



JAGSONPAL

37th ANNUAL REPORT 2015-2016



JAGSONPAL PHARMACEUTICALS LIMITED



BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Sanjiv Kumar Dudeja

BANKERS

Punjab & Sind Bank
Central Bank of India

COMPANY SECRETARY

R. K. Kapoor

AUDITORS

P. P. Thukral & Co.
Chartered Accountants

REGISTERED OFFICE:

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

Works:

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

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

REGISTRAR & SHARE TRANSFER AGENTS:

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

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NOTICE is hereby given that the 37th Annual General Meeting of the members of **JAGSONPAL PHARMACEUTICALS LIMITED** will be held on Friday, the 30th day of September, 2016 at 10.00 A. M. at Vanita Samaj, 13, Institutional Area, New Delhi – 110003 to transact the following business.

ORDINARY BUSINESS

- 01** To receive, consider and adopt the Audited Financial Statements of the Company for the period ended on 31st March, 2016 together with the reports of the Board of Directors and the Auditors' report.
- 02** To declare dividend on Equity Shares
- 03** To re-appoint the Auditors and to fix their remuneration and in this regard pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
 “RESOLVED That pursuant to the provisions of sections 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 M/s P P Thukral & Co., Chartered Accountants, Registration No. 000632N be and are hereby re-appointed as Statutory Auditors of the Company, to hold office from the conclusion of 37th Annual General Meeting till the conclusion of 38th Annual General Meeting of the Company at a remuneration to be decided by Audit Committee of the Board of Directors and reimbursement of other Expenses.

SPECIAL BUSINESS

04 To Appoint Director

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

Resolved that Mrs. Jasbir Kaur Kochhar be and is hereby re-appointed as director and her tenure shall cease on 38 Annual General Meeting.

- 05** To approve the remuneration of the Cost Auditors for the financial year ending 31st March, 2017 and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**.

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017 be paid the remuneration of Rs. 1.75 lac plus out of pocket expenses.

By Order of the Board of Directors

R. K. KAPOOR

Company Secretary

FCS:2219

Place: New Delhi
Date: 30/05/2016

Notes

- (a) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 4 & 5 of the accompanying Notice is annexed hereto. The relevant details as required under Regulation 17(1)(a) of the SEBI, (LODR 2015) of persons seeking appointment / re-appointment as Director under Item no. 4 of the Notice is annexed.
- (b) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as a proxy on behalf of members not exceeding fifty and in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (c) The Proxy form in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the Meeting.
- (d) Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books will remain closed on all days from Friday, 23rd September, 2016 to Friday, September 30th, 2016 (both days inclusive). All relevant documents referred to in the accompanying notice and statutory registers are open for inspection at the registered office of the Company on all working days (barring Saturday & Sunday) between 11.00 A. M. To 1.00 P. M. prior to the Annual General Meeting.
- (e) Payment of dividend for the year ended 31st March, 2016 as recommended by the Board of Directors, if approved at the meeting, will be payable on or after, 5th October, 2016 and applicable provisions u/s 123, 124, & 125 of the Companies Act 2013 in respect of shares held in physical form to those members whose names appear in the Company's register of Members as on 23rd September, 2016 and in respect of shares held in electronic form, to those who are “deemed members” whose names appear in the statement of beneficial owners furnished by National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) at close of business hours on September 23rd, 2016.
- (f) Action required to be taken by the members in case of non receipt / non-encashment of dividend:

Financial Year	Contact Office	Action to be taken
2009-2015	Registered Office	Letter on a plain paper
1992-2008	Office of the Registrar of Companies, Paryavaran Bhawan, C.G.O Complex, Lodhi Road, New Delhi – 110 003 / Office of the Registrar of Companies, 4th Floor, I F C I Tower, 61, Nehru Place, New Delhi – 110 019	Claim in Form No. II of the Companies Unpaid Dividend (Transfer to General Reserve Account of the Central Government) Rules, 1978 as applicable.

Pursuant to Section 101 and section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual report and other communications through electronic mode to those members who have registered their e-mail address with the Company or with the depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to MCS Share Transfer Agent Limited. Members holding shares in demat form are requested to register / update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their e-mail, are entitled to receive such communication in physical form upon request.

