

JAGSONPAL
35th ANNUAL REPORT
2013-2014



JAGSONPAL PHARMACEUTICALS LIMITED

BOARD OF DIRECTORS

R P S Kochhar	:	Chairman & Managing Director
Dr. S. K. Goyal	:	Director
Govind Deo	:	Director
Bharat Singh	:	Director
Dr. Ishpal Singh Ghai	:	Director

GENERAL MANAGER

Sanjiv Kumar Dudeja

COMPANY SECRETARY

R. K. Kapoor

BANKERS

Punjab & Sind Bank
Central Bank of India

AUDITORS

P. P. Thukral & Company
Chartered Accountants

REGISTERED OFFICE:

T-210 J, Shahpur Jat
New Delhi - 110049

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Notice

NOTICE is hereby given that the 35th Annual General Meeting of the members of **JAGSONPAL PHARMACEUTICALS LIMITED** will be held on Tuesday, the 30th day of September, 2014 at 10.00 A. M. at Vanita Samaj, 13, Institutional Area, New Delhi – 110003 to transact the following business.

ORDINARY BUSINESS:

- 1 To consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended on that date along with the report of Auditors' and Directors thereon.
- 2 To declare dividend on Equity shares.
- 3 To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

- 4 To, consider and, if thought fit, to pass, with or without modifications(s), the following resolution as Special Resolution:-

“RESOLVED THAT Dr. S. K. Goyal, (DIN: 01147772), be and is hereby appointed as Non – Executive Independent Director of the Company w.e.f. 1st April, 2014 for a term of three years pursuant to Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and Clause 49 of Listing Agreements as amended or re-enacted from time to time.

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

“Resolved that Mr. Bharat Singh, (DIN:00347364), be and is hereby appointed as Non – Executive Independent Director of the Company w.e.f. 1st April, 2014 for a term of three years pursuant to Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and Clause 49 of Listing Agreements as amended or re-enacted from time to time.

- 6 To, consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT , Mr. Govind Deo, (DIN:00521939), be and is hereby appointed as Non – Executive Independent Director of the Company w.e.f. 1st April, 2014 for a term of three years pursuant to Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and Clause 49 of Listing Agreements as amended or re-enacted from time to time.

- 7 To, consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT , Dr. Ishpal Singh Ghai, (DIN:06551659), be and is hereby appointed as Non – Executive Independent Director of the

Company w.e.f. 1st April, 2014 for a term of three years pursuant to Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and Clause 49 of Listing Agreements as amended or re-enacted from time to time.

- 8 To, consider and, if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 148, and all other applicable provisions of the Companies Act, 2013 (the Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. S. N. Balasubramanian, F.C.M.A. Cost Accountant (Membership No. 1358 & Firm Registration No. 102023) appointed as Cost Auditors by the Board of Directors of the Company, be paid a remuneration of Rs. 1,75,000 (Rupees One Lakh Seventy-five Thousand Only) + Out of Pocket Expenses for the financial year ending 31st March, 2015.

- 9 To, consider and, if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**:-

Re-appointment of Mr. Rajpal Singh Kochhar, (DIN00059492) as Managing Director on terms & conditions on which he was previously appointed on 01/04/2012

RESOLVED THAT pursuant to Section 2(78), 2(94), 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with schedule V of the Act, and the companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 (including any statutory modification(s) or re-enactment therefore for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Rajpal Singh Kochhar (DIN 00059492) as Managing Director (whole time Director) of the Company, for a period of 3 years with effect from 01.04.2015 to 31.03.2018 on terms & conditions including remuneration as set out in the the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Human Resources, and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Rajpal Singh Kochhar, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment therefore;

RESOLVED FURTHER that subject to the provisions of Section 2(78) 2(94), 196, 197, 203 and other applicable provisions, if any, of the

Companies Act, 2013 read with schedule V of the Act, the same remuneration and perquisite as set out in notice be paid and granted to Mr. Rajpal Singh Kochhar, notwithstanding that in any financial year the Company has made no profits or the profits are inadequate.

RESOLVED FURTHER that the Board of Directors of the company be and is hereby authorised to take all necessary steps to give effect to the resolution.

Place : New Delhi
Dated : 30.05.2014

By Order of the Board
R. K. Kapoor
Company Secretary

Notes

- (a) Details under Clause 49 of the Listing Agreements with the National Stock Exchange of India, and Bombay Stock Exchange Limited in respect of the Directors seeking appointment / reappointment at this Annual General Meeting are annexed hereto.
- (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) The Company has notified closure of Register of Members and Share Transfer Books from Saturday, 27th September, 2014 to September 30th, 2014 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the meeting.
- (d) Dividend as recommended by the Board of Directors, if declared at the meeting, will be paid on or after, 5th October, 2014 as under:
- 1) To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by The National Securities Depositories Limited and The Central Depository Services (India) Limited, as of the close of business hours on 26th September, 2014.
 - 2) To all Members in respect of shares held in physical form after giving effect to valid

transfers in respect of requests lodged with the Company on or before the close of business hours on 26th September, 2014.

- (e) Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates Nominations, Power of Attorney, Change of Address/name etc. to their Depository Participant only and not to the Company or Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and the Registrar & Transfer Agent to provide efficient service to the members.
- (f) 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.
- (g) Member's attention is particularly drawn to the "Corporate Governance" section in respect of unclaimed and unpaid dividend.
- (h) 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.
- (i) Relevant documents and registers will be available for inspection by the members at the registered office of the Company on the date of AGM.
- (j) 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 shares in dematerialized mode are requested to submit PAN details to their Depository Participant whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrar & Transfer Agent.
- (k) Members holding share 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 the prescribed Form Sh. 13 for this purpose.

Place : New Delhi
Dated : 30.05.2014

By Order of the Board
R. K. Kapoor
Company Secretary

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.

Item No. 4, 5, 6, & 7

The Companies Act, 2013 (the Act) has been enacted, Rules issued in respect of significant chapters which include “ Independent Director” have been made effective from 1st April, 2014.

Pursuant to Section 149(10) and 152 of the Act, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing a ordinary/special resolution in a general meeting and disclosure of such appointment in the Directors Report.

The Board of Directors have proposed for 3 years for the following Directors.

Particulars	Dr. S. K. Goyal	Mr. Bharat Sinh	Mr. Govind Deo	Dr. Ishpal Singh Ghai
Date of birth	13.10.1933	15.09.1956	03.03.1955	24.10.1948
Appointed on	30.12.2005	19.03.2013	20.03.2013	20.03.2013
Qualification	Ph. D, Economics	B.A. Hons.	Graduate	M.B.B.S. from All India Institute of Medical Sciences
Expertise in functional areas	Dr. S K Goyal is an Economist of International repute. He is a Ph D form Delhi School of Economics and M A from University of Punjab. He is vice chairman and professor Emeritus of the Institute for Studies in Industrial Development, New Delhi. He has held various senior positions including Hon. Chairman of Research Advisory Committee, Planning Commission, Govt. of India in the rank of Cabinet Minister. Dr. S K Goyal has vast experience in the area of Economics and Finance. He has contributed many research reports and articles at National level.	Having served in Armed Force, Mr. Bharat Sinh has a natural flair for Administration, Leadership and Management. He has over 30 years of industry experience and well conversant in Financial Management. In addition, Mr. Bharat Sinh is Whole Time Director of Sirius Coal Carriers Private Limited.	For over three decades, Mr. Govind Deo has been using his skills & experience in the fields of Finance, HR and Administration. He is also proficient with current Accounting Practices.	Dr. Ishpal Singh Ghai, known in the medical fraternity as a “holistic healer” who advocates the principle of the “Simple living – High Thinking” to his patient. He has been practising for over 35 years.

