 36th Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company at a remuneration to be decided by Audit Committee of the Board of Directors and reimbursement of other Expenses.

SPECIAL BUSINESS**04 To Appoint Woman Director**

To pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mrs. Jasbir Kaur Kochhar, (Din : 01460798) be and is hereby appointed as Woman Director, (previously Additional Director) as her tenure ceases on ensuing Annual General Meeting, being eligible, offers herself for appointment/ reappointment.

- 05** To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2016 and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016, be paid the remuneration of Rs. 1.75 lac plus out of pocket expenses.

06 Amendment of the Articles of Association

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"Resolved That" pursuant to the provisions of section 14 and all other applicable provisions of the Companies

Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted as the Articles of Association of the Company in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

Resolved Further That the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and action as may be necessary, proper or expedient to give effect to this resolution.

By Order of the Board of Directors

Place: New Delhi
Dated: 29/05/2015

R. K. Kapoor
Company Secretary

Notes

- (a) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 4 to 6 of the accompanying Notice are annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment / re-appointment as Director under Item no. 4 of the Notice is annexed.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members not exceeding fifty and in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy forms should be lodged with the Company at its Registered Office at least 48 hours before commencement of the meeting.
- (c) Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books will remain closed on all days from Wednesday, 23rd September, 2015 to Wednesday, September 30th, 2015 (both days inclusive).
- (d) Payment of dividend for the year ended 31st March, 2015 as recommended by the Board of Directors, if approved at the meeting, will be payable on or after, 5th October, 2015 in respect of shares held in physical form to those members whose names appear in the Company's register of Members as on 22nd September, 2015 and in respect of shares held in electronic form, to those who are "deemed members" whose names appear in the statement of beneficial owners furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") at close of business hours on September 22nd, 2015.
- (e) Action required to be taken by the members in case of non receipt / non-encashment of dividend:

Financial Year	Contact Office	Action to be taken
2008-2014	Registered Office	Letter on a plain paper
1992-2007	Office of the Registrar of Companies, Paryavaran Bhawan, CGO Complex, Lodhi Road, New Delhi – 110 003	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Reserve Account of the Central Government) Rules, 1978 as applicable.

The Ministry of Company Affairs has undertaken a “Green Initiative in “Corporate Governance” and allowed Companies to share documents with its shareholders through an electronic mode. Amendment to the Listing Agreement with the Stock Exchanges permits Companies to send soft copies of the Annual Report to all shareholders who have registered their e-mail addresses for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail address for receiving electronic communications.

- (f) Members are requested to bring their personal copy of the Annual Report at the Annual General Meeting.
- (g) Members are requested to immediately intimate change of address, if any to the Company / Registrar & Share Transfer Agent quoting reference of the registered Folio Numbers,
- (h) As per Securities and Exchange Board of India (SEBI) notification, submission, of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or / transposition of shares. Members holding share in dematerialized mode are requested to submit PAN details to the Depository Participant whereas member holding shares in physical form are requested to submit the PAN details to the company’s Registrar & Transfer Agent.
- (i) Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company, as permitted under section 72 of the Act, are requested to submit details to the Registrar & Transfer Agents of the Company, in prescribed Form Sh. 13 for this purpose.
- (j) Pursuant to the provisions of section 205A and 205C of the Companies Act, 1956 dividend which remained Unclaimed for a period of seven years from the date of declaration are transferred to Unpaid Dividend Account are required to be transferred to the Investor Education and Protection Fund (“IEPF”) established by Central Government. Members who have not encashed the dividend warrants(s) for the financial year ended March 31st, 2008 onwards are requested to make their claims to the Company or to M/s MCS Share Transfer Agent Limited, without any delay.

- (k) Members holding Share Certificates under different folio numbers but in the same order of names are requested to apply for consolidation of such folios and send relevant Share Certificates to the Registrar and Transfer Agent of the Company.
- (l) Member’s attention is particularly drawn to the “Corporate Governance” section in respect of unclaimed and unpaid dividend.
- (m) Members desiring any relevant information on the accounts at the Annual General Meeting are requested to write to the Company well in advance to ensure that such requests reach the Company at least seven days before the date of the Annual General Meeting, so as to enable the Company to keep the information ready.
- (n) The E-voting period commences from 9.00 a.m. on September 27th, 2015 and ends on 5.00 p.m. on September 29, 2015. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut - off date of September 23rd, 2015 may cast their vote electronically. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (o) Mr. Hiralal Bansal of M/s H L Bansal & Co. Practising Chartered Accountants (Membership No 086990) has been appointed as scrutinizer to scrutinize the voting and remote e-voting process (including the ballot paper received from the members who do not have voting access to the e-voting process) in a fair and transparent manner.
- (p) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the annual general meeting, thereafter unlock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and make not later than three days of the meeting a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him in writing who shall countersign the same.
- (q) The results will be declared at the Registered Office of the Company situated at Jagsonpal Pharmaceuticals Limited, T-210J, Shahpur Jat, New Delhi – 110049 and the resolutions will be taken as passed effectively on the date of Annual General Meeting. The said results along with Scrutinizer report shall be placed on the Company’s website www.jagsonpal.com and on website (NSDL) www.nsdl.com immediately after the results is declared. The Company shall simultaneously forward the results to National Stock Exchange of India Limited & BSE Limited, Mumbai where the shares of the Company are listed.
- (r) Subject to receipt of sufficient votes, the resolution shall be deemed to be passed at the 36th Annual General Meeting of the Company scheduled to be on Wednesday September 30th, 2015.

By Order of the Board of Directors

Place : New Delhi
Dated : 29/05/2015

R. K. Kapoor
Company Secretary

Explanatory Statement pursuant to section 102 of the Companies Act.

[Pursuant to Section 102(1) of the Act, the following Explanatory Statement sets out material facts relating to the business under item nos. 4 to 6 of the accompanying Notice dated 29th May, 2015 convening the 36th Annual General Meeting of the Company scheduled for 30th September, 2015.

Item No. 4

Mrs. Jasbir Kaur Kochhar (DIN 01460798) was appointed as Woman Director and her tenure expires on ensuing Annual General Meeting, being eligible, offers herself for appointment / reappointment. Mrs Jasbir Kaur Kochhar is related to Mr. Rajpal Singh Kochhar, Chairman & Managing Director and has inter – se – Mother – Son relationship.

Mr. Rajpal Singh Kochhar (DIN 00059492) is interested Director in this resolution.

The compliance under Section 160 of the Companies Act, 2013 has been complied with.

Item No. 5

The Board of Directors of the Company has appointed Mr. S N Balasubramanian, Cost Accountant, (B. Com. & FCMA) as Cost Auditors of the Company to audit the accounts relating to drug formulations for the financial year ending March 31st, 2016.

Remuneration of Rs. 1.75 lac payable to Mr. S N Balasubramanian, Cost Auditors of the Company for the financial year ended 31 March, 2016, was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors.

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

None of the Directors or KMP of the Company or their relatives are concerned or interested financially or otherwise, in this resolution.

Item No. 6

The existing Articles of Association (“AoA”) are based on the Companies Act, 1956 and several regulations in the existing AoA contain reference to specific section of the Companies Act, 1956 and some regulations in the existing AoA are no longer in Conformity with the Act.

With the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company

require alteration or deletion in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of articles.

The New AoA to be substituted in the place of the existing AoA are based on table ‘F’ of the Act which sets out the model Article of Association for a Company limited by shares. Shareholders attention is invited to certain salient provisions in the new draft of AoA of the Company viz;

1. Provisions relating to the appointment of Independent and Woman Directors have been added.
2. Provisions relating to the appointment of Key Managerial Personnel have been added.
3. Provisions relating to giving of special notice by shareholders for moving any resolution at a Shareholders meeting have been amended in accordance with the Act,
4. Provisions relating to disclosures to be made by directors at the meeting of the Board and vacation of the office by Directors have been amended in accordance with the Act,
5. Provisions relating to use of the electronic medium of communication with the Shareholders and Directors have been added.
6. Various existing articles have been aligned with the Act.
7. The provisions of the Act which permit a Company to do some acts ‘if so authorized by its article’ or provisions which require a Company to do acts in a prescribed manner “unless the Article otherwise provide” have been specifically included.

The Proposed new draft of AoA is being uploaded on the Company’s website for perusal by the shareholders.

The existing AoA and the proposed new draft of AoA is available for inspection by the members at the Registered Office of the Company on any working day excluding public holidays and Sunday, between 11.00 a.m. to 1.00 p.m. upto and including the date of Annual General Meeting.

None of the Directors and key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, in the special resolution set out at the item no. 6 of the Notice.

The Board of Directors recommended the Special Resolution for your approval.

By Order of the Board of Directors

Place : New Delhi
Dated : 29/05/2015

R. K. Kapoor
Company Secretary

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

Your Directors have the pleasure in presenting their 36th Annual Report of the Company and the Audited Accounts, for the period ended 31st March, 2015.