- (g) Members are requested to bring their personal copy of the Annual Report at the Annual General Meeting.
- (h) Members are requested to immediately intimate change of address, if any to the Company / Registrar & Share Transfer Agent quoting reference of the registered Folio Numbers,
- (i) As per Securities and Exchange Board of India (SEBI) notification, submission, of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or / transposition of shares. Members holding share in dematerialized mode are requested to submit PAN details to the Depository Participant whereas member holding shares in physical form are requested to submit the PAN details to the company's Registrar & Transfer Agent.
- (j) Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company, as permitted under section 72 of the Act, are requested to submit details to the Registrar & Transfer Agents of the Company, in prescribed Form Sh. 13 for this purpose.
- (k) Pursuant to the provisions of section 205A and 205C of the Companies Act, 1956 and section 125 of the Companies Act, 2013 dividend which remained Unclaimed for a period of seven years from the date of declaration are transferred to Unpaid Dividend Account are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by Central Government. Members who have not encashed the dividend warrants(s) for the financial year ended March 31st, 2009 onwards are requested to make

their claims to the Company or to M/s MCS Share Transfer Agent Limited, without any delay.

- (l) 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.
 - (m) Member's attention is particularly drawn to the "Corporate Governance" section in respect of unclaimed and unpaid dividend.
 - (n) 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.
 - (o) Pursuant to section 108 of the Companies Act, 2013, Rule 20 of the Companies (management and Administration) Rules 2014 as amended and clause 35 B of the Listing Agreement the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user and password along with procedure for such e-voting. Such remote e-voting facility is in addition to voting that may take place at the meeting venue on September 30th, 2016.
- The Company has appointed Mr. H L Bansal, Chartered Accountant and Proprietor of H L Bansal & Co., to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
- The E-voting period commences from 9.00 a.m. on September 27th, 2016 and ends on 5.00 p.m. on September 29, 2016. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut - off date of September 23rd, 2016 may cast their vote electronically. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (p) The results will be declared at the Registered Office of the Company situated at Jagsonpal Pharmaceuticals Limited, T-210J, Shahpur Jat, New Delhi – 110049 and the resolutions will be taken as passed effectively on the date of Annual General Meeting. The said results along with Scrutinizer report shall be placed on the Company's website www.jagsonpal.com and on website (NSDL) www.nsdl.com immediately after the results is declared. The Company shall simultaneously forward the results to National Stock Exchange of India Limited & BSE Limited, Mumbai where the shares of the Company are listed.
 - (q) Subject to receipt of sufficient votes, the resolution shall be deemed to be passed at the 37th Annual General Meeting of the Company scheduled to be on Friday September 30th, 2016.

By Order of the Board of Directors

Sd/-

R. K. KAPOOR
Company Secretary
FCS:2219

Place : New Delhi
 Dated : 30/05/2016

Explanatory Statement pursuant to section 102 of the Companies Act.

[Pursuant to Section 102(1) of the Act, the following Explanatory Statement sets out material facts relating to the business under item nos. 4 to 5 of the accompanying Notice dated 30th May 2016 convening the 37th Annual General Meeting of the Company scheduled for 30th September, 2016.

Item No. 4

Mrs. Jasbir Kaur Kochhar (DIN 01460798) was appointed as Woman Director and her tenure expires on ensuing Annual General Meeting, being eligible, offers herself for appointment / reappointment. Mrs Jasbir Kaur Kochhar is related to Mr. Rajpal Singh Kochhar, Chairman & Managing Director and has inter – se – Mother – Son relationship. Mrs. Jasbir Kaur Kochhar is having major shareholding of the Company and is closely associated with entrepreneur family and associated with Company since inception.

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

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

Item No. 5

The Board of Directors of the Company has appointed Mr. S N Balasubramanian, Cost Accountant,(B. Com. & FCMA) as Cost Auditors of the Company to audit the accounts relating to drug formulations for the financial year ending March 31st, 2017.

Remuneration of Rs. 1.75 lac payable to Mr. S N Balasubramanian, Cost Auditors of the Company for the financial year ended 31 March, 2017, was recommended by the Audit Committee to the Board of Directors and subsequently, was considered and approved by the Board of Directors.