NONE OF THE DIRECTORS ARE INTERESTED EXCEPT PERSON CONCERNED

Item No. 8

As per the Companies Act, 2013 the disclosure of terms & conditions of cost auditors appointment and remuneration are mandatory to shareholders and approval by the shareholders.

Item No. 9

The Board and remuneration Committee approved the same terms & conditions and remuneration of Mr. Rajpal Singh Kochhar as Chairman & Managing Director as originally fixed by shareholders in their Annual General Meeting held on 30.09.2011. This remuneration shall be applicable from 01.04.2015 to 31.03.2018. The Board recommended for approval of members, Central Government if necessary. The Board had approved the terms on 30th may, 2014.

The aggregate of the remuneration as aforesaid shall be within maximum limits as laid down under Section 2(78), 2(94), 197, 196, 203 and all other applicable provisions, if any of the Companies Act, 2013 ("the Act") read with schedule V to the Act as in force from time to time. All other terms and conditions of the re-appointment are as follows:

Basic Remuneration : In the pay scale of Rs. 4,00,000-30,000-490,000 p.m.

House Rent Allowance : Rs. 60% of the Basic

Perquisites & other terms & conditions:-

a) He will be entitled to perquisites, allowances, benefits, facilities and amenities (Collectively "allowances & perquisites") such as utility allowance, quarterly allowance, holiday travel/Leave travel allowance/ reimbursement; membership fees for Clubs; Medical Reimbursement; personal accident insurance; any other expenses or allowance as per the policy/rules of the company in force and/or as may be approved by the Board from time to time provided that aggregate value of such allowance & perquisites shall not exceed Rs. 12,00,000/- p.a. For the purpose of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable.

In addition to the above he will be entitled to (i) Company maintained car(s) with drivers(s), (ii) telephone at residence, (iii) Company's Contribution to provident fund, superannuation fund or annuity funds as per rules of the company. (iv) Gratuity and other retirement benefits (v) Encashment of annual unutilized Earned Leaves.

b) Commission in addition to the above may be allowed up to a maximum of 3% per annum

subject to the overall limit laid down in Section 196, 197, 198 and other applicable of the Companies Act, 2013.

c) Reimbursement of entertainment expenses incurred in the course of legitimate business of the company;

In Compliance with the provisions of section 2(78), 2(94) 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with schedule V to the Act and subject to such other applicable rules and regulations, the revised terms of remuneration of Mr. Rajpal Singh Kochhar, as the Chairman & Managing Director as specified above are now being placed before the Members for their approval.

The Directors recommend the special resolution at item no. 9 of the notice for the approval of the Company. Mr. Rajpal Singh Kochhar is the concerned or interested in Item No. 9 of the notice.

By Order of the Board

Place : New Delhi
Dated : 30.05.2014

R. K. Kapoor
Company Secretary

Directors' Report

To the members of Jagsonpal Pharmaceuticals Limited

Your Directors have the pleasure in presenting their 35th, Annual Report of the Company and the Audited Accounts, for the period ended 31st March, 2014.

Financial highlights

The financial performance of the company is as under:

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Sales	14540.57	17037.53
Operating Expenditure	13466.71	15999.80
Profit before interest, depreciation and tax	1073.86	1037.73
Financial Expenses	538.19	513.35
Depreciation	282.54	270.76
Profit before Tax	253.13	253.62
Provision for taxation	50.63	50.72
Deferred Tax	-9.57	19.64
Profit after tax	212.07	183.26
Balance brought forward	3143.89	3132.87
Profit available for appropriation	3355.96	3316.13
Appropriations:	-	-
Proposed Dividend	130.99	130.99
Additional Income tax on Dividend	22.26	21.25
Transfer to General Reserve	20.00	20.00
Balance carried forward	3182.71	3143.89

Operations

During the period ended 31st March, 2014 sales of the Company were Rs. 14540.57 lacs as compared to Rs. 17037.53 lacs for the year ended 31st March, 2013. The profit before tax decreased marginally from 253.62 lacs to Rs. 253.13 lacs during the year but the net profit of the Company during the year increased to Rs. 212.07 Lacs from Rs 183.26 Lacs from the pervious year.

During the year 2013-14 the economy was in consolidation phase. The pharmaceutical industry has also shown promising future ahead. However, the profits were lower due to high materials cost owing to rise in price of materials; higher manpower cost and coverage of newer areas and change of product mix.

The Board is please 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 benefit in coming years.

Dividend

Your Directors are pleased to recommend for your consideration a dividend of 10%. This will absorb a sum of

Rs. 130.99,000 (Sum for previous period Rs. 1,30,99,000/- exclusive of Corporate tax thereon).

Fixed Deposits

The Company does not have any unclaimed overdue deposits as of date, as per the Compaies Act, 2013 all the deposits shall be repaid upto 31.03.2015 in Compliance of the Companies Act, 2013.

Directors

Mr. Bharat Sinh, Mr. Govind Deo and Dr. Ishpal Singh Ghai are Independent directors on the Board for more than one year and are eligible for reappointment as per SEBI Circular no. CIR/CFD/POLICYCELL/2/14 dated 17.04.2014 for a further terms not exceeding five years. Dr. S. K. Goyal has completed 9 years and shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for re-appointment for another term of not exceeding five consecutive years on the passing of a special resolution by the members.

Attention of the members is invited to the Notice of the Annual General Meeting regarding appointment of Directors.

None of the directors is interested except the persons referred above for appointment/reappointment.

Corporate Governance

As per the listing agreement with the Stock Exchanges, your Company has complied with the regulations of Corporate Governance. A Report on Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance and also a Management Discussion & Analysis Report pursuant to Clause 49 of the Listing Agreement are annexed hereto.

Auditors

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

Cost Auditors

The Central Government has approved the appointment of Mr. S.N. Balasunbramanian, Cost Accountant for conducting Cost Audit for the financial year 2014-15. The Board has subject to approval of Central Government re-appointed Mr. S. N. Balasubramanian as Cost Auditor for the year 2014-15.

Secretarial Auditors

Pursuant to provisions of the Companies Act, 2013, The Company requires to appoint Secretarial Auditors. Mr. Mukesh Arora, practicing Company Secretary is appointed as Secretarial Auditors of the Company.

Energy, Technology & Foreign Exchange

As stipulated under the provisions of Section 217 (1) (e) of the Companies Act, 1956, read with the (disclosure of particulars in the report of Board of Directors) rules, 1988, Annexure 'A' contains the particulars pertaining

to Conservation of Energy, Technology absorption and Foreign Exchange earning and outgo.

Directors Responsibility Statement

The Company complies with accounting and financial reporting requirements in respect of the financial statements for the year under review. Pursuant to Section 217 (2AA) of the Companies Act, 1956 read with general circular under the Companies Act, 2013 in respect of the annual accounts for the under review, based on the representations received from the operating management, the Directors confirm that:

1. In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. The accounting policies are consistently applied and reasonable, prudent judgements and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the period.
3. Sufficient care has been taken 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;
4. The annual accounts have been prepared on a going concern basis.