Operations**Financial Highlights**

The financial performance of the Company is as under:

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Sales	13909.10	14540.57
Operating Expenditure	13025.38	13466.71
Profit before interest, depreciation and tax	883.72	1037.86
Financial Expenses	445.86	538.19
Depreciation	270.69	282.54
Profit before Tax	167.17	253.13
Provision for taxation	33.43	50.63
Deferred Tax	16.62	-9.57
Profit after tax	117.11	212.07
Balance brought forward	3182.71	3143.89
Profit available for appropriation	3299.82	3356.96
Appropriations:		
Proposed Dividend	26.20	130.99
Additional Income tax on Dividend	5.24	22.26
Transfer to General Reserve	20.00	20.00
Balance carried forward	3248.38	3182.71

During the period ended 31st March, 2015 sales of the Company were Rs. 13909.10 lacs as compared to Rs. 14540.57 lacs for the year ended 31st March, 2014. The profit before tax decreased from Rs. 253.13 Lacs to Rs. 167.17 lacs during the year. The gross margin remained low as compared to last year mainly driven by full period absorption of Price Control Order.

During the year 2014-15 the economy was in consolidation phase. However, the pharmaceutical industry has shown promising future ahead. The profits were lower during the year, due to high materials cost owing to rise in price of materials, higher manpower cost, coverage of new areas and change of product mix.

The Board is pleased to place on record that products from the new manufacturing facility are being well

received in the domestic and international market and your Company will reap the benefits in coming years.

Management Discussions & Analysis Report**Global Scenario**

The global pharmaceutical market is expected to reach \$1 trillion by 2014 and nearly \$1.1 trillion by 2015. The market will increase at a compound annual growth rate (CAGR) of 3–6% during the next five years, slowing from the 6.2% annual growth rate for the past five years.

Removing the effect of exchange-rate fluctuations, absolute global-spending growth will be \$230–250 billion on a constant dollar basis compared with \$228 billion in the previous five years, reckoning that the pharmaceutical market includes all types of biopharmaceuticals, including biologics, over-the-counter drugs and traditional medicines distributed and administered through regulated delivery systems, such as pharmacies, hospitals, clinics, physician offices, and mail order.

Indian Pharma Industry Scenario

The Indian pharmaceutical industry is estimated to register a turnover of around US\$ 33.8 billion (Rs. 2,15,000 cr) by 2018, with a CAGR of 10.3 percent for the period 2015 – 2018. An increasing number of diagnoses and treatment of chronic ailments, fueled by an ascending trend in the per capita income, would be the key factors to drive this double-digit growth rate.

In 2013-14, pharma exports of the country with a turnover of US\$ 14.84 billion grew at a meager 1.2 percent, which is the slowest growth in nearly the last 15 years. India still stands exposed in this area, unless meaningful corrective measures are taken forthwith. It is worth noting, although India exports drugs to over 200 countries in the world, the United States (US) alone accounts for about 25 percent of India's pharma exports.

Key issues and challenges on 'The Domestic Front':

Though 2015 would also witness the following important issues and challenges, meeting the same should not be difficult with a proper mindset and right strategies:

Drug Price Control Order 2013 (DPCO 2013)

Change in the mechanism of drug price control from earlier 'cost based' to newer 'market based' one and the specified provisions to neutralize inflationary impact of the input costs on the bottom line, based on the WPI, have already been considered as welcoming changes for the industry. As a result, despite implementation of the DPCO 2013, the pharma scripts continued to do well despite doomsayers' predicaments.

It is expected that the DPCO 2013 would not cause

any significant negative impact in 2015 on the performance of pharma companies, as the price controlled drugs would in all probability continue to be around 20 percent of the total pharma market. Moreover, now annual price increases are linked to the WPI for the controlled products and the companies can increase prices of remaining 80 percent of decontrolled products, upto 10 percent every year, irrespective of inflationary trend.

However, any mechanism for patented products' pricing, if announced in 2015, would have far-reaching impact, especially on the MNCs marketing such drugs.

Credibility of Clinical Trial Data from India

Credibility of 'Clinical Trial Data' generated by the domestic players in India, has also become a cause of great concern, as the regulators in France, Germany, Belgium and Luxembourg suspended marketing approval for 25 drugs over the genuineness of clinical trial data from India.

Unethical practices in Clinical trial

In the Clinical Trial arena of India, responding to a Public Interest Litigation (PIL), the Supreme Court of the country and separately the Parliamentary Standing Committee had indicted the drug regulator and charted out some action areas.

Outlook

The company has rolled-out its expansion plans by way of committing to increase the reach of its products, in a major way. The field force is being upped by nearly 50% and this will reflect in increased demand generation, as well as retail availability. The presence in corporate hospitals is also proposed to be increased in 2015-16.

Additionally, specialty-specific divisions have been formed, for focused working upon high-end specialty products.

The following doctor specialties are likely to contribute to the business of the company:

- Gynecologists
- IVF specialists
- Internal Medicine
- Orthopedic surgeons
- Dental surgeons

Dividend

Your Directors are pleased to recommend for your consideration a dividend of 2% This will absorb a sum of Rs. 26,19,800/- (Sum for previous period Rs. 1,30,99,000/.) exclusive of Corporate tax thereon).

Fixed Deposits

The fixed deposits accepted prior to 1st April, 2014 were repaid in full during the year. No fresh deposits were accepted after April 1, 2014. The Company did not have any unclaimed / overdue deposits as on 31.03.2015

Particulars of Loan, Guarantees or Investments

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

Directors

Mrs. Jasbir Kaur Kochhar, woman director, was appointed as additional director on 13th February, 2015, whose tenure ceases on ensuing annual general meeting, being eligible for appointment, the board recommends her appointment as woman director.

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

Auditors

M/s. P.P. Thukral & Co., Chartered Accountants, retired as auditors at the ensuing Annual General Meeting and are eligible for re-appointment as Auditors.

Cost Auditors

The Board has subject to approval of Central Government, re-appointed Mr. S. N. Balasubramanian as Cost Auditor for the year 2015-16.

Secretarial Auditors

Pursuant to provisions of the Companies Act, 2013, The Company is required to appoint Secretarial Auditors. Mr. Mukesh Arora, Practicing Company Secretary is appointed as Secretarial Auditor of the company.

The secretarial auditors' report for the year 2014-15 has been received from the Secretarial Auditors. The report does not contain any qualification, reservation or adverse remark. The report is annexed herewith as Annexure -C

Energy, Technology & Foreign Exchange

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

Employees

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

Corporate Governance

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

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

Directors Responsibility Statement

Pursuant to Section 134 of the Act, your Directors state that:

- a In the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b the Directors have selected such accounting policies and applied them consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d the Directors have prepared the annual accounts on a going concern basis;
- e the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Risk Management :

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

Corporate Social Responsibility

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

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annexure D to this report

Contracts And Arrangements With Related Parties

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transaction.

Acknowledgement

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

For and on behalf of the Board of Directors

Place : New Delhi. **RAJPAL SINGH KOCHHAR**
 Dated : 29th May, 2015 **Chairman & Mg. Director**
 (DIN 00059492)

Annexure ‘A’ To The Directors’ Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings / Outgo.

Particulars required by the section 134(3)(m) of the Companies Act, 2013 (“the Act”) read with rule 8(3) of the Companies (Accounts) rules, 2014 and forming part of the Directors’ report for the year ended March 31, 2015.

A Conservation of Energy

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

Disclosure of particulars with respect to Conservation of Energy.

Form for Disclosure of Particulars with respect to conservation of energy.

	01.04.14 to	01.04.13 to
	31.03.15	31.03.14

1. Electricity

a) Purchased Units	1977835	2197646
Total amount Rs.	12074495	12991620
Avg. Rate/Unit Rs.	6.10	5.91
b) Own generation		
i) Through diesel Generation		
Units Kwh	546935	640115
Units / litre of diesel oil Kwh	3.41	3.44

ii) Through Steam turbine generator	N.A.	N.A.	improvements, enhanced safety and environmental protection measure and conservation of energy.
2. Coal	N.A.	N.A.	C Expenditure On R & D (Rs. in lacs)
3. Furnace oil			
Quantity K.Ltr.	N.A.	N.A.	
Total cost Rs.	N.A.	N.A.	
Average Rate Rs.	N.A.	N.A.	
4. Others/Internal generation	N.A.	N.A.	