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

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

By Order of the Board of Directors
Sd/-

R. K. KAPOOR
Company Secretary
FCS:2219

Place : New Delhi
Dated : 30/05/2016

Contact Address of the Company	Contact Address of the Registrar
Jagsonpal Pharmaceuticals Limited T-210 J, Shahpur Jat New Delhi – 110 049 E-mail : cs@jagsonpal.com Website : www.jagsonpal.com Ph. : 011-46181100 & 46109900, FAX : 011-	MCS Share Transfer Agent Limited F-65, First Floor, Ma Anandmayee Marg, Okhla Industrial Area Phase – I, New Delhi – 110 020 E-mail : admin@mcsregistrars.com Website : mcsregistrars.com Ph. & FAX : 011-41406148

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

Your Directors have the pleasure in presenting their 37th Annual Report of the Company and the Audited Accounts, for the period ended 31st March, 2016.

Operations**Financial Highlights**

The financial performance of the Company is as under:

(Rs. in Lacs)

Particulars	Current Year	Previous Year
Sales	14418.92	13909.10
Operating Expenditure	13172.08	13025.38
Profit before interest, depreciation and tax	1246.84	883.72
Financial Expenses	529.70	445.86
Depreciation	309.36	270.69
Profit before Tax	407.53	167.17
Provision for taxation	81.51	33.43
Deferred Tax	0.60	16.62
Profit after tax	325.42	117.11
Balance brought forward	3248.38	3182.71
Profit available for appropriation	3573.80	3299.82
Appropriations:		
Proposed Dividend	26.20	26.20
Additional Income tax on Dividend	5.33	5.24
Transfer to General Reserve	20.00	20.00
Balance carried forward	3522.27	3248.38

During the period ended 31st March, 2016 sales of the Company were Rs. 14418.92 lacs as compared to Rs.13909.10 lacs for the year ended 31st March, 2015. The profit before tax increased from Rs.167.17Lacs to Rs.407.53 lacs during the year. During the year 2015-16 the economy was in consolidation phase. However, the pharmaceutical industry has shown promising future ahead. The profits were higher during the year, due to coverage of new areas and change of product mix.

The Board is pleased to place on record that products from the new manufacturing facility are being well received in the domestic and international market and your Company will reap the benefits in coming years.

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

The Indian pharmaceuticals market is the 3rd largest in terms

of volume and 13th largest in terms of value. India is the largest provider of generic drugs globally, with the Indian generics accounting for 20 per cent of global exports in terms of volume. Of late, consolidation has become an important characteristic of the Indian pharmaceutical market as the industry is highly fragmented.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level.

The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same period.

Presently the market size of the pharmaceutical industry in India stands at US\$ 20 billion. As on March 2014, Indian pharmaceutical manufacturing facilities registered with the US Food and Drug Administration (FDA) stood at 523, highest for any country outside the US.

Domestic pharmaceutical market grew at a CAGR of 12 per cent year-on-year in February 2016, broadly in line with the average of 12.9 per cent since April 2015. Indian pharmaceutical firms are eyeing acquisition opportunities in Japan's growing generic market as the Japanese government aims to increase the penetration of generic drugs to 60 per cent of the market by 2017 from 30 per cent in 2014, due to ageing population and rising health costs.

India has the largest number US FDA compliant plants. The industry is expected to reach US\$ 55 billion by 2020, out of which US\$ 30 million will be for exports.

India's biotechnology industry comprising bio-pharmaceuticals, bio-services, bio-agriculture, bio-industry and bioinformatics is expected grow at an average growth rate of around 30 per cent a year and reach US\$ 100 billion by 2025.

Government Initiatives

The Addendum 2015 of the Indian Pharmacopoeia (IP) 2014, published by the Indian Pharmacopoeia Commission (IPC) on behalf of the Ministry of Health & Family Welfare, is expected to play a significant role in enhancing the quality of medicines that would in turn promote public health and accelerate the growth and development of pharmaceutical sector.

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. Further, the government introduced mechanisms such as the Drug Price Control Order and the National Pharmaceutical Pricing Authority to deal with the issue of affordability and availability of medicines.

Some of the major initiatives taken by the government to promote the pharmaceutical sector in India are as follows:

- Indian Pharmaceutical Association (IPA), the professional association of pharmaceutical companies

in India, plans to prepare data integrity guidelines which will help to measure and benchmark the quality of Indian companies with global peers.