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 Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is enclosed in Annexure `B' and forms part of this Report.

Corporate Social Responsibility

The provisions of the Companies Act 2013 are not applicable on the Company as the Company operations do not come under the ambit of CSR Definition/norms.

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 : 30th May, 2014 Chairman & Managing Director

Annexure 'A' to the Directors' Report

Information pursuant to The Companies (Disclosure of Particulars in the Report of Directors) Rules 1988

FORM A
(See Rule 2)

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

A. Power and fuel consumption

	01.04.13 to 31.03.14	01.04.12 to 31.03.13
1. Electricity		
a) Purchased Units	2197646	22,13,176
Total amount Rs.	12991620	1,11,30,790
Avg. Rate/Unit Rs.	5.91	5.02
b) Own generation		
i) Through diesel Generation		
Units Kwh	640115	7,69,624
Units / litre of diesel oil Kwh	3.44	3.40
ii) Through Steam turbine generator	N.A.	N.A.
2. Coal	N.A.	N.A.
3. Furnace oil		
Quantity K.Ltr.	N.A.	1,20,000
Total cost Rs.	N.A.	63,34,745
Average Rate Rs.	N.A.	52.78
4. Others/Internal generation	N.A.	N.A.

A. 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.

**Form B
(See Rule 2)**

Form for Disclosure of Particulars with respect to Technology Absorption.

Research and Development (R & D)

1. Specific areas in which R & D carried out by the Company.

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

2. Benefits derived as a result of the above R & D

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.

This is likely to yield the following benefits in the months to come:

- Virtually nil product complaints owing to deterioration of capsules / tablets, as a result of entry of moisture in the strip packs
- Reduced Packing Material cost resulting in substantial savings

3. Future Plan of Action

R & D efforts will be continued in the areas of Bulk drugs and Drug formulations. These will be geared towards development of new product technologies which can be commercialised in future.

4. Expenditure On R & D

	(Rs. in lacs)	
	Mar. 2014	Mar. 2013
a) Capital Expenditure	11.98	3.26
b) Revenue Expenditure	43.50	69.33
Total	55.48	72.59
c) Total R & D expenditure as a percentage of total turn-over.	0.38	0.42

5. Foreign Exchange Earnings & Outgo

Earnings	755.49	602.05
Outgo	20.28	79.68

For and on behalf of the Board of Directors

Place : New Delhi. **Rajpal Singh Kochhar**
Dated : 30th May, 2014 Chairman & Managing Director

Annexure 'B' To The Directors' Report

Statement under the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies' (Particulars of Employee's) Rules, 1975 as amended upto Date :

S. No.	Name & Age of the Employee	Designation	Qualification & Experience	Gross Remuneration Rs. in lacs	Net Remuneration Rs. in lacs
1.	Mr. Rajpal Singh Kochhar (58 years)	Chairman & Managing Director	M.Sc. (Pharmacy) USA (34 years)	76,88,400	45,28,400

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

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 30th May, 2014

Rajpal Singh Kochhar
Chairman & Managing Director

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' 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

- a) The Board comprises of Executive and Non-executive Directors. The present strength of the Board of Directors is five Directors. The Chairman and Managing Director is an whole time director, the remaining four being non-executive Directors, who are Independent Directors and are professionals and have expertise in their respective fields.
- b) 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	Din_No.	Category	Attendance at		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	00059492	Managing Director	4	Yes	1	-
Dr. S.K.Goyal	01147772	Independent	4	No	0	1
Mr. Govind Deo	00521939	Independent	4	Yes	0	1
Mr. . Bharat Sinh	00347364	Independent	4	Yes	0	1
Dr. Ishpal Singh Ghai	06551659	Independent	4	Yes	0	1

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

May 30, 2013	August 14, 2013	November 14, 2013
February 13, 2014		
- 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 labour problems, if any.
 - Sale of assets, investments etc. which is not in the normal course of business.
 - Material transactions
 - Compliance with statutory requirements

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

3. Audit Committee

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 Sinh. The Chairman of the Committee is Mr. Govind Deo. The Company Secretary acts as Secretary of the committee. The Internal Auditor and/or Statutory Auditors are invitees to the meeting. The quorum for the Committee meeting is two Directors.

The Committee had met four times during the financial year in May, August, November and February months of 2013-14.

4. Remuneration Committee and remuneration of Directors

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, 2013 to 31st March, 2014 was as follows:

a) Whole time Directors:

Name	Remuneration
Rajpal Singh Kochhar	Rs. 76.88 lacs

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

b) Non-Executive Directors:

The Non-Executive Directors were paid remuneration by way of Sitting Fees 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	(In Rs.) Commission
Dr. S.K.Goyal	20,000	82,500
Mr. Govind Deo	20,000	82,500
Mr. Bharat Sinh	20,000	82,500
Dr. Ishpal Singh Ghai	20,000	82,500

5. Shareholders'/Investors' Grievances Committee

In order to give the appropriate level of focus to the shareholder and investor related matters this Committee was constituted in January, 2002. As on date, committee consists of Mr. Rajpal Singh Kochhar, Chairman, Mr. Govind Deo & Mr. Bharat Sinh, Mr. R K Kapoor, Company Secretary, is the compliance officer of the Company.

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	61	61
Miscellaneous queries/requests	50	50
Letter from Stock Exchanges, SEBI and Ministry of Corporate Affairs	Nil	N.A.

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 Chairman 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.

6. General Body Meetings

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

Year ended	Date and time	Place	Resolutions passed
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
31.03.2011	30.09.2011 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 4 S – 2

All the resolutions set out in the notices were passed by the members. No resolutions were put through Postal ballot last year.

7. 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 and General Manager of the company have furnished the requisite certificate to the board of directors under the Clause 49 of the Listing Agreement

8. 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.

9. General Shareholder Information

- Annual General Meeting: Tuesday, 30th September, 2014
Vanita Samaj, 13, Institutional Area,
Lodi Road, New Delhi 110003
 - Dates of Book Closure : September 27 to September 30, 2014
(both days inclusive)
 - Dividend Payment Date : Within stipulated time, if declared.
 - Financial Calendar (tentative)
Results for the quarter ending
- | | |
|----------------|----------------------------|
| June 2014 | 2nd week of August, 2014 |
| September 2014 | 2nd week of November, 2014 |
| December 2014 | 2nd week of February, 2015 |
| March 2015 | 4th week of May, 2015 |

- Stock Performance in comparison to Sensex and Nifty index during 2013-14 is as under.