	Mar. 2015
a) Capital Expenditure	4.95
b) Revenue Expenditure	27.90
TOTAL	32.85

Consumption

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

B Technology Absorption

Disclosure of particulars with respect to Technology Absorption

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

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

2 Benefits derived as a result of the above efforts:

New product development, productivity and quality

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

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

D. Foreign Exchange Earnings & Outgo

(Rs. in lacs)

	Mar. 2015
Earnings	1232.63
Outgo	33.78

For and on behalf of the Board of Directors

Place: New Delhi.
Dated: 29th May, 2015

RAJPAL SINGH KOCHHAR
Chairman & Mg. Director
(DIN 00059492)

Annexure 'B' To The Directors' Report

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

S. No.	Name & Age of the Employee	Designation	Qualification & Experience	Gross Remuneration	Net Remuneration
1.	Mr. Rajpal Singh Kochhar (58 years)	Chairman & Mg. Director	M.Sc. (Pharmacy) USA (34 years)	76.88	45.28

1. Gross Remuneration includes : Salary, Bonus, Commission, Allowance and perquisites as per the Rules of the Company
2. Net Remuneration excludes : Contribution towards Recognised Provident Fund, Tax deducted at source-value of taxable perquisites

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 29th May, 2015

RAJPAL SINGH KOCHHAR
Chairman & Mg. Director
(DIN 00059492)

To

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

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

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

MUKESH ARORA

Practicing Company Secretary

Membership No. 4819

Certificate of Practice No. 4405

Date: 29-05-2015

Place: NEW DELHI

MUKESH ARORA & CO.
COMPANY SECRETARIES

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

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

To,
The Members,
JAGSONPAL PHARMACEUTICALS LIMITED
T-210 J, Shahpur Jat
New Delhi – 110049

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JAGSONPAL PHARMACEUTICALS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating

the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31ST March 2015 ('Audit Period') complied with the statutory provisions listed hereunder

and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: —
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (**Not Applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India

(Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**);

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable to the Company as on today).
- (ii) The Listing Agreements entered into by the Company with National Stock Exchanges (NSE) and Bombay Stock Exchange (BSE).

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

I further report that

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

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

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

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

For Mukesh Arora & Co.
Practicing Company Secretaries

Mukesh Arora

F.C.S No. 4819

C.P No. 4405

Place: New Delhi

Date: 29th May, 2015

Form No. MGT-9

Annexure D**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31-3-2015

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

I. REGISTRATION AND OTHER DETAILS:

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

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Capsule	30041020	28.96%
2	Tablet	30041030	32.58%
3	Ampoule	30042042	23.30%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.
2	N.A.	N.A.	N.A.	N.A.	N.A.

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual/HUF	17235640	0	17235640	65.79	17235640	885680	18121320	69.17	3.38
h) Central Govt									
i) State Govt(s)									
j) Bodies Corp.									
k) Banks / FII)									
Any Other....									
Sub-total(A) (1)	17235640	0	17235640	65.79	17235640	885680	18121320	69.17	3.38
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2)	17235640	0	17235640	65.79	17235640	885680	18121320	69.17	3.38
Total shareholding of Promoter (A) = (A)(1)+ (A)(2)	17235640	0	17235640	65.79	17235640	885680	18121320	69.17	3.38
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI	600	200	800	.00305	600	200	800	.00305	
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1):-	600	200	800	.00305	600	200	800	.00305	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	929549	1680	931229	3.554	874936	1680	876616	3.346	
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4989299	738683	5727982	21.86	4694895	720058	5414953	20.669	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1090713	0	1090713	4.163	1429013	0	1429013	5.454	
c) Others									
NRI	163046	885680	1048726	4.00	79515	0	79515	.303	
Clearing Mem	9080	0	9080	.034	84875	0	84875	.323	
HUF	153830	0	153830	.587	190908	0	190908	.728	
Sub-total(B)(2):-	7335517	162604	8961560	34.20	7354142	721738	8075880	30.826	
Total Public Shareholding (B)=(B)(1)+(B)(2)	7336117	1626243	8962360	34.210	7354742	721938	8076680	80.829	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	24571757	1626243	26198000	100	24590382	1607618	26198000	100	

(ii) *Shareholding of Promoters*

Sl. No.	Shareholder's Name	Shareholding No. of Shares	Shareholding at the beginning of the year			Shareholding at the end of the year		
			% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Rajpal Singh Kochhar	7641784	29.17	Nil	8527464	32.56	Nil	3.39
2	Jagmohan Singh Kochhar	5970576	22.79	Nil			Nil	-22.79
3	Mohinder Kaur Kochhar	660080	2.52	Nil	660080	2.52	Nil	-
4	Ishpinder Kaur Kochhar	152800	0.58	Nil	152800	0.58	Nil	-
5	Jasbir Kaur Kochhar	2345600	8.95	Nil	8316176	31.74	Nil	22.79
6	Inderpal Singh Kochhar	168000	0.64	Nil	168000	0.64	Nil	-
7	Prithi Pal Singh Kochhar	296800	1.14	Nil	296800	1.13	Nil	-
	Total	17235640	65.79	Nil	18121320	69.17	Nil	-

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. Rajpal Singh Kochhar				
	At the beginning of the year	7641784	29.17	7641784	29.17
	Transferred during the year\ on 05.08.2015	885680	3.38	885680	3.38
	At the end of the year	8527464	32.55	8527464	32.55
2.	Mrs. Jasbir Kaut Kochhar				
	At the beginning of the year	2345600	8.95	234560	8.95
	Transmitted on death of husband dt. 11.09.2014	5970576	22.79	5970576	22.79
	At the end of the year	8316176	31.74	8316176	31.74

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	Sanjiv Kumar Dudeja CFO At the beginning of theyear\	370544	1.4141	370544	1.414
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc):	Nil	Nil	Nil	Nil
	At the End of the year	370544	1.414	370544	1.414

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

	Secured Loans excluding Deposits Rs. lacs	Unsecured Loans	Deposits Rs. Lacs	Total Indebtedness Rs. Lacs
Indebtedness at the beginning of the financial year				
i) Principal Amount	2574.37		1021.37	3595.74
ii) Interest due but not paid				
iii) Interest accrued but not due			18.40	18.40
Total (i+ii+iii)	2547.37		1039.77	3614.14
Change in Indebtedness during the financial year				
● Addition	708.57			
● Reduction	708.57		1039.77	
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	3282.94	648.10		3931.04
ii) Interest due but not paid				
iii) Interest accrued but not due		2.93		2.93
Total (i+ii+iii)	3282.94	651.03		3933.97

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager Rs. Lacs				Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	76.88				76.88
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify...					
5	Others, please specify					
	Total (A)	76.88				76.88
	Ceiling as per the Act					84.00

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors Rs. Lacs				Total Amount
		Govind Deo	Bharat Sinh	Dr. I.S. Ghai	Dr. S.K. Goyal	
3	Independent Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify	0.20	0.20	0.20	0.20	0.80
		0.42	0.42	0.42	0.42	1.68
	Total (1)	0.62	0.62	0.62	0.62	2.48
4	Other Non-Executive Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration	0.62	0.62	0.62	0.62	2.48
	Overall Ceiling as per the Act					2.48

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Rs. Lacs			
		CEO	Company Secretary	CFO	Total
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	5.12	50.08	55.20
	Stock Option	Nil	Nil	Nil	Nil
	Sweat Equity	Nil	Nil	Nil	Nil
	Commission- as % of profit- others, specify...	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total		5,12	50.08	55.20

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

N.A.

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

MGT-9JAGSONPAL PHARMACEUTICALS LIMITED

ISIN : INE048B01027

Details of Top 10 Shareholders as on 31.03.2014 & 31.03.2015 and their transactions between 01.04.2014 to 31.03.2015 (Other than Promoters)

S.No.	Folio No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Commulative Shareholding during		Category
			No of shares at the Beginning (01.04.14)/ end of the year (31.03.2015)	% of the total shares of the Company				Shares	% of total Shares of the Company	
01	IN300142/10069472	SANJIV KUMAR DUDEJA	370544	1.41439	01.04.2014					Others
			370544	1.41439	31.03.2015	Nil				
02	IN302814/10933928	RAJESHWARI TARANKUMAR SHAH	91161	0.34796	01.04.2014					Others
					25.04.2014	-1000	Transfer	90161	0.34415	
					23.05.2014	-300	Transfer	89861	0.34300	
					11.07.2014	-4000	Transfer	85861	0.32773	
					01.08.2014	-15278	Transfer	70583	0.26942	
					12.09.2014	+15000	Transfer	85583	0.32667	
					07.11.2014	+964	Transfer	86547	0.33035	
					21.11.2014	-14921	Transfer	71626	0.27340	
					28.11.2014	+5000	Transfer	76626	0.29248	
					05.12.2014	-200	Transfer	76426	0.29172	
					12.12.2014	+2711	Transfer	79137	0.30207	
					19.12.2014	-7151	Transfer	71976	0.27477	
					31.12.2014	-1134	Transfer	70852	0.27044	
					13.02.2015	-5000	Transfer	65852	0.25136	
					20.02.2015	+2000	Transfer	68852	0.26281	
					27.02.2015	+6000	Transfer	74852	0.28571	
					13.03.2015	+3556	Transfer	78408	0.29929	
					20.03.2015	-3069	Transfer	75539	0.28833	
					31.03.2015	-		-	-	
03	12064700/00004383	SNEHLATA SINGHI	77684	0.29652	01.04.2014					Others
			77684	0.29652	31.03.2015	Nil				