- The Government of India plans to incentivize bulk drug manufacturers, including both state-run and private companies, to encourage 'Make in India' program and reduce dependence on imports of active pharmaceutical ingredients (API), nearly 85 per cent of which come from China.
- The Department of Pharmaceuticals has set up an inter-ministerial co-ordination committee, which would periodically review, coordinate and facilitate the resolution of the issues and constraints faced by the Indian pharmaceutical companies.
- The Department of Pharmaceuticals has planned to launch a venture capital fund of Rs 1,000 crore (US\$ 154 million) to support start-ups in the research and development in the pharmaceutical and biotech industry.
- Indian and global companies have expressed 175 investment intentions worth Rs 1,000 crore (US\$ 146.72million) in the pharmaceutical sector of Gujarat. The memorandums of understanding (MoUs) would be signed during the Vibrant Gujarat Summit.
- Telangana has proposed to set up India's largest integrated pharmaceutical city spread over 11,000 acres near Hyderabad, complete with effluent treatment plants and a township for employees, in a bid to attract investment of Rs 30,000 crore (US\$ 4.41 billion) in phases.

Key issues and challenges on 'The Domestic Front':

The Indian government and the drug industry are headed for yet another collision course after the acrimonious legal tussle over the approval of hundreds of drugs based on fixed dose combinations.

Indian drug companies may seek legal intervention against the recent decision of the National Pharmaceutical Pricing Authority (NPPA) to cut prices of medicines that were already sold below the minimum bar set by the pricing watchdog. NPPA, on its part, has asserted that it would stand its ground should the issue go to court as its notification is correct as per law and upholds consumer interest.

Outlook

The company increased its field force by nearly 50% during 2015-16, dramatically widening the reach of its products to newer territories and new customers. Due care has been taken while inducting better talent and this will have a strong positive impact on the business generation.

Specialty products having high per prescription return have been launched in the last quarter of 2015-16, which will reach its true potential in the next fiscal. In keeping with the current market trends, products catering to high-end Gynecologists and IVF specialists have been launched.

The flagship division of the company will be further

strengthened with the increase of field force by 30% during 2016-17, resulting in better penetration of the Tier II and III towns.

Cautionary Statement

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

Dividend

Your Directors are pleased to recommend for your consideration a dividend of 2 %. This will absorb a sum of Rs. 26,19,800/- (Sum for previous period Rs. 2619800/-) exclusive of Corporate tax thereon.

Particulars of Loan, Guarantees or Investments

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

Directors

Mrs. Jasbir Kaur Kochhar, woman director, was appointed as woman director on 30/09/2015, whose tenure ceases on ensuing Annual General Meeting, being eligible for re-appointment, the board recommends her re-appointment as woman director.

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

Auditors

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

Cost Auditors

The Board has subject to approval of Central Government, re-appointed Mr. S. N. Balasubramanian as Cost Auditor for the year 2016-17.

Secretarial Auditors

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

The secretarial auditors' report for the year 2015-16 has been received from the Secretarial Auditors. The report does not contain any qualification, reservation or adverse remark. The report is annexed herewith as Annexure - C

Energy, Technology & Foreign Exchange

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

absorption and Foreign Exchange earning and outgo.

Employees

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

Corporate Governance

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

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

Directors Responsibility Statement

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

- a In the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b the Directors have selected such accounting policies and applied them consistently and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;
- c the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d the Directors have prepared the annual accounts on a going concern basis;
- e the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Internal Control Systems and Risk Management :

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

Corporate Social Responsibility

The provisions of the Companies Act 2013 with respect to

corporate responsibilities are not applicable on the Company.

Extract of Annual Return

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

Contracts And Arrangements With Related Parties

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

Acknowledgement

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

For and on behalf of the Board of Directors

RAJPAL SINGH KOCHHAR

Chairman & Mg. Director

Place : New Delhi

Dated : 30th May 2016

(DIN 00059492)

Annexure 'A' To The Directors' Report

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

Particulars required by the section 134(3)(m) of the Companies Act, 2013 ("the Act") read with rule 8(3) of the Companies (Accounts) rules, 2014 and forming part of the Directors' report for the year ended March 31, 2016.