Month	JPL (Rs.)		SENSEX		JPL(Rs.)		NIFTY	
	High	Low	High	Low	High	Low	High	Low
APR 2013	12.40	9.55	19622.68	18144.22	12.00	9.40	5962.03	5477.02
MAY 2013	10.90	8.52	20443.62	19451.26	10.65	9.05	6229.45	5910.95
JUN 2013	10.05	8.41	19860.19	18467.16	10.10	8.25	6011.00	5570.25
JUL 2013	10.00	7.60	20351.06	19126.82	9.40	8.75	6093.35	5675.75
AUG 2013	10.00	7.00	19569.20	17448.71	9.40	8.75	5808.50	5118.85
SEP 2013	10.00	7.85	20739.69	18166.17	9.40	8.75	6142.50	5318.90
OCT 2013	10.50	8.14	21205.44	19264.72	9.40	8.75	6309.05	5700.95
NOV 2013	10.00	8.26	21321.53	20137.67	9.40	8.75	6342.95	5972.45
DEC 2013	9.76	8.35	21483.74	20568.70	9.40	8.75	6362.25	6133.00
JAN 2014	12.70	9.45	21409.66	20343.78	12.85	10.25	6358.30	6027.25
FEB 2014	11.60	9.10	21140.51	19963.12	11.35	9.20	6282.70	5933.30
MAR 2014	10.69	8.70	22467.21	20920.98	11.40	8.90	6730.05	6662.40

- Listing on Stock Exchanges : The BSE Stock Exchange Limited, Mumbai
The National Stock Exchange of India Limited, Mumbai

The company has paid the listing fee for 2013-14 & 2014-15.

- Stock Code : JAGSNPHARMEQ at NSE and 507789 at BSE
ISIN No. for NSDL & CDSL : INE048B01027
- CIN : L74899DL1978009181

- Address for correspondence and Registrar and Transfer Agents :

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

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

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

- Distribution of shareholding as on 31.03.2014

Range (Shares)	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	6249	65.75	1163371	4.44
501 – 1000	2101	22.12	1715770	6.55
1001 – 10000	581	6.11	913756	3.49
10001 – 20000	301	3.17	885155	3.37
20001 & above	38	2.85	21519950	82.15

- **Dematerialisation of Securities**

Electronic holding by members comprises of approximately 94.00% of the paid up Shares capital of the Company (held through NSDL 85.88% and CDSL 8.12% as at 31st March, 2014).

Action required regarding non-receipt of dividends

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

Dividend for	Contact Office	Action to take
2006-07 to 2012-13	MCS Limited	Letter on Plain Paper
1986-87 to 1990-91	Not Applicable due to non declaration of dividend	-
1991-92 to 2005-06	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

- ii) Pursuant to section 205A and 205C of the Act, all unclaimed / unpaid dividend, pertaining to the Company remaining unpaid or unclaimed for a period of 7 years from the date of became due for payment, have been transferred to the Investor Education and Protection Fund established by the Central Government.

- **Plant Location**

20 K.M. Mathura Road, Post Office Amar Nagar, Faridabad - 121003

14-16, I.I.E, Pant Nagar, Rudrapur, Udham Singh Nagar, Uttarakhand

Address for correspondence

The Company Secretary

JAGSONPAL PHARMACEUTICALS LIMITED

T-210 J, Shahpur Jat, New Delhi – 110049

Phone : 011 – 46181100 & 46109900

Fax : 011 26498341, E-mail : cs@jagsonpal.com

Other facilities of interest to shareholders holding shares in physical form:

Nomination 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, incase 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 CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE THE CODE OF CONDUCT.

In accordance with clause 49 (ID) of the listing Agreement with the Bomaby 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, 2014.

For **JAGSONPAL PHARMACEUTICALS LIMITED**

Place : New Delhi

Dated : 30th May, 2014

Rajpal Singh Kochhar
Chairman & Managing Director

Management Discussions & Analysis Report

Global Scenario

Global Pharma Companies are increasingly exploring low cost option to outsource research and manufacturing, because of emerging slow-down in patented drug sales and high cost of R & D.

Europe is wooing drug makers to develop new medicines for HIV/AIDS, TB and malaria with home grown Companies for its USD 85 bn a year pharma market. EU would provide up to 75% of the cost of research as non-repayable grant-in-aid to collaborative research.

Currently, India's share of the US generic market is 24 per cent in terms of volume and 40 per cent of the new product approvals granted by the US FDA has been to Indian companies. It has established a strong reputation in the global space for being a high quality supplier of affordable generics.

Indian Scenario

The market-based pricing mechanism for the pharmaceutical industry has severely impacted the near term earnings of companies, particularly those with relatively higher dependence on domestic sales.

With the National List of Essential Medicines (NLEM) covering almost 20% of the Rs 72,800 crore domestic formulation business, approximately 15-20% has been shaved-off from the market. Its impact on earnings will be higher, as much of this will directly eat into the margin.

Companies with higher dependence on the Indian market like Indian arm of MNCs, mid-size pharma companies and those with a greater share of acute therapy segments (like 70% of NLEM) will be impacted the most, it added.

The unabated upward movement of the dollar added to the woes, more so with companies having a sizeable dependence on the imported materials.

Outlook

Major Therapeutic Segments

In 2013-14, the following therapeutic segments majorly contributed to the business of the company:

- Antioxidants
- Hematinics
- Progestogens
- Antibiotics / Antibacterials
- Anti-inflammatory analgesics

The company has rolled-out action plans on a limited number of focus products, with a limited number of doctors. Higher accountability on each member of the field force, coupled with the selective thrust, is expected to increase the prescription share and market share of the company, for 2014-15.

The company has several new products in the pipeline, especially for the specialized usage in gynecology. The

roll-out of these products during 2014-15, is expected to not only contribute to the top-line & bottom-line, but garner a higher corporate brand equity, which will be reflected in its increased patronage by the doctor community.

Internal Control Sstems and Their Adequacy

JPL has adequate internal control systems and processes to safeguard its assets and all the transactions are recorded and reported as per the generally accepted or prescribed norms. The internal control systems are well documented and rigidly implemented. There are clearly defined systems and authority and responsibilities in place which ensure accuracy and reliability of all financial and other data for effective and efficient management. The systems and processes are reviewed periodically and upgraded.

Financial performance with respect to operational performance

Results from operation	(Rs. in Lacs)	
	2013-14	2012-13
Particulars		
Sales	14540.57	1703753
PBT	253.13	253.62
Net Profit	212.07	183.27

During the current year the Company earned profit after tax of Rs. 212.07 lacs as against Rs.183.26 lacs in the previous year.

Human Resources and Industrial Relations

The human resource of Jagsonpal Pharmaceuticals Limited is one of its biggest assets. In order to achieve overall development of its people and to ensure greater accountability and responsibility continuous training with respect to work and other areas is imparted. The opportunities are created to encourage employees to develop multi functional skills and gear so as to meet the challenging assignments in the company. The industrial relations continue to be very cordial.

Cautionary Statement

The report is based on certain estimates, assumptions and expectations, which may or may not be accurate or realised. The risks factors stated in the report are not exhaustive. So the actual results could materially differ from those expressed or implied. Important factors such as economic conditions, government policies, subsequent developments and other incidental factors etc could make material difference to company's operations.

For and on behalf of the Board of Directors

Place : New Delhi

Dated : 30th May, 2014

Rajpal Singh Kochhar

Chairman & Managing Director

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS
OF CORPORATE GOVERNANCE**

To the Members of Jagsonpal Pharmaceuticals Limited.

We have examined the compliance of conditions of Corporate Governance by Jagsonpal Pharmaceuticals Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the National Stock Exchanges of India Ltd. & Bombay Stock Exchange Limited. .