S.No.	Folio No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Commulative Shareholding during		Category
			No of shares at the Beginning (01.04.14)/ end of the year (31.03.2015)	% of the total shares of the Company				Shares	% of total Shares of the Company	
04	12017502/00016078	ANIL BANSILAL LODHA	71659	0.27352	01.04.2014					Others
					11.04.2014	+5000	Transfer	76659	0.29261	
					25.04.2014	+3350	Transfer	80009	0.30540	
					23.05.2014	+20028	Transfer	100037	0.38184	
					30.05.2014	+9780	Transfer	109817	0.41918	
					06.06.2014	+9000	Transfer	118817	0.45353	
					20.06.2014	+19500	Transfer	138317	0.52796	
					04.07.2014	+2250	Transfer	140567	0.53655	
					11.07.2014	+8191	Transfer	148758	0.56782	
					18.07.2014	+6381	Transfer	155139	0.59217	
					01.08.2014	-1538	Transfer	153601	0.58630	
					08.08.2014	+3200	Transfer	156801	0.59852	
					14.08.2014	+2673	Transfer	159474	0.60872	
					22.08.2014	+7380	Transfer	166854	0.63689	
					12.09.2014	+650	Transfer	167504	0.63937	
					03.09.2014	-100	Transfer	167404	0.63899	
					05.12.2014	-11229	Transfer	156175	0.59613	
					12.12.2014	-7500	Transfer	148675	0.56750	
					19.12.2014	-2060	Transfer	146615	0.55964	
					31.12.2014	-12472	Transfer	134143	0.51203	
					02.01.2015	-7494	Transfer	126649	0.48343	
					23.01.2015	-16131	Transfer	110518	0.42185	
					30.01.2015	-14200	Transfer	96318	0.36765	
					06.02.2015	-1000	Transfer	95318	0.36383	
					13.02.2015	-15723	Transfer	79595	0.30382	
					20.02.2015	-14276	Transfer	65319	0.24932	
					13.03.2015	-18023	Transfer	47296	0.18053	
					20.03.2015	-42715	Transfer	4581	0.01748	
					31.03.2015			4581	0.01748	

S.No.	Folio No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Commulative Shareholding during		Category
			No of shares at the Beginning (01.04.14)/ end of the year (31.03.2015)	% of the total shares of the Company				Shares	% of total Shares of the Company	
					13.03.2015	-18023	Transfer	47296	0.18053	
					20.03.2015	-42715	Transfer	4581	0.01748	
					31.03.2015					
05	IN301565/10047540	ARVIND KUMAR	52723	0.20124	01.04.2014					Others
					01.08.2014	-52723	Transfer	-	-	
					31.03.2015					
06	IN302201/10320466	SHANTABEN RAMBHAJ PATEL	51000	0.19467	01.04.2014					Others
					18.04.2014	+2800	Transfer	53800	0.20535	
					25.04.2014	+100	Transfer	53900	0.20574	
					02.05.2014	+5000	Transfer	58900	0.22482	
					05.12.2014	-1500	Transfer	57400	0.21910	
					12.12.2014	-13450	Transfer	37550	0.14333	
					19.12.2014	-29064	Transfer	8486	0.03239	
					31.12.2014	-1586	Transfer	6900	0.02633	
					16.01.2014	-250	Transfer	6650	0.02538	
					13.03.2014	-6650	Transfer	-	-	
					31.03.2015					
07	IN301276/30218829	SAIFUDDIN FAKHRUDDIN MIYAJIWALA	50000	0.19085	01.04.2014					
					28.11.2014	-7000		43000	0.16413	Other
					31.03.2014					
08	IN302700/20241538	GAURAV AGRAWAL	42282	0.16139	01.04.2014					Others
					20.03.2015	+250	Transfer	42532	0.16234	
					31.03.2015					

S.No.	Folio No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Commulative Shareholding during		Category
			No of shares at the Beginning (01.04.14)/ end of the year (31.03.2015)	% of the total shares of the Company				Shares	% of total Shares of the Company	
09	IN300343/10005483	PATEL JASHVANTLAL SOMABHAI	40000 40000	0.15268 0.15268	01.04.2014 31.03.2014	Nil			Others	
10	IN301774/13902175	M. P. PURSHOTHAMAN	39687	0.15148	01.04.2014					
					16.05.2014	-2848	Transfer	36839	0.14061	
					23.05.2014	-15400	Transfer	21439	0.08183	
					12.12.2014	-21439	Transfer	-	-	
					31.03.2015					
11	IN302902/40630802	NIRMAL KUMAR GANWAL	39005	0.14888	16.05.2014				Others	
					30.06.2014	+17943	Transfer	56948	0.21737	
					04.07.2014	+2175	Transfer	59123	0.22567	
					11.07.2014	+18916	Transfer	78039	0.29788	
					18.07.2014	+7255	Transfer	85294	0.32557	
					01.08.2014	+46259	Transfer	131553	0.50214	
					31.03.2015					
12	IN300999/10004838	RENU DEVI HISARIA	38108 38108	0.14546 0.14546	01.08.2014 31.03.2015				Others	
13	IN300142/10033480	LINCOLN P COELHO	20000 20000	0.76341 0.76341	08.08.2014 31.03.2015	Nil			Others	
14	IN302269/11122741	LINCOLN P COELHO	100703 100703	0.38439 0.38439	14.08.2014 31.03.2015	Nil				
15	IN302814/10933928	RASHMIKANT DHIRAJAL DOSHI	66000 66000	0.25192 0.25192	21.11.2014 31.03.2015	Nil				

S.No.	Folio No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Commulative Shareholding during		Category
			No of shares at the Beginning (01.04.14)/ end of the year (31.03.2015)	% of the total shares of the Company				Shares	% of total Shares of the Company	
16	IN300214/10354993	GANESH LAKHIA	45000	0.17176	12.12.2014					Others
					23.01.2015	+1000	Transfer	46000	0.17558	
					06.02.2015	+2000	Transfer	48000	0.18322	
					20.03.2015	+2000	Transfer	50000	0.19085	
			50000	0.19085	31.03.2015					

Annexure to the Directors' Report

Corporate Governance Report

The Securities and Exchange Board of India has stipulated Corporate Governance standards for listed companies through Clause 49 of the listing agreement of the stock exchanges. Your company has put in place systems and procedures and is fully compliant with the standards.

1. Company's Philosophy on Code of Governance:

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

2. Board of Directors

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

Name of Director	Category	Attendance		Membership of other Board (Excluding Alternate Directorship & Directorship in pvt. Companies)	No. of Committees in which Member (excluding pvt. Companies)
		Board meetings	Last AGM		
Mr. Rajpal Singh Kochhar	Managing Director	4	Yes	1	-
Dr. S. K. Goyal	Independent	*4	No	1	-
Mr. Govind Deo	Independent	*4	Yes	1	3
Mr. Bharat Sinh	Independent	*3	Yes	1	3
Dr. Ishpal Singh Ghai	Independent	*4	Yes	1	3
Mrs. Jasbir Kaur Kochhar	Woman Director	1	No	2	-

* Excluding Independent Directors Meeting.

- During the year four board meetings were held on following dates:

May 30, 2014

August 21, 2014

November 14, 2014

February 13, 2015

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

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

b) Meeting of Independent Directors

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

d) Information placed before the Board of Directors

The following information is regularly placed before the Board of Directors

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

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

3. Ethics / Governance Policies Committee

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

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

4. Audit Committee & Vigil Mechanism

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

The Audit Committee was formed in January 2002. The committee has three Non-executive Independent Directors as members - Mr. Govind Deo, Dr. Ishpal Singh Ghai and Mr. Bharat Singh. The Chairman of the Committee is Mr. Govind Deo. The Company Secretary acts as Secretary of the committee. The Internal Auditor and/or Statutory Auditors are invitees to the meeting. The quorum for the Committee meeting is two Directors.

The Committee had met four times during the financial year in May, August, November and February months of 2014-15.

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

Nomination, Remuneration and Compensation Committee

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

Declaration of independence : Dr. S. K. Goyal, Mr. Govind Deo, Mr. Bharat Singh & Dr. Ishpal Singh Ghai have submitted their declaration of independence in accordance to section 149

Brief Description of Terms of Reference

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

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework.

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

None of the independent directors are due for re-appointment.

Remuneration Policy

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

The managerial remuneration including perquisites thereof payable to Directors are determined by the Committee and shareholders. The remuneration of the directors during the period 1st April, 2014 to 31st March, 2015 was as follows:

a) Whole time Director:

Name	Remuneration
Shri Rajpal Singh Kochhar	Rs. 76.88 lacs

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

a) Non-Executive Directors:

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

Director	Sitting Fee	Commission
Dr. S.K.Goyal	Rs. 20,000	Rs. 41,750
Mr. Govind Deo	Rs. 20,000	Rs. 41,750
Mr. Bharat Sinh	Rs. 20,000	Rs. 41,750
Dr. Ishpal Singh Ghai	Rs. 20,000	Rs. 41,750
Mrs. Jasbir Kaur Kochhar	N. A.	N. A.