A Conservation of Energy

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

Disclosure of particulars with respect to Conservation of Energy.

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

01.04.15 to 01.04.14 to

31.03.16 31.03.15

1. Electricity

a) Purchased Units	2860382	1977835
Total amount Rs.	16919771	12074495
Avg. Rate/Unit Rs.	5.92	6.10
b) Own generation		
i) Through diesel Generation		
Units Kwh	386150	546935
Units / litre of diesel oil Kwh	3.40	3.41
ii) Through Steam turbine generator	N.A.	N.A.

2. Coal	N.A.	N.A.
3. Furnace oil		
Quantity K.Ltr.	N.A.	N.A.
Total cost Rs.	N.A.	N.A.
Average Rate Rs.	N.A.	N.A.
4. Others/Internal generation	N.A.	N.A.

Consumption

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

B Technology Absorption

Disclosure of particulars with respect to Technology Absorption

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

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

2 Benefits derived as a result of the above efforts:

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

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

	Mar. 2016
a) Capital Expenditure	9.45
b) Revenue Expenditure	46.88
TOTAL	56.33

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

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

D. Foreign Exchange Earnings & Outgo

(Rs. in lacs)

	Mar. 2016
Earnings	1232.63
Outgo	33.78

For and on behalf of the Board of Directors

RAJPAL SINGH KOCHHAR

Chairman & Mg. Director

(DIN 00059492)

Place: New Delhi

Dated: 30th May, 2016

Annexure 'B' To The Directors' Report

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

S. No.	Name & Age of the Employee	Designation	Qualification & Experience	Gross Remuneration	Net Remuneration
1.	Mr. Rajpal Singh Kochhar (61 years)	Chairman & Mg. Director	M.Sc. (Pharmacy) USA (36 years)	76.88	45.28

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

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

For and on behalf of the Board of Directors

RAJPAL SINGH KOCHHAR

Chairman & Mg. Director

(DIN 00059492)

Place : New Delhi

Dated : 30th May, 2016

ANNEXURE - C

To

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

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

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

MUKESH ARORA

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

Date: 16-05-2016
Place: NEW DELHI

MUKESH ARORA & CO.
COMPANY SECRETARIES

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

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

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized

representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31ST March, 2016 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31ST March, 2016

according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable as the company did not issue any security during the financial year under review.)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the company has not granted any options to its employees during the financial year under review);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the company has not issued any debt securities during the financial year under review);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. (Not applicable as the company has not Delist its Equity Shares during the financial year under review); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable as the company has not bought back any of its securities during the financial year under review);

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

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

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

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

We further report that

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

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

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

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

For Mukesh Arora & Co.
Practicing Company Secretaries
Mukesh Arora
F.C.S No. 4819
C.P No. 4405

Date: 16th May, 2016
Place: New Delhi

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

Form No. MGT-9

Annexure D**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31-3-2016

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

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

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Capsule	30041020	26.69%
2	Tablet	30041030	24.04%
3	Ampoule	30042042	26.46%

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

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

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total(B)(1):-	600	200	800	.00305	600	200	800	.00305	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	874936	1680	876616	3.346	868281	0	868281	3.314	0.32
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4694895	720058	5414953	20.00	567964	0	567964	21.680	1.68
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1429013	0	1429013	5.459	1130876	0	1130876	4.317	-1.137
c) Others									
NRI	79515	0	79515	.303	109935	0	109935	0.419	-0.116
Clearing Mem	84875	0	84875	.0323	54317	0	54317	0.203	-0.120
HUF	190908	0	190908	.728	232707	0	232707	0.888	-0.160
Sub-total(B)(2):-	7354142	721938	8075880	30.826	8075800	0	8075800	30.826	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	7354142	721938	8076680	30.829	8076480	200	8076680	30.829	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	25476062	721938	26198000	100	26197800	200	26198000	100	