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For P. P. Thukral & Co.
Chartered Accountants
FR No.: N000632

SURESH SETHI
Partner
M. No. : 089318

Place : New Delhi
Date : 30.05.2014

Independent Auditors' Report

To the Members of Jagsonpal Pharmaceuticals Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Jagsonpal Pharmaceuticals Limited, which comprise the Balance sheet as at 31st March 2014, the statement of profit and loss and the cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956, ("the Act") which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statements, 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 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 mis-statements.

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 mis-statement 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 2014
- (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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), issued by the Central Government of Section 227 (4) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect Section 133 of the Companies Act, 2013 on terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs)
 - e) On the basis of written representations received from the Directors as on 31st March 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act, 1956.

For P. P. Thukral & Co.
Chartered Accountants
F R No.: N000632

Place : New Delhi
 Date : 30th May, 2014

SURESH SETHI
Partner
M. No. : 089318

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 4(1) of our report of even date)

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of a major portion of fixed assets as at March 31, 2014 was conducted by the Management during the year. In our opinion, the frequency of physical verification is reasonable. Having regard to the size of the operations of the company and on the basis of explanations received, in our opinion, the net differences found on physical verification were not significant.
- 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. In our opinion, the company has neither granted nor taken any loans, secured or unsecured from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted/taken any loans, secured or unsecured, to /from parties listed in the registers maintained under Section 301 of the Companies Act, 1956 clauses iii(b), iii(c) and iii(d) of paragraph 4 of the order are not applicable.
- iv. In our opinion and according to the explanations given to us, having regard to the explanations that some of the items are of a special nature for which alternative quotations are not available, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
- v. a. In our opinion and according to information and explanations given to us, the transactions that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, there are no such transactions exceeding Rs. Five lakhs each which have been made at prices, which are not reasonable having regard to the prevailing market prices, for such goods, materials or services at the relevant time.
- vi. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under, where applicable, with regard to deposits accepted from the public. As per the information and explanations given to us no order under the aforesaid sections has been passed by the Company Law Board on the company.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business
- viii. We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records has been prescribed under Section 209(1)(d) of the Companies Act, 1956. We have not, however made a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, custom duty, excise duty, cess and other as applicable have been regularly deposited by the Company during the year with the appropriate authorities.
- (b) As at 31st March, 2014 according to the records of the Company, there are no dues of wealth tax, service tax and cess which have not been deposited on account of any dispute.
- x. The company has neither accumulated losses as at 31st March, 2014 nor it has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- xi. Based on our audit procedures and on the information and explanations given by management, we are of the opinion that the company has not defaulted in repayment of its dues to any financial institution or bank during the year.
- xii. The company has not granted any loans and

- advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
- xv. The Company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions, whereof, in our opinion are prima facie, prejudicial to the interest of the Company.
- xvi. The Company has not obtained any term loans that were not applied for the purpose for which these were raised.
- xvii. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
- xix. The Company has not raised any money by public issue during the year.
- xx. According to the information and explanations given to us, during the year, no fraud by the company has been noticed or reported.

For P. P. Thukral & Co.
Chartered Accountants
F R No.: N000632

SURESH SETHI
Partner
M. No. : 089318

Place : New Delhi
 Dated : 30th May, 2014

Balance Sheet as at 31st March 2014

Particulars	Note No.	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` Lakhs
A EQUITY AND LIABILITIES			
1 Shareholders funds			
(a) Share capital	1	1,309.90	1,309.90
(b) Reserves and surplus	2	8,548.97	8,527.24
		<u>9,858.87</u>	<u>9,837.14</u>
2 Non-current liabilities			
(a) Long-term borrowings	3		32.05
(b) Deferred tax liabilities (net)	4	408.39	417.91
		<u>408.39</u>	<u>449.96</u>
3 Current liabilities			
(a) Short-term borrowings	5	3,595.75	3,308.65
(b) Trade payables	6	508.45	650.52
(c) Other current liabilities	7	548.10	399.34
(d) Short-term provisions	8	706.15	654.51
		<u>5,358.45</u>	<u>5,013.03</u>
TOTAL		<u>15,625.71</u>	<u>15,300.15</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	5,638.08	5,831.67
(ii) Capital work in progress		234.67	233.18
(iii) Intangible assets	9	3.00	3.00
(b) Non-current investments	10	0.05	0.05
(c) Long-term loans and advances	11	618.51	577.91
		<u>6,494.31</u>	<u>6,645.81</u>
2 Current assets			
(a) Inventories	12	3,058.91	3,006.83
(b) Trade receivables	13	4,522.09	4,220.16
(c) Cash and cash equivalents	14	1,260.42	1,034.34
(d) Short-term loans and advances	15	289.98	392.99
		<u>9,131.40</u>	<u>8,654.33</u>
TOTAL		<u>15,625.71</u>	<u>15,300.19</u>
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
FR No. : 000632N

Suresh Sethi
Partner
M. No. : 89318

Place : New Delhi
Dated : 30th May, 2014

For and on behalf of the Board of Directors

Dr. S. K. Goyal
Govind Deo
Bharat Sinh
Dr. Ishpal Singh Ghai
Directors

R. P. S. Kochhar
Chairman & Managing Director

S. K. Dudeja
Chief Financial Officer

R. K. Kapoor
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2014

Particulars	Note No.	For the year ended 31 March, 2014 ` Lakhs	For the year ended 31 March, 2013 ` Lakhs
CONTINUING OPERATIONS			
1 Revenue from operations (gross)	16	14540.57	17037.53
Less: Excise duty	16	155.49	391.08
Revenue from operations (net)		<u>14385.09</u>	<u>16646.45</u>
2 Other income	17	6.07	32.31
3 Total revenue		<u>14391.16</u>	<u>16678.75</u>
4 Expenses			
(a) Cost of materials consumed	18	5,461.64	7,091.87
(b) Purchases of stock-in-trade	18	1,294.90	1,069.51
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(285.94)	454.84
(d) Employee benefits expense	19	3783.44	3725.46
(e) Finance costs	20	538.19	513.35
(f) Depreciation and amortisation expense	9	282.54	270.76
(g) Other expenses	21	3063.26	3299.34
Total expenses		<u>14,138.03</u>	<u>16,425.13</u>
5 Profit / (Loss) before tax		<u>253.13</u>	<u>253.62</u>
6 Tax expense:			
(a) Current tax		50.63	50.72
(c) Deferred tax		-9.57	19.64
		<u>41.06</u>	<u>70.36</u>
7 Profit for the year		<u>212.07</u>	<u>183.26</u>
8 Earnings per share (of ` 5/- each):			
(i) Basic			
(ii) Continuing operations	22	0.81	0.70
(iii) Total operations	22	0.81	0.70
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
FR No. : 000632N