5. Stakeholders' Relationship Committee

Pursuant to Clause 49 of the Listing Agreement and Section 178 of the Act the Board has re-constituted and renamed the Shareholders'/Investors' Grievances Committee as Stakeholders' Relationship Committee. The Stakeholders' Relationship Committee considers and resolves the grievances of security holders.

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

	Received	Cleared
Non –Receipt of Share Certificates duly transferred	Nil	N.A
Non – Receipt of Dividend warrants	79	79
Miscellaneous queries/requests	60	60
Letter from Stock Exchanges, SEBI and Ministry of Corporate Affairs	2	2

6 Share Transfer Committee

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

7 General Body Meetings

Detail of the last three years' General Meetings is given below:

Year ended	Date and time	Place	Resolutions passed
31.03.2014	30.09.2014 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 8 S - 1
31.03.2013	30.09.2013 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 7 Nil
31.03.2012	28.09.2012 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 4 Nil

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

8 Compliance Certification of The Auditors

Certification from the Company's Auditors, M/s P P Thukral & Co. confirming compliance with conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement, is attached to this report.

9 Audit Certification

The Company is in the regime of unqualified financial statements.

10 Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

11 CEO Certification

The Chairman and Managing Director and the Chief financial Officer of the Company give annual certification on the financial reporting and internal control of the Board in terms of clause 49 of the Listing Agreement.

12 Certification on Compliance with Code of Conduct

I hereby confirm that the company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the year 2014-15.

13 Disclosures

There were no transactions of material nature with the Directors or the Management or relatives of the Directors during the financial year which could have potential conflict with the interests of the Company at large.

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

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

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

The Chief Executive Officer and Managing Director and the Chief Financial Officer of the company have furnished the requisite certificate to the board of directors under the Clause 49 of the Listing Agreement

14 Means of communications

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

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

15 General Shareholder Information

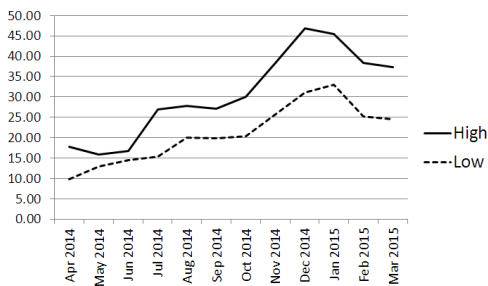
- Annual General Meeting : Wednesday, 30th September, 2015
Vanita Samaj, 13, Institutional Area,
Lodi Road, New Delhi 110003
- Dates of Book Closure : September 23rd to September 30th, 2015 (both days inclusive)
- Dividend Payment Date : Within Stipulated Time, if declared.
- Financial Calendar (tentative)
Results for the quarter ending

June 2015	2nd week of August, 2015
September 2015	2nd week of November, 2015
December 2015	2nd week of February 2016
March 2016	4th week of May 2016

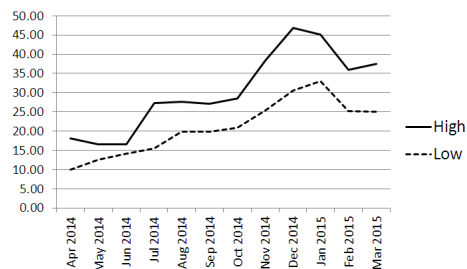
High/Low of market price of the Company’s shares traded along with the volumes on The Stock Exchange, Mumbai and on the National Stock Exchange during the April 2014 to March 2015 is furnished below:

Period	BSE High (Rs.)	BSE Low (Rs.)	Volume No of Share	NSE High (Rs.)	NSE Low (Rs.)	Volume No of Share
Apr-2014	17.82	09.75	6737	18.10	10.00	981274
May-2014	15.85	12.85	1551	16.50	12.60	216268
Jun-2014	16.80	14.50	1393	16.55	14.10	162946
Jul-2014	26.90	15.40	6925	27.35	15.50	1510122
Aug-2014	27.80	20.00	5231	27.70	19.90	669638
Sept-2014	27.15	19.80	4653	27.20	19.80	714868
Oct-2014	30.00	20.40	5842	28.50	20.80	806902
Nov-2014	38.40	25.65	25583	38.35	25.30	3373756
Dec.-2014	46.85	31.10	35885	46.85	30.65	3583979
Jan-2015	45.45	33.00	19324	45.20	33.00	1950084
Feb-2015	38.35	25.20	13547	35.95	25.20	1064191
March 2015	37.40	24.60	13295	37.45	25.00	1064191

BSE High : Low (2014-15)



NSE High : Low (2014-15)



- Listing on Stock Exchanges : The Bombay Stock Exchange Limited, Mumbai
The National Stock Exchange of India Limited, Mumbai
The company has paid the listing fee for 2014-15 & 2015-16.
- Stock Code : JAGSNPHARM EQ at NSE and 507789 at BSE
ISIN No. for NSDL & CDSL : INE048B01027

Abstract of annual return as on 31.03.2015 in MGT – 9 is attached, Annexure D Page 11-22

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

<p>Company Secretary Jagsonpal Pharmaceuticals Ltd. T-210 J, Shahpur Jat, New Delhi 110049.</p>	<p>MCS Share Transfer Agent Limited Unit: Jagsonpal Pharmaceuticals Ltd. F-65, Okhla Industrial Area, Ph. –I New Delhi 110020.</p>
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● **SEBI Complaints redress systems (SCORES):**

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

● **Designated Exclusive email-id:**

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

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

cs@jagsonpal.com

sagar@jagsonpal.com

● **Distribution of shareholding as on 31.03.2015**

Range (Shares)	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	6784	67.94	1224412	4.67
501 – 1000	2107	21.09	1787319	6.44
1001 – 10000	1036	10.38	2874151	10.97
10001 – 20000	25	0.25	349675	1.33
20001 & above	34	0.34	20062443	76.59

● **Dematerialisation of Securities**

Shares of the Company are actively traded on the Stock Exchange, Mumbai and the National Stock Exchange of India Limited. Approximately 94.00% of the Company’s total shares have been dematerialized. (NSDL 85.41 % & CDSL 8.45% as at 31.03.2015)

Action required regarding non-receipt of dividend

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

Dividend for	Contact Office	Action to take
2007-08 to 2013-14	MCS Share Transfer Agent Limited	Letter on plain paper
1986-87 to 1991-92	Not applicable due to non declaration of dividend	
1991-92 to 2006-07	Balance remaining in the unpaid dividend accounts of respective years has been transferred to IEPF, Central Government	Balance remaining in the unpaid dividend accounts of respective years has been transferred to IEPF, Central Government) Matter to be taken up with Ministry of Company Affairs & Central Government

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

Plant Location

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

14, 15, 16, 54, 55, 56, Sector – 5, IIE, Pant Nagar
Rudra Pur, (U. S. NAGAR) U. K. 263 153

Address for Correspondence

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

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

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

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

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

DECLARATION BY THE CEO CALUSE 49 (ID) of the listing Agreement with the Bombay Stock Exchange Limited, I hereby confirm that all directors and senior Management personnel have compliance with the code of conduct of the Company for the financial year ended 31st March, 2015

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

Place : New Delhi.
Dated : 29th May, 2015

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

We have audited the accompanying financial statements of **Jagsonpal Pharmaceuticals Limited** ('the Company'), which comprise the balance sheet as at 31 March 2015, the statement of profit and loss and the 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 Management is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards specified u/s 143 (10) of the Act on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2015
- (b) in the case of the statement of profit and loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

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

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements in note no. 23.
 - ii. the Company does not have any long term contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **P. P. THUKRAL & Co.**

Chartered Accountants

Firm's Registration

No.: 000632N

SURESH SETHI

Partner

Place : New Delhi

Date : 29 May 2015

Membership No.: 089318

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) (a) The inventory of the Company has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material in relation the operations of the company.
- iii a) The Company has not granted loans to any bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (b) Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no amounts due in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has complied with provisions 73 to 76 of Companies Act, 2013.
- (vi) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, We have not, however made a detailed examinations of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed

amounts payable in respect of provident Fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues have not been deposited on account of disputes.