(ii) *Shareholding of Promoters*

Sl. No.	Shareholder's Name	Shareholding No. of Shares	Shareholding at the beginning of the year			Shareholding at the end of the year		
			% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Rajpal Singh Kochhar	8527464	32.56	Nil	9145064	34.917	Nil	2.357
2	Mohinder Kaur Kochhar	660080	2.52	Nil	660080	2.52	Nil	0
3	Jasbir Kaur Kochhar	8316176	31.74	Nil	8316176	31.74	Nil	0
4	Ishpinder Kaur Kochhar	152800	0.58	Nil	0	0.00	Nil	-0.58
5	Inderpal Singh Kochhar	168000	0.64	Nil	0	0.00	Nil	-0.64
6	Prithipal Singh Kochhar	296800	1.13	Nil	0	0	Nil	-1.13
	Total	18121320	69.17	Nil	18121320	69.17	Nil	0

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. Rajpal Singh Kochhar				
	At the beginning of the year	8527464	32.56	8527464	32.56
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	12.10.15 +296800	1.13	8824264	33.69
		21.12.15 +168000	0.64	8992264	34.33
		21.12.15 +152800	0.58	9145064	34.91
	At the end of the year	9145064	34.90	9145064	34.91
2.	Mr. Prithipal Singh Kochhar				
	At the beginning of the year	296800	1.13	0	1.13
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):	-296800	-1.13	0	-1.13
	At the end of the year	0	1.13	0	0

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
3.	Mr. Inderpal Singh Kochhar				
	At the beginning of the year	168000	0.64	0	0.64
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	21.12.15 -168000	-0.64	0	-0.64
	At the end of the year	0	-0.64	0	0
4.	Mrs. Ishpinder Kaur Kochhar				
	At the beginning of the year	152800 12.12.15	0.58	0	0.58
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer / bonus/ sweat equity etc):	-152800	-0.58	0	-0.58
	At the end of the year	0	0.58	0	0

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	For Each of the Directors and KMP				
	At the beginning of theyear				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweatequity etc):				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

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

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

	Secured Loans excluding Deposits Rs. lacs	Unsecured Loans	Deposits Rs. Lacs	Total Indebtedness Rs. Lacs
Indebtedness at the beginning of the financial year				
i) Principal Amount	3282.94	648.10		3931.04
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	3282.94	648.10		3931.04
Change in Indebtedness during the financial year				
● Addition	-247.58	165.81		-81.77
● Reduction				
Net Change	-247.58	165.81		-81.77
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	3035.36	813.91		3849.27

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

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

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors Rs. Lacs				Total Amount
		Govind Deo	Bharat Sinh	Dr. I.S. Ghai	Dr. S.K. Goyal	
3	Independent Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify	0.00 1.02	0.00 1.02	0.00 1.02	0.00 1.02	0.00 4.08
	Total (1)	1.02	1.02	1.02	1.02	4.08
4	Other Non-Executive Directors ● Fee for attending board committee meetings ● Commission ● Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration	1.02	1.02	1.02	1.02	4.08
	Overall Ceiling as per the Act					4.08

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

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

N.A.

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

JAGSONPAL PHARMACEUTICALS LIMITED

S.No.	Name of Shareholder	No of Shares At the Beginning of Year 31/03/2015 and End of The Year 31/03/2016	% to the total shares	Transaction date	Increase / Decrease	Reason	Cummulative Shareholding during the year Between 31/03/2015 and 31/03/2016	% of Total Shares of the Company	PAN of Shareholder
Key Managerial Person									
01	SANJIV KUMAR DUDEJA	370544	1.41	01.04.2014	0		370544	1.41	

Public Shareholding Top - 10

1	Rajeshri Tarunkumar Shah	75539	0.29		0		75539	0.290	
				04-10-2015	-10000	Transfer	65539	0.250	
				17/04/2015	-5000	Transfer	60539	0.231	
				06-12-2015	-25	Transfer	60514	0.230	
				19/06/2015	155	Transfer	60669	0.231	
				26/06/2015	19700	Transfer	80369	0.307	
				07-10-2015	-1370	Transfer	78999	0.302	
				28/08/2015	5000	Transfer	83999	0.321	
				23/09/2015	-8784	Transfer	75215	0.287	
				11-06-2015	-19109	Transfer	56106	0.214	
				20/11/2015	-5000	Transfer	51106	0.195	
				12-04-2015	-10000	Transfer	41106	0.157	
				22/01/2016	25149	Transfer	66255	0.253	
				29/01/2016	-1336	Transfer	64919	0.248	
				02-05-2016	14	Transfer	64933	0.248	
				02-12-2016	16828	Transfer	81761	0.312	
				19/02/2016	27900	Transfer	109661	0.418	