Suresh Sethi
Partner
M. No. : 89318

Place : New Delhi
Dated : 30th May, 2014

For and on behalf of the Board of Directors

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

R. P. S. Kochhar
Chairman & Managing Director

S. K. Dudeja
Chief Financial Officer

R. K. Kapoor
Company Secretary

Cash Flow Statement for the year ended 31st March, 2014

Particulars	For the year ended 31 March, 2014 ` Lakhs	For the year ended 31 March, 2013 ` Lakhs
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	253.13	253.62
<i>Adjustments for:</i>		
Depreciation and amortisation	282.54	270.76
Finance costs	538.19	513.35
Interest income	-6.07	-32.31
	814.67	751.80
Operating profit / (loss) before working capital changes	1,067.80	1,005.42
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	52.08	-514.78
Trade receivables	301.93	-10.58
Short-term loans and advances	-103.02	40.37
Long-term loans and advances	40.61	68.77
	-291.6	416.22
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	-142.08	-163.58
Other current liabilities	148.75	-79.39
Other long-term liabilities	-32.05	5.02
Short-term provisions	51.64	71.97
	26.27	-165.98
	-265.34	250.24
Cash generated from operations	802.46	1,255.67
Net income tax (paid) / refunds	50.63	50.72
Net cash flow from / (used in) operating activities (A)	751.83	1,204.95
B. Cash flow from investing activities		
Capital expenditure on fixed assets	127.52	371.71
- Others	-6.07	-32.31
	121.45	339.40
Net cash flow from / (used in) investing activities (B)		
C. Cash flow from financing activities		
Net increase / (decrease) in working capital borrowings	-391.53	-14.25
Proceeds from other short-term borrowings	678.63	-139.42
Finance cost	-538.195	-513.354
Dividends paid	-130.99	-130.99
Tax on dividend	-22.26	-21.25
	-404.36	-819.26
Net cash flow from / (used in) financing activities (C)		
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	226.03	46.27
Cash and cash equivalents at the beginning of the year	1034.34	988.07
Cash and cash equivalents at the end of the year	1,260.34	1,034.34
See accompanying notes forming part of the financial statements		

In terms of our report attached
for **P. P. THUKRAL & CO.**
Chartered Accountants
FR No. : 000632N

Suresh Sethi
Partner
M. No. : 89318

Place : New Delhi
Dated : 30th May, 2014

For and on behalf of the Board of Directors

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

R. P. S. Kochhar
Chairman & Managing Director

S. K. Dudeja
Chief Financial Officer

R. K. Kapoor
Company Secretary

Significant Accounting Policies

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

B. Use of Estimates

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

C. Fixed Assets

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

D. Intangible Assets

Intangible Assets are stated at cost of acquisition.

E. Depreciation and Amortisation

Depreciation on fixed assets is provided at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life. Leasehold land is not amortised.

F. Impairment of Assets

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

G. Foreign Currency Transactions

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

H. Investments

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

I. Inventories

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

J. Revenue Recognition

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

K. Excise Duty

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

L. Employee Benefits

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

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

M. Borrowing Costs

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

N. Provision for Current and Deferred Tax

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

O. Provisions, Contingent Liabilities and Contingent Assets

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

Notes forming part of the financial statements

Particulars	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` 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	1,309.00	1,309.00
Total	1,309.00	1,309.00

Detail of Persons holding more than 5% shares

1. Shri Jagmohan Singh Kochhar*	59,70,576	(22,79%)
2. Shri Rajpal Singh Kochhar	76,41,784	(29,17%)
3. Mrs. Jasbir Kaur Kochhar	23,45,600	(8,95%)
* Since Deceased		

Note 2 Reserves and Surplus

(a) Securities premium account		
Opening balance	60.00	60.00
Closing balance	60.00	60.00
(b) Revaluation reserve		
Opening balance	1,287.75	1,328.57
Less: Utilised for set off against depreciation	37.09	40.82
Closing balance	1,250.66	1,287.75
(c) General reserve		
Opening balance	4,035.60	4,015.60
Add: Transferred from surplus in Statement of Profit and Loss	20.00	20.00
Closing balance	4,055.60	4,035.60
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	3,143.89	3,132.87
Add: Profit / (Loss) for the year	212.07	183.26
Less: Dividends proposed to be distributed to equity shareholders (` 0.50 per share)	130.99	130.99
Less: Tax on dividend	22.26	21.25
Less: Transferred to: General reserve	20.00	20.00
Closing balance	3,182.71	3,143.89
Total	8,548.97	8,527.24

Note 3 Long-term Borrowings

(a) Deposits		
Unsecured, due for more than one year.		
Intt @ 10 % p.a.(pr year 10% p.a.)	0	32.05
Total	-	32.05

Particulars	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` Lakhs
Note 4 Deferred Tax Liability		
Tax effect items constituting deferred tax liability on difference between book balance and tax balance of fixed assets	408.39	417.91
Total	<u>408.39</u>	<u>417.91</u>
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	2,574.37	2,965.91
(b) Deposits		
Unsecured	1,021.37	342.74
Total	<u>3,595.74</u>	<u>3,308.65</u>
Note 6 Trade Payables		
Trade payables:		
Acceptances		
Other than Acceptances includes MSM enterprises Rs. 44 lakhs	230.78	214.95
	277.67	435.57
Total	<u>508.45</u>	<u>650.52</u>
Note 7 Other Current Liabilities		
(a) Interest accrued but not due on borrowings	18.24	17.67
(b) Other payables		
(i) Trade / security deposits received	74.04	74.06
(ii) Others (includes Statutory remittances , Contributions to PF and ESIC, Withholding Taxes, VAT, etc.)	455.82	307.61
Total	<u>548.10</u>	<u>399.34</u>
Note 8 Short-term Provisions		
(b) Provision - Others:		
(i) Provision for tax	552.90	502.28
(ii) Provision for proposed equity dividend	130.99	130.99
(iii) Provision for tax on proposed dividends	22.26	21.25
Total	<u>706.15</u>	<u>654.52</u>

Note 9 Fixed Assets

` Lakhs

A. Tangible assets Own	Gross Block			Accumulated depreciation and impairment			Net block	
	Balance as at 1st April, 2013	Additions	Balance as at 31st March, 2014	Balance as at 1st April, 2013	Depreciation / impairment expense for the year	Balance as at 31st March, 2014	Balance as at 31st March, 2014	Balance as at 31st March, 2013
(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	2,890.72	0.66	2,891.39	692.08	99.09	791.17	2,100.22	2,198.64
(c) Plant and Equipment	2,077.01	70.64	2,147.64	820.34	116.37	936.71	1,210.93	1,256.67
(d) Vehicles	219.18	2.30	221.48	184.65	20.10	204.75	16.73	34.52
(e) Other assets*	2,081.37	52.44	2,133.81	1043.54	84.07	1127.61	1,006.20	1,037.83
Total	8,572.28	126.04	8,698.32	2,740.61	319.63	3,060.24	5,638.08	5,831.67
Previous year	8,340.57	231.71	8, 572.28	2,429.03	311.58	2,740.61	5,831.67	5,911.54

* includes Furniture and fixtures and office equipment

Particulars

As at
31 March, 2014
` Lakhs

As at
31 March, 2013
` Lakhs

B. Intangible Assets

(a) Goodwill 3.00 3.00

C. Depreciation and amortisation relating to continuing operations:

Depreciation and amortisation for the year on tangible assets as per Note 9 **319.63** 311.58

Less: Utilised from revaluation reserve **37.09** 40.82

Depreciation and amortisation relating to continuing operations **282.54** 270.76

Note 10 Non-current Investments

Other investments (Quoted)

Investment in equity instruments of other entities

(1304 fully paid shares of Ranbaxy Labs)

0.05 0.05**Total** **0.05** 0.05Aggregate market value of listed and quoted investments **4.76** 6.12**Note 11 Long-term Loans and Advances**