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

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
Vat/Sales Tax Raipur	Demand	23553	2010-2011	Sales Tax Authority
Vat/Sales Tax Patna	Demand	525561	2009-2010	—do—
Vat/SalesTax Kashipur	Demand	145682	2005-2006	—do—

KOLKATA	Nature of dues	Amount	Period to which the amount relates	Sales Tax Authority VAT AUTHORITY
CST	Demand	2131250	2008-2009	-Do-
SALE TAX	Demand	2904851	2008-2009	-Do-
SALE TAX	Demand	1670708	2009-2010	-Do-
SALE TAX	Demand	6893474	2010-2011	-Do-

SALE TAX — PUNE	Demand	130000	2001-2002	Sales Tax Authority
SALE TAX — CHENNAI	Demand	4228435	—	VAT AUTHORITY
SALE TAX — DO—	Demand	6154874	—	—DO—
SALE TAX — DO—	Demand	6445289	—	—DO—
SALE TAX — DO—	Demand	1964604	—	—DO—

DELHI	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
AT	Demand	255.00	2007	Vat Authority
VAT	Demand	2375.00	2010	—Do—
VAT	Demand	4280.00	2007	—Do—
VAT	Demand	10000.00	2007	—Do—
VAT	Demand	0.00	2012	—Do—
VAT	Demand	3000.00	2013	—Do—
VAT	Demand	3000.00	2013	—Do—

- | | | |
|---|--------------------------|--|
| <p>(c) According to the information and explanations given to us the amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, and rules there under has been transferred to such fund within time</p> <p>(viii) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.</p> <p>(ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.</p> <p>(x) In our opinion and according to the information and the explanations given to</p> | <p>(xi)</p> <p>(xii)</p> | <p>us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.</p> <p>The Company did not have any term loans outstanding during the year.</p> <p>According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.</p> |
|---|--------------------------|--|

for **P. P. THUKRAL & Co.**
 Chartered Accountants
 Firm's Registration
 No.: 000632N
SURESH SETHI
 Partner
 Membership No.: 089318

Place : New Delhi
 Date : 29 May 2015

Balance Sheet as at 31 March, 2015

Particulars	Note No.	As at 31.03.2015 ₹ Lakhs	As at 31.03.2014 ₹ Lakhs
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	1,309.90	1,309.90
(b) Reserves and surplus	2	8,232.66	8,548.97
		9,542.56	9,858.87
2 Non-current liabilities			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (net)	4	360.26	408.39
		360.26	408.39
3 Current liabilities			
(a) Short-term borrowings	5	3,931.05	3,595.75
(b) Trade payables	6	786.89	508.45
(c) Other current liabilities	7	624.45	548.10
(d) Short-term provisions	8	176.79	706.15
		5,519.18	5,358.45
TOTAL		15,422.00	15,625.71
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	5,193.03	5,638.08
(ii) Capital work in progress		-	234.67
(iii) Intangible assets	9	3.00	3.00
(b) Non-current investments	10	0.05	0.05
(c) Long-term loans and advances	11	646.62	618.51
		5,842.69	6,494.31
2 Current assets			
(a) Inventories	12	3,306.20	3,058.91
(b) Trade receivables	13	4,488.88	4,522.09
(c) Cash and cash equivalents	14	1,501.61	1,260.42
(d) Short-term loans and advances	15	282.62	289.98
		9,579.31	9,131.40
TOTAL		15,422.00	15,625.71
See accompanying notes forming part of the financial statements	1 to 23		

In terms of our report attached.

For P P Thukral & Co.

Chartered Accountants

FRN. No. 000632N

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 29/05/2015

For and on behalf of the Board of Directors

Dr. S.K. Goyal

DIN 01147772

Govind Deo

DIN 00521939

Bharat Sinh

DIN 00347364

Dr. Ishpal Singh Ghai

DIN 06551659

Directors

R. P. S. Kochhar DIN 00059492

Chairman & Managing Director

S. K. Dudeja

Chief Financial Officer

R. K. Kapoor

Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2015

	Note No.	For the year ended 31 March, 2015 ₹ Lakhs	For the year ended 31 March, 2014 ₹ Lakhs
CONTINUING OPERATIONS			
1 Revenue from operations (gross)	16	13909.10	14540.57
Less: Excise duty	16	94.01	155.49
Revenue from operations (net)		13815.09	14385.09
2 Other Income	17	11.10	6.07
3 Total Revenue		13826.19	14391.16
4 Expenses			
(a) Cost of materials consumed	18	6,383.36	5,461.64
(b) Purchases of stock-in-trade	18	649.48	1,294.90
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(164.56)	(285.94)
(d) Employee benefits expense	19	3211.33	3783.44
(e) Finance costs	20	445.86	538.19
(f) Depreciation and amortisation expense	9	270.69	282.54
(g) Other expenses	21	2862.86	3063.26
Total Expenses		13,659.02	14,138.03
5 Profit / (Loss) before tax		167.17	253.13
6 Tax expense:			
(a) Current tax		33.43	50.63
(b) Deferred tax		16.63	-9.57
		50.06	41.06
7 Profit for the year		117.11	212.07
8 Earnings per share (of ₹ 5/- each):			
Basic			
(a) Continuing operations	22	0.45	0.81
(b) Total operations	22	0.45	0.81
See accompanying notes forming part of the financial statements	1 to 23		

In terms of our report attached.

For P P Thukral & Co.

Chartered Accountants

FRN. No. 000632N

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 29/05/2015

For and on behalf of the Board of Directors

Dr. S.K. Goyal

DIN 01147772

Govind Deo

DIN 00521939

Bharat Singh

DIN 00347364

Dr. Ishpal Singh Ghai

DIN 06551659

Directors

R. P. S. Kochhar DIN 00059492

Chairman & Managing Director

S. K. Dudeja

Chief Financial Officer

R. K. Kapoor

Company Secretary

Cash Flow Statement for the year ended 31 March, 2015

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		167.17		253.13
<i>Adjustments for:</i>				
Depreciation and amortisation	270.69		282.54	
Finance costs	445.86		538.19	
Interest income	(11.10)		(6.07)	
		705.45		814.67
Operating profit / (loss) before working capital changes		872.62		1,067.80
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	247.28		52.08	
Trade receivables	(33.21)		301.93	
Short-term loans and advances	(7.35)		(103.02)	
Long-term loans and advances	28.10	(234.82)	40.61	(291.60)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	278.45		(142.08)	
Other current liabilities	76.35		148.75	
Other long-term liabilities	0.00		(32.05)	
Short-term provisions	(529.36)		51.64	
		(174.57)		26.27
		(409.39)		(265.34)
Cash generated from operations		463.23		802.46
Net income tax (paid) / refunds		33.43		50.63
Net cash flow from / (used in) operating activities (A)		429.80		751.83
B. Cash flow from investing activities				
Capital expenditure on fixed assets	57.53		127.52	
- Others	(11.10)		(6.07)	
Net cash flow from / (used in) investing activities (B)		46.43		121.45
C. Cash flow from financing activities				
Net increase/(decrease) in working capital borrowings	708.57		(391.53)	
Proceeds from other short-term borrowings	(373.27)		678.63	
Finance cost	(445.85)		(538.19)	
Dividends paid	(26.20)		(130.99)	
Tax on dividend	(5.24)		(22.26)	
Net cash flow from / (used in) financing activities (C)		(141.99)		(404.36)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		241.37		226.03
Cash and cash equivalents at the beginning of the year		1260.37		1034.34
Cash and cash equivalents at the end of the year		1501.74		1260.37
See accompanying notes forming part of the financial statements				

In terms of our report attached.

For P P Thukral & Co.

Chartered Accountants

FRN. No. 000632N

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 29/05/2015

For and on behalf of the Board of Directors

Dr. S.K. Goyal**Govind Deo****Bharat Singh****Dr. Ishpal Singh Ghai**

Directors

DIN 01147772

DIN 00521939

DIN 00347364

DIN 06551659

R. P. S. Kochhar DIN 00059492

Chairman & Managing Director

S. K. Dudeja

Chief Financial Officer

R. K. Kapoor

Company Secretary

Significant Accounting Policies

A. Analysis of Preparation of Financial Statements

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

B. Use of Estimates

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

C. Fixed Assets

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

D. Intangible Assets

Intangible Assets are stated at cost of acquisition.

E. Depreciation and Amortisation

Depreciation on fixed assets is provided as per schedule II of the companies act, 2013. The carrying value of useful lives of assets already exhausted has been adjusted in the opening value of reserves as per transition provisions. Leasehold land is not amortised.

F. Impairment of Assets

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

G. Foreign Currency Transactions

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

H. Investments

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

I. Inventories

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

J. Revenue Recognition

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

K. Excise Duty

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

L. Employee Benefits

Long-term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

M. Post employment and other long term employee benefits are recognised as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long-term benefits are charged to the Profit and Loss account.