S.No.	Name of Shareholder	No of Shares At the Beginning of Year 31/03/2015 and End of The Year 31/03/2016	% to the total shares	Transaction date	Increase / Decrease	Reason	Cumulative Share holding during the year Between 31/03/2015 and 31/03/2016	% of Total Shares of the Company	PAN of Shareholder
				03-04-2016	1372	Transfer	111033	0.424	
				03-11-2016	3000	Transfer	114033	0.435	
				31/03/2016	2402	Transfer	116435	0.444	
2	Kalpna Bijal Madhani	0	0	12-04-2015	50000	Transfer	50000	0.191	
				12-11-2015	-20000	Transfer	30000	0.114	
				25/12/2015	11663	Transfer	41663	0.159	
3	Milind K Madhani	0	0.00	31/12/2015	45000	Transfer	45000	0.172	
				01-08-2016	-5000	Transfer	40000	0.153	
4	Snehlata Singhi	77684	0.296						
				29/05/2015	-51278	Transfer	26406	0.101	
5	Latin Manharlal Securities Pvt. Ltd.	0	0	29/05/2015	56526	Transfer	56526	0.216	
6	IFS Securities Limited	79366	0.303						
				04-10-2015	5000	Transfer	74366	0.284	
				05-08-2015	1000	Transfer	75366	0.288	
				15/05/2015	1000	Transfer	76366	0.291	
				06-05-2015	2000	Transfer	78366	0.299	
				07-03-2015	1000	Transfer	79366	0.303	
				24/07/2015	-1703	Transfer	77663	0.296	
				31/07/2015	-3297	Transfer	74366	0.284	
				23/09/2015	-74366	Transfer	0	0	
7	Rashmikant Dhirajlal Doshi	66000	0.252				66000	0.252	
8	Ronak Securities & Credits Pvt. Ltd.	156873	0.599				156873	0.599	
9	Wave Securities & Credits Pvt. Ltd.	144800	0.553				144800	0.553	

S.No.	Name of Shareholder	No of Shares At the Beginning of Year 31/03/2015 and End of The Year 31/03/2016	% to the total shares	Transaction date	Increase / Decrease	Reason	Cumulative Shareholding Holding during the year Between 31/03/2015 & 31/03/2016	% of Total Shares of the Company	PAN of Shareholder
10	Lincoln P Coelho	200000	0.763				200000	0.763	
		100000	0.384				100000	0.384	
11	Ganesh Lakhia	0	0	06-12-2015	60869	Transfer	60869	0.232	
				19/06/2015	12486	Transfer	73355	0.280	
				26/06/2015	7877	Transfer	81232	0.310	
				31/07/2015	8768	Transfer	90000	0.343	
				08-07-2015	10000	Transfer	100000	0.382	
				23/01/2015	9909	Transfer	109909	0.420	
				30/03/2015	5999	Transfer	115908	0.442	
				11-06-2015	20150	Transfer	136058	0.519	
				15/01/2016	-1000	Transfer	135058	0.515	
				22/01/2016	4000	Transfer	139058	0.531	
				03-11-2016	1000	Transfer	138058	0.527	
12	Hailalal Bhovanbhai Rolla	54500	0.21						
				18/12/2015	-10000	Transfer	44500	0.169	
				25/12/2015	-3500	Transfer	41000	0.156	
				01-08-2015	9480	Transfer	50480	0.192	
				15/01/2016	-4000	Transfer	46480	0.18	
				22/01/2016	-8000	Transfer	38480	0.146	
13	Namko Herbal Private Limited	0	0.00	23/09/2015	105936	Transfer	105936	0.404	
				12-04-2015	-26500	Transfer	79436	0.303	
				31/12/2015	14500	Transfer	93936	0.358	
				01-08-2016	-14500	Transfer	79436	0.303	
				26/02/2016	12000	Transfer	91436	0.349	
14	Nirmal Kumar Gangwal	131553	0.502						
				30/09/2015	7583	Transfer	139136	0.531	