Unsecured and considered good

(a) Security deposits **65.88** 61.92(b) Advance income tax **552.63** 515.99**Total** **618.51** 577.91

Particulars	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` Lakhs
Note 12 Inventories		
(At lower of cost and net realisable value)		
(a) Raw materials	220.08	453.94
(b) Work-in-progress	355.65	744.70
(c) Finished goods	2483.19	1808.19
Total	<u>3,058.92</u>	<u>3,006.84</u>
Note 13 Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	156.99	142.63
Doubtful	0	0
	<u>156.99</u>	<u>142.63</u>
Less: Provision for doubtful trade receivables	0	0
	<u>156.99</u>	<u>142.63</u>
Other Trade receivables		
Secured, considered good	4,365.10	4,077.53
Less: Provision for doubtful trade receivables	4,365.10	4,077.53
Total	<u>4,522.09</u>	<u>4,220.16</u>
Note 14 Cash and Cash Equivalents		
(a) Cash on hand	47.61	56.50
(c) Balances with banks		
(i) In current accounts	1,133.06	893.91
(ii) In deposit accounts (maturity less than 12 months)	79.75	83.93
Total	<u>1,260.42</u>	<u>1,034.34</u>
Note 15 Short-term Loans and Advances		
(a) Balances with government authorities	225.55	292.06
(b) Others (Includes staff advances, prepaid expenses and earnest money)	64.42	100.93
Total	<u>289.98</u>	<u>392.99</u>
Note 16 Revenue from Operations		
(a) Sale of products (Refer Note (i) below)	14540.57	17037.53
Less:		
(b) Excise duty	155.49	391.08
Total	<u>14,385.09</u>	<u>16,646.45</u>

Particulars	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` Lakhs
(i) Sale of products comprises :		
Capsules	4934.32	6399.01
Tablets	2723.12	3481.65
Syrups	2539.89	2103.21
Ampoules	3050.74	2751.4
Vials	27.84	74.04
Ointments	167.25	289.27
Bulk drugs and intermediates	970.23	1788.85
Dry powder	75.76	81.07
Infusion	51.43	69.03
Total - Sale of Products	14540.58	17037.53
Note 17 Other Income		
(a) Interest income (Refer Note (i) below)	5.92	3.19
(b) Other non-operating income (net of expenses directly attributable to such income)	0.15	29.11
Total	6.07	32.30
(i) Interest income comprises:		
Interest from banks on:		
Deposits	5.92	3.19
Other interest		
Total - Interest Income	5.92	3.19
Note 18.a Cost of Materials Consumed		
Opening stock	453.93	513.88
Add: Purchases	5,227.79	7,031.93
	5,681.72	7,545.80
Less: Closing stock	220.08	453.93
Cost of material consumed	5,461.64	7,091.87
Material consumed comprises:		
D L Oxephene		1,681.02
Others	5,461.64	5,410.85
Total	5,461.64	7,091.87
Note 18.b Purchase of Traded Goods		
Capsules	491.85	284.22
Tablets	483.00	475.49
Syrups	246.34	247.99
Vials	14.79	21.12
Ointments	12.51	12.10
Infusion	46.41	28.59
Total	1,294.90	1,069.51

Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` Lakhs
Inventories at the end of the year:		
Finished goods	2,483.19	1,808.19
Work-in-progress	355.65	744.70
	<u>2838.84</u>	<u>2552.90</u>
Inventories at the beginning of the year:		
Finished goods	1,808.19	2,035.92
Work-in-progress	744.70	971.81
	<u>2552.90</u>	<u>3007.74</u>
Net (increase) / decrease	-285.94	454.84

Note 19 Employee Benefits Expense

Salaries and wages	3597.38	3554.29
Contributions to provident and other funds (Refer Note 24)	116.48	96.02
Staff welfare expenses	69.57	75.15
Total	<u>3783.43</u>	<u>3725.46</u>

Employee benefit plans

19a 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 ` 116.48 lakhs During the year (Year ended 31st March, 2013 ` 96.02 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.

19b 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	15.90	16.63
Interest cost	21.80	22.60
Expected return on plan assets	-28.45	-27.37
Actuarial losses/(gains)	-16.01	-48.27
Total expense recognised in the Statement of Profit and Loss	-6.75	-36.41

Actual contribution and benefit payments for year

Actual benefit payments	2.50	0.91
Actual contributions	3.78	3.69

Net asset / (liability) recognised in the Balance Sheet

Present value of defined benefit obligation	291.73	272.53
Fair value of plan assets	352.63	322.90
Funded status [Surplus / (Deficit)]	60.91	50.36
Unrecognised past service costs		

Net asset / (liability) recognised in the Balance Sheet

Particulars	As at 31 March, 2014 Lakhs	As at 31 March, 2013 Lakhs
Change in Defined Benefit Obligations (DBO) during the year		
Present value of DBO at beginning of the year	272.54	282.48
Current service cost	15.90	16.63
Interest cost	21.80	22.60
Actuarial (gains) / losses	-16.01	-48.27
Benefits paid	-2.50	-0.91
Present value of DBO at the end of the year	291.73	272.53
Change in fair value of assets during the year		
Plan assets at beginning of the year	322.90	292.74
Acquisition adjustment		
Expected return on plan assets	28.45	27.37
Actual company contributions	3.79	3.70
Actuarial gain / (loss)	-16.01	-48.27
Benefits paid	-2.50	-0.91
Plan assets at the end of the year	352.63	322.90
Actual return on plan assets	28.44	27.37
Actuarial assumptions		
Discount rate	8.00%	8.00%
Salary escalation	6.00%	6.00%
Note 20 Finance costs		
(a) Interest expense on:		
(i) Borrowings	501.20	489.69
(b) Other borrowing costs	36.99	23.66
Total	<u>538.19</u>	<u>513.35</u>
Note 21 Other expenses		
Consumption of stores and spare parts	43.07	77.36
Power and fuel	222.75	255.23
Rent including lease rentals	123.67	124.38
Repairs and maintenance - Buildings	18.91	16.56
Repairs and maintenance - Machinery	5.55	4.16
Repairs and maintenance - Others	89.89	102.66
Insurance	50.43	64.36
Rates and taxes	25.04	7.86
Travelling and conveyance	651.60	686.48
Freight and forwarding	385.47	382.62
Sales administration expenses	1,050.46	1,162.82
Donations and contributions	1.19	0.78
Payments to auditors (Refer Note (i) below)	4.52	4.00
Miscellaneous expenses	390.71	410.07
Total	<u>3063.26</u>	<u>3299.34</u>
Payments to the auditors comprises :		
Statutory audit	1.75	1.50
Cost audit	1.00	1.00
Reimbursement of expenses	1.77	1.50
Total	<u>4.52</u>	<u>4.00</u>

Particulars	As at 31 March, 2014 ` Lakhs	As at 31 March, 2013 ` Lakhs	
Note 22 Earnings Per Share			
Basic and Diluted			
Continuing operations			
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	212.07	183.26	
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 (`)	0.81	0.70	
Total operations			
Net profit / (loss) for the year attributable to the equity shareholders	212.07	183.26	
Weighted average number of equity shares	261.98	261.98	
Par value per share (`)	5.00	5.00	
Earnings per share - Basic (`)	0.81	0.70	
Note 23 Additional information to the financial statements	2013- 14	2012- 13	
23 Contingent liabilities and commitments (to the extent not provided for)			
(i) Contingent liabilities	-	-	
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	44	6.34	
(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, 2014	Maximum balance outstanding during the year
N.A.	N.A.	N.A.	N.A.