N. Provision for Current Deferred Tax

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

O. Provisions, Contingent Liabilities and Contingent Assets

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

Notes forming part of the financial statements

Particulars	As at 31 March, 2015 ₹ Lakhs	As at 31 March, 2014 ₹ Lakhs
Note 1 Share capital		
(a) Authorised		
3,00,00,000 Equity shares of Rs. 5 each with voting rights	1500.00	1500.00
2,00,00,000 Unclassified shares of Rs. 5 each with voting rights	1000.00	1000.00
(b) Issued, Subscribed and fully paid up		
2,61,98,000 Equity shares of Rs. 5 each with voting rights	1,309.90	1309.90
Total	<u>1,309.90</u>	<u>1,309.90</u>
Detail of Persons holding more than 5% shares		
1. Shri Rajpal Singh Kochhar	85,27,464	(32.55%)
2. Mrs. Jasbir Kaur Kochhar	83,16,176	(31.74%)
Note 2 Reserves and Surplus		
(a) Securities premium account		
Opening balance	60.00	60.00
Closing balance	<u>60.00</u>	<u>60.00</u>
(b) Revaluation reserve		
Opening balance	1,250.66	1,287.75
Less: Transition adjustment	450.52	-
Less: Utilised for set off against depreciation	16.22	37.09
Closing balance	<u>783.92</u>	<u>1,250.66</u>
(c) General reserve		
Opening balance	4,120.36	4,035.60
Add: Transferred from surplus in Statement of Profit and Loss	20.00	20.00
Closing balance	<u>4,140.36</u>	<u>4,055.60</u>
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	3,182.71	3,143.89
Add: Profit / (Loss) for the year	117.11	212.607
Less: Dividends proposed to be distributed to equity shareholders (₹ 0.50 per share)	26.20	130.99
Less: Tax on dividend	5.24	22.26
Less: Transferred to General reserve	20.00	20.00
Closing balance	<u>3,248.38</u>	<u>3,182.71</u>
Total	<u>8,232.66</u>	<u>8,548.97</u>
Note 3 Long-term borrowings		
(a) Deposits		
Unsecured, due for more than one year.		
Intt @ 10 % p.a. (pr year 10% p.a.)	0	0
Total	<u>-</u>	<u>-</u>

Particulars	As at 31 March, 2015 ₹ Lakhs	As at 31 March, 2014 ₹ Lakhs
Note 4 Deferred tax liability		
Tax effect items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	360.26	408.39
Total	360.26	408.39
Note 5 Short-term borrowings		
(a) Loans repayable on demand		
From banks		
Cash credit facility from banks secured by hypothecation of book debts and inventories comprising of Raw materials, work in process and finished goods	3,282.94	2,574.37
(b) Deposits		
Unsecured Loan (from Directors)	648.10	-
Total	3,931.05	3,595.74
Note 6 Trade payables		
Trade payables:		
Acceptances	78.78	230.78
Other than Acceptances includes MSM enterprises ₹ 29 lakhs	708.12	277.67
Total	786.89	508.45
Note 7 Other current liabilities		
(a) Interest accrued but not due on borrowings	2.93	18.24
(b) Other payables		
(i) Trade / security deposits received	73.99	74.04
(ii) Others (includes Statutory remittances , Contributions to PF and ESIC, Withholding Taxes, VAT, etc.)	547.53	455.82
Total	624.45	548.10
Note 8 Short-term provisions		
(b) Provision - Others:		
(i) Provision for tax	145.35	552.90
(ii) Provision for proposed equity dividend	26.20	130.99
(iii) Provision for tax on proposed dividends	5.24	22.26
Total	176.79	706.15

Note 9 Fixed assets

A. Tangible assets Own	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 01.04.2014	Additions	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation/impairment expense for the year	Balance as at 31.3.2015	Balance as at 31.3.2015	Balance as at 31.3.2014
(a) Land								
Freehold	875.94	0.00	875.94				875.94	875.94
Leasehold	428.06	0.00	428.06				428.06	428.06
(b) Buildings	2,891.39	0.00	2,891.39	780.05	82.76	862.81	2,028.58	2,198.64
(c) Plant and Equipment	2,147.64	34.04	2,181.68	1,051.60	134.79	1,186.39	995.29	1,190.10
(d) Vehicles	221.48	0.00	221.48	205.34	5.06	210.40	11.08	34.52
(e) Other assets*	2,133.81	25.16	2,158.97	1,240.59	64.31	1,304.90	854.07	1,104.41
Total	8,698.32	59.20	8,757.52	3,277.58	286.91	3,564.49	5,193.03	5,638.08
Previous year	8,572.28	126.04	8,698.32	2,740.61	319.63	3,060.24	5,638.08	5,831.67

* includes Furniture and fixtures and office equipment

Particulars

As at
31 March, 2015
₹ Lakhs

As at
31 March, 2014
₹ Lakhs

B. Intangible assets

(a) Goodwill

3.00

3.00

Total3.003.00**C. Depreciation and amortisation relating to continuing operations:**

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

286.91

319.63

Less: Utilised from revaluation reserve

16.2237.09

Depreciation and amortisation relating to continuing operations

270.69282.54**Note 10 Non-current investments**

Other investments (Quoted)

Investment in equity instruments of other entities

(1304 fully paid shares of Ranbaxy Labs)

0.050.05**Total**0.050.05

Aggregate market value of listed and quoted investments

4.34.76**Note 11 Long-term loans and advances**

Unsecured and considered good

(a) Security deposits

65.88

65.88

(b) Advance income tax

580.74552.63**Total**646.62618.51**Note 12 Inventories**

(At lower of cost and net realisable value)

(a) Raw materials

302.80

220.08

(b) Work-in-progress

578.99

355.65

(c) Finished goods

2,424.402483.19**Total**3,306.203,058.92

Particulars	As at 31 March, 2015 ₹ Lakhs	As at 31 March, 2014 ₹ Lakhs
Note 13 Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	163.55	156.99
Doubtful	<u>0</u>	<u>0.00</u>
	163.55	156.99
Less: Provision for doubtful trade receivables	<u>0</u>	<u>0.00</u>
	163.55	156.99
Other Trade receivables		
Secured, considered good	4,325.33	4,365.10
Less: Provision for doubtful trade receivables	<u>0</u>	<u>0</u>
Total	<u>4,488.88</u>	<u>4,522.09</u>
Note 14 Cash and cash equivalents		
(a) Cash in hand	71.59	47.61
(b) Balances with banks :		
(i) In current accounts	1,356.98	1,133.06
(ii) In deposit accounts (Maturity less than 12 months)	<u>73.05</u>	<u>79.75</u>
Total	<u>1,501.61</u>	<u>1,260.42</u>
Note 15 Short-term loans and advances		
(a) Balance with government authorities	199.43	225.55
(b) Other	<u>83.20</u>	<u>64.42</u>
(Includes staff advances, prepaid expenses and earnest money)		
Total	<u>282.62</u>	<u>289.98</u>
	For the year ended 31 March, 2015	For the year ended 31 March, 2014
Note 16 Revenue from operations		
(a) Sale of products (Refer Note (i) below)	13909.10	14540.57
(b) Less: Excise duty	<u>94.01</u>	<u>155.49</u>
Total	<u>13,815.09</u>	<u>14,385.09</u>
(i) Sale of products comprises:		
Capsules	4027.70	4934.32
Tablets	4451.77	2723.12
Syrups	864.65	2539.89
Ampoules	3320.58	3050.74
Vials	52.06	27.84
Ointments	329.30	167.25
Bulk drugs and intermediates	604.37	970.23
Dry powder	184.62	75.76
Infusion	<u>74.05</u>	<u>51.43</u>
Total- Sale of products	<u>13909.10</u>	<u>14540.58</u>

Particulars	For the year ended 31 March, 2015 ₹ Lakhs	For the year ended 31 March, 2014 ₹ Lakhs
Note 17 Other income		
(a) Interest income (Refer Note (i) below)	1.31	5.92
(b) Other non - operating income (net of expenses directly attributable to such income)	9.80	0.15
Total	<u>11.10</u>	<u>6.07</u>
 (i) Interest income comprises:		
Interest from bank on:		
Deposits	1.31	3.19
Other interest		
Total	<u>1.31</u>	<u>3.19</u>
Note 18.a Cost of materials consumed		
Opening stock	220.08	453.93
Add: Purchases	<u>6,466.08</u>	<u>5,227.79</u>
	<u>6,686.16</u>	<u>5,681.72</u>
Less: Closing stock	<u>302.80</u>	<u>220.08</u>
Cost of material consumed	<u>6,383.36</u>	<u>5,461.64</u>
Material consumed comprises:		
D L Oxephene		
Others	<u>6,383.36</u>	<u>5,461.64</u>
Total	<u>6,383.36</u>	<u>5,461.64</u>
Note 18.b Purchase of traded goods		
Capsules	278.73	491.85
Tablets	258.92	483.00
Syrups	41.28	246.34
Vials	10.63	14.79
Ointments	24.53	12.51
Dry powder	3.35	-
Infusion	32.04	46.41
Total	<u>649.48</u>	<u>1,294.90</u>
Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<u>Inventories at the end of the year:</u>		
Finished goods	2,424.40	2,483.19
Work-in-progress	578.99	355.65
	<u>3,003.39</u>	<u>2,838.84</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	2,483.19	1,808.19
Work-in-progress	355.65	744.70
	<u>2,838.84</u>	<u>2,552.90</u>
Net (increase) / decrease	<u>-164.55</u>	<u>-285.94</u>

Particulars	For the year ended 31 March, 2015 ₹ Lakhs	For the year ended 31 March, 2014 ₹ Lakhs
Note 19 Employee benefits expense		
Salaries and wages	2988.04	3597.38
Contributions to provident and other funds (Refer Note 23)	157.49	116.48
Staff welfare expenses	65.80	69.57
Total	3211.33	3783.43
Employee benefit plans		
a Defined contribution plans		
The Company makes Provident Fund and pension fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 159.47 lakhs during the year (Year ended 31 March, 2014 ₹ 116.48 lakhs) for Provident Fund and pension fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.		
b Defined benefit plans		
The Company offers the following employee benefit schemes to its employees:		
i. Gratuity		
The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:		
Components of employer expense		
Current service cost	16.03	15.90
Interest cost	23.34	21.80
Expected return on plan assets	(32.02)	(28.45)
Actuarial losses/(gains)	(74.32)	(16.01)
Total expense recognised in the Statement of Profit and Loss	(66.97)	(6.75)
Actual contribution and benefit payments for year		
Actual benefit payments	0.70	2.50
Actual contributions	3.83	3.78
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	256.08	291.73
Fair value of plan assets	387.79	352.63
Funded status [Surplus / (Deficit)]	131.71	60.91
Unrecognised past service costs	0	0
Net asset / (liability) recognised in the Balance Sheet	131.71	60.91
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	291.73	272.54
Current service cost	16.03	15.90
Interest cost	23.34	21.80
Actuarial (gains) / losses	(74.32)	(16.01)
Benefits paid	(0.70)	(2.50)
Present value of DBO at the end of the year	256.08	291.73

Particulars	For the year ended 31 March, 2015 ₹ Lakhs	For the year ended 31 March, 2014 ₹ Lakhs
Change in fair value of assets during the year		
Plan assets at beginning of the year	352.63	322.90
Acquisition adjustment		
Expected return on plan assets	32.02	28.45
Actual company contributions	3.83	3.79
Actuarial gain / (loss)	-	(16.01)
Benefits paid	(0.70)	(2.50)
Plan assets at the end of the year	387.79	352.63
Actual return on plan assets	32.02	28.44
Actuarial assumptions		
Discount rate	8.00%	8.00%
Salary escalation	6.00%	6.00%
Note 20 Finance costs		
(a) Interest expense on:		
(i) Borrowings	412.74	501.20
(b) Other borrowing costs	33.12	36.99
Total	<u>445.86</u>	<u>538.19</u>
Note 21 Other expenses		
Consumption of stores and spare parts	24.11	43.07
Power and fuel	177.24	222.75
Rent including lease rentals	131.00	123.67
Repairs and maintenance - Buildings	9.80	18.91
Repairs and maintenance - Machinery	3.40	5.55
Repairs and maintenance - Others	63.73	89.89
Insurance	64.84	50.43
Rates and taxes	9.20	25.04
Travelling and conveyance	754.12	651.60
Freight and forwarding	352.17	385.47
Sales administration expenses	800.81	1,050.46
Donations and contributions	0.44	1.19
Payments to auditors (Refer Note (i) below)	5.02	4.52
Miscellaneous expenses	466.99	390.71
Total	<u>2,862.86</u>	<u>3,063.26</u>
Payments to the auditors comprises :		
Statutory audit	1.75	1.75
Cost audit	1.00	1.00
Reimbursement of expenses	2.27	1.77
Total	<u>5.02</u>	<u>4.52</u>

Particulars	For the year ended 31 March, 2015 ₹ Lakhs	For the year ended 31 March, 2014 ₹ Lakhs	
Note 22 Earning per share			
Basic and Diluted			
a Continuing operations			
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	117.11	212.07	
Weighted average number of equity shares	261.98	261.98	
Par value per share (₹)	5.00	5.00	
Earnings per share from continuing operations - Basic (₹)	0.45	0.81	
b Total operations			
Net profit / (loss) for the year attributable to the equity shareholders	117.11	212.07	
Weighted average number of equity shares	261.98	261.98	
Par value per share (₹)	5.00	5.00	
Earnings per share - Basic (₹)	0.45	0.81	
Note 23 Additional information to the financial statements			
Contingent liabilities and commitments (to the extent not provided for)			
Contingent liabilities	332.00	144.10	
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006			
(i) Principal amount remaining due and unpaid to any supplier as at the end of the accounting year	29	44	
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0	0	
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	0	0	
(iv) The amount of interest due and payable for the year	0	0	
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	0	0	
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	0	0	
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.			
Disclosure as per Clause 32 of the Listing Agreements with the Stock Exchanges			
Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:			
Name of the party	Relationship	Amount outstanding as at 31 March, 2015	Maximum balance outstanding during the year
N.A.	N.A.	N.A.	N.A.

Particulars	For the year ended 31 March, 2015 ₹ Lakhs	For the year ended 31 March, 2014 ₹ Lakhs
Value of imports calculated on CIF basis :		
Raw materials	1081.94	974.62
Expenditure in foreign currency :		
Other matters	33.78	20.28
Details of consumption of imported and indigenous items		
Imported		
Raw materials	1043.30	1250.24
Percentage	16%	22%
Total	1043.30	1250.24
Indigenous		
Raw materials	5340.06	4501.20
Percentage	84%	78%
Total	6383.36	4501.20
Earnings in foreign exchange :		
Export of goods calculated on FOB basis	1232.63	755.49
Segment information		
The Company has identified Pharmaceutical business segment as its primary segment		
Revenue	13909.10	14540.57
Profit before taxes	167.17	253.13
Tax expense	50.06	41.06
Net profit for the year	117.11	212.07
Related party transactions		
		Names of related Party
(a) Details of related parties:		
Key Management Personnel (KMP)		Mr. Rajpal Singh Kochhar
Relatives of KMP		Mr. Prithipal Singh Kochhar
Note: Related parties have been identified by the Management.		
Details of related party transactions	Remuneration	Remuneration
KMP	76.88	76.88
Relatives of KMP	8.28	32.90
Total	85.16	109.78
Details of research and development expenditure recognised as an expense		
Others	32.85	55.48
Total	32.85	55.48
Previous year's figures		
Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.		

Past Record

(Rs. in Lacs)

Particulars	Financial Year Ending														
	03/2001	09/2001	12/2002	03/2004 (6 mths.)	03/2005 (15 mths)	03/2006 (15 mths)	03/2007	03/2008	3/2009	3/2010	3/2011	3/2012	3/2013	3/2014	3/2015
Fixed Assets	2816.91	2794.12	2845.60	3076.20	3154.82	3669.37	4372.50	4652.85	5348.63	5318.80	5768.28	5911.54	5831.67	5638.08	5193.03
Investments	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Net Current Assets	4465.56	4790.28	4223.88	4031.09	4320.64	4326.69	4516.88	4392.98	3253.95	4204.95	4388.25	4746.65	4561.95	5566.10	5648.27
Total Capital Employed	7282.52	7584.45	7069.53	7107.16	7475.51	7738.05	7836.79	7956.61	8346.40	9214.23	9819.81	10356.13	10211.93	10580.24	10190.66
Shareholders' Funds	6023.78	5919.38	6157.61	6601.21	6814.25	7023.54	7249.80	7503.37	8016.83	8756.97	9291.39	9846.94	9837.14	9858.87	9542.56
Sales	3651.87	5690.26	15446.93	17278.09	14801.11	17213.43	14252.62	15779.95	14201.48	14318.55	16535.26	18066.51	17037.53	14540.57	13909.10
Other income	21.74	28.11	63.23	81.46	25.86	48.82	77.28	25.50	27.06	36.30	26.02	36.92	32.31	6.07	11.10
Operating Profit	1975.24	606.31	1435.74	1710.50	1288.11	1463.41	1193.76	1323.04	1572.76	1608.13	1479.08	1698.39	1037.73	1073.86	883.72
Interest	509.19	283.77	570.34	405.12	329.80	469.87	563.02	635.14	457.93	349.62	332.18	435.82	513.35	538.19	445.86
Depreciation	89.95	50.57	129.74	144.66	131.71	150.93	165.19	168.72	124.98	208.50	220.09	253.58	270.76	282.54	270.69
Tax	361.00	90.00	220.00	366.00	280.14	282.36	161.86	188.74	319.30	72.46	208.85	263.30	70.36	41.06	50.06
Profit after Tax	1015.10	181.98	515.66	794.71	546.47	497.18	280.29	307.60	617.23	924.20	717.96	745.69	183.26	212.07	117.11
Retained Earnings	885.97	109.37	282.25	471.08	236.43	470.20	249.64	276.69	540.16	771.45	565.73	593.44	31.02	58.52	85.67
Dividend (including tax)	108.26	72.17	138.15	295.54	295.38	29.87	30.65	30.65	76.63	152.75	152.25	152.25	152.25	153.25	31.44
Dividend (%)	30.00	20.00	37.50	80.00	20.00	2.00	2.00	2.00	5.00	10.00	10.00	10.00	10.00	10.00	2.00
Earning Per Share (Rs.)	31.00	5.56	15.75	23.45	2.03	1.89	1.07	1.17	2.36	3.53	2.54	2.85	0.70	0.81	0.45

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