Particulars	For the year ended 31 March, 2014 Lakhs	For the year ended 31 March, 2013 Lakhs
Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities	0	0
Value of imports calculated on CIF basis :		
Raw materials	974.62	965.72
Expenditure in foreign currency :		
Other matters	140.05	79.68
Details of consumption of imported and indigenous items		
Imported		
Raw materials	1250.24	965.72
Percentage	22%	13.65%
Total	<u>1250.24</u>	965.72
Indigenous		
Raw materials	4501.20	6105.81
Percentage	78%	86.35%
Total	<u>4501.20</u>	6105.81
Earnings in foreign exchange :		
Export of goods calculated on FOB basis	755.49	602.05
Segment information		
The Company has identified Pharmaceutical business segment as its primary segment		
Revenue	14540.57	17037.53
Profit before taxes	253.13	253.63
Tax expense	41.06	70.36
Net profit for the year	212.07	183.27
Related party transactions		Name of Related Party
(a) Details of related parties:		
Key Management Personnel (KMP)		Mr. Rajpal Singh Kochhar
Relatives of KMP		Mr. Prithipal Singh Kochhar
Mr Prithipal Singh Kochhar		
Note: Related parties have been identified by the Management.		
Details of related party transactions	Remuneration	Remuneration
KMP	76.88	95.87
Relatives of KMP	32.90	29.06
Total	<u>109.78</u>	<u>124.93</u>
Details of research and development expenditure recognised as an expense		
Others	55.48	69.33
Total	55.48	69.33
Previous year's figures		
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.		
Note: Figures in bracket relate to the previous year.		



JAGSONPAL PHARMACEUTICALS LIMITED

CIN: L 74899DL1978PLC009181
Registered Office : T-210 J, Shahpur Jat, New Delhi – 110049, (India)

ATTENDANCE SLIP 35th Annual General Meeting

Reg. Folio/DP & Client No		No .of Shares Held	
---------------------------	--	--------------------	--

I certify that I am a registered Shareholder/Proxy for the registered shareholder of Jagsonpal Pharmaceuticals Limited. I hereby record my presence at the 35th Annual General Meeting of the Company at Vanita Samaj, 13, Institutional Area, Lodhi Road, New Delhi – 110003, at 10 a.m. on Tuesday, the 30th September, 2014

Member's Name :

Proxy's Name :

Signature of Shareholder/Proxy's

- Note:
1. Please fill this attendance slip and hand it over at the entrance of the Hall.
 2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
 3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.

Form No. MGT-11

JAGSONPAL PHARMACEUTICALS LIMITED

CIN: L 74899DL1978PLC009181
Registered Office : T-210 J, Shahpur Jat, New Delhi – 110049, (India)

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member (s):		E.Mail Id:	
Registered Address :		Folio No./Client Id :	
		DP ID:	

I/We, being the member(s) holding shares of Jagsonpal Pharmaceuticals Limited, hereby appoint

1. Name : Address:

..... E.mail ID: Signature: or failing him

2. Name : Address:

..... E.mail ID: Signature: or failing him

3. Name : Address:

..... E.mail ID: Signature: as

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on the 30th September, 2014 at 10.00 A.M at Vanita Samaj, 13, Institutional Area, Lodhi Road, new Delhi – 110003, at 10 AM, and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below.

Nos.

S.No.	Resolutions	For	Against
01	Consider and adopt: Auditrd Financial Statement, Reports of the Board of Directors and Auditors		
02	Declaration of Dividend on shares		
03	To appoint Auditors and their remuneration		
04	Appointment of Dr. S. K. Goyal as an Independent Director		
05	Appointment of Mr. Bharat Sinh as an Independent Director		
06	Appointment of Mr. Govind Deo as an Independent Director		
07	Appointment of Dr. Ishpal Singh Ghai as an Independent Director		
08	Approval of Remuneration of Cost Auditors		
09	Appointment of Mr. Rajpal Singh Kochhar as Managing Director		

Signed this.....day of2014

Signature of shareholder

Signature of Proxy holder(s) 1. 2. 3.

Please
Affix
Revenue
Stamp

EVEN (E-Voting Event Number)	USER ID	PASSWORD / PIN

Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed , not less than 48 hours before the time for holding the meeting.

Instructions and other information relating to e-voting are as under:-

The Notice of the AGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or <https://www.jagsonpal.com>

The e-voting period commences on September 22nd, 2014 (9:00 am) and ends on September 24th, 2014 (6:00 pm). During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Friday, 22nd August, 2014.

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file **“JAGSNPHARM e-Voting.pdf”** giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password.
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on “Shareholder - Login”.
4. Put User ID and password as initial password noted in step (1) above and Click Login.
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
7. Select “EVEN” of (**Jagsonpal Pharmaceuticals Limited**). Members can cast their vote online from **September 22nd, 2014 (9:00 am) till September 24th, 2014 (6:00 pm)**. (**Note: e-Voting shall not be allowed beyond said time.**)
8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail (jagsonpal.bansal@gmail.com) with a copy marked to evoting@nsdl.co.in.

Please note that:

- o Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- o Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; www.icicidirect.com for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website www.icicidirect.com. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following Telephone No.: 022-2499 4600.

Assuring you of our best services,

Regards,
e-Voting support desk
National Securities Depository Limited (www.nsdl.co.in)

Past Record

(Rs. in Lacs)

Particulars	Financial Year Ending														
	03 / 2000	03 / 2001	09 / 2001 (6 mths)	12 / 2002 (15 mths)	03 / 2004 (15 mths)	03 / 2005	3/2006	3/2007	3/2008	3/2009	3/2010	3/2011	3/2012	3/2013	3/2014
Fixed Assets	1659.45	2816.91	2794.12	2845.60	3076.02	3154.82	3669.37	4372.50	4652.85	5348.63	5318.80	5768.28	5911.54	5831.67	5638.08
Investments	0.10	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	3689.50	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
Total Capital Employed	5349.05	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	11093.49
Share Holders' Funds\	4066.42	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
Sales	11846.29	13651.87	5690.26	15446.93	17278.09	14801.11	17213.43	14525.62	15779.95	14201.48	14318.55	16535.26	18066.51	17037.53	14540.57
Other income	43.26	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
Operating Profit	1852.59	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
Interest	444.81	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
Depreciation	78.34	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
Tax	388.00	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
Profit After Tax	941.44	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
Retained Earnings	820.49	885.97	109.37	282.25	473.08	236.43	470.20	249.64	276.96	540.61	771.45	565.73	593.44	31.02	58.52
Dividend (Including Tax)	119.86	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
Dividend (%)	30.00	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
Earning Per Share (Rs.)	28.75	31.00	5.56	15.75	23.45	2.03	1.89	1.07	1.17	2.36	3.53	2.74	2.85	0.70	0.81

Book Post

To,

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If undelivered, please return to :

Jagsonpal Pharmaceuticals Limited

Regd. Off. : T-210J, Shahpur Jat, New Delhi - 110049