Annexure to the Directors' Report

Corporate Governance Report

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

1. Company's Philosophy on Code of Governance:

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

2. Board of Directors

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

Name of Director	Category	Attendance		Membership of other Board (Excluding Alternate Directorship & Directorship in pvt. Companies)	No. of Committees in which Member (excluding pvt. Companies)
		Board meetings	Last AGM		
Mr. Rajpal Singh Kochhar	Managing Director	6	Yes	1	-
*Dr. S. K. Goyal	Independent	3	No	-	-
*Mr. Govind Deo	Independent	6	Yes	-	5
*Mr. Bharat Sinh	Independent	5	Yes	-	5
*Dr. Ishpal Singh Ghai	Independent	6	Yes	-	5
Mrs. Jasbir Kaur Kochhar	Woman Director	4	No	-	-

* Excluding Independent Directors Meeting.

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

May 29, 2015
January 25, 2016

August 13, 2015
February 12, 2016

November 10, 2015
February 17, 2016

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

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

b) Meeting of Independent Directors

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

d) Information placed before the Board of Directors

The following information is regularly placed before the Board of Directors

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

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

3. Ethics / Governance Policies Committee

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

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

4. Audit Committee & Vigil Mechanism

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

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

The Committee had met six times during the financial year in May, August, November, January and February months of 2015-16.

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

Nomination, Remuneration and Compensation Committee

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

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

Brief Description of Terms of Reference

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

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

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

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

Remuneration Policy

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

The managerial remuneration including perquisites thereof payable to Directors are determined by the Committee and shareholders. The remuneration of the directors during the period 1st April, 2015 to 31st March, 2016 was as follows:

a) Whole time Director:

Name	Remuneration
Shri Rajpal Singh Kochhar	Rs. 76.88 lacs

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

a) Non-Executive Directors:

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

Director	Sitting Fee	Commission
Dr. S.K.Goyal	Rs. 15,000	Rs. 1,01,882
Mr. Govind Deo	Rs. 45,000	Rs. 1,01,882
Mr. Bharat Sinh	Rs. 45,000	Rs. 1,01,882
Dr. Ishpal Singh Ghai	Rs. 45,000	Rs. 1,01,882
Mrs. Jasbir Kaur Kochhar	N. A.	N. A.

5. Stakeholders' Relationship Committee

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

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

	Received	Cleared
Non –Receipt of Share Certificates duly transferred	Nil	N.A
Non – Receipt of Dividend warrants	12	12
Miscellaneous queries/requests	16	16
Letter from Stock Exchanges, SEBI and Ministry of Corporate Affairs	4	4

6 Share Transfer Committee

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

7 JPPL Code of conduct for prevention of insider trading

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

8 Listing Agreement

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

9 General Body Meetings

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

Year ended	Date and time	Place	Resolutions passed
31.03.2015	30.09.2015 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 5 S - 1
31.03.2014	30.09.2014 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 8 S - 1
31.03.2013	30.09.2013 10.00 am	Vanita Samaj, 13, Institutional Area, Lodi Road, New Delhi 110003	O – 7 Nil

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

(a) Passing of Special Resolutions by Postal Ballot

During the year ending as on 31.03.2016 there was no special resolution required to be passed through Postal Ballot.

10 Compliance Certification of The Auditors

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

11 Audit Certification

The Company is in the regime of unqualified financial statements.

12 Reporting of Internal Auditor

The Internal Auditor directly reports to the Audit Committee.

13 CEO Certification

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

14 Certification on Compliance with Code of Conduct

I hereby confirm that the company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the year 2015-16.

15 Disclosures

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

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

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

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

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

16 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.

17 General Shareholder Information

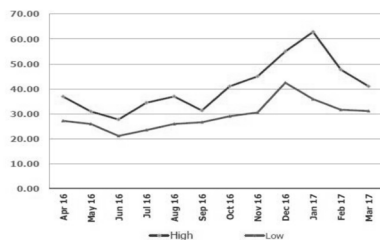
- Annual General Meeting : Friday, 30th September, 2016.
Vanita Samaj, 13, Institutional Area,
Lodi Road, New Delhi 110003
- Dates of Book Closure : September 23rd to September 30th, 2016 (both days inclusive)
- Dividend Payment Date : Within Stipulated Time, if declared.
- Financial Calendar (tentative)
Results for the quarter ending

June 2016	2nd week of August, 2016
September 2016	2nd week of November, 2016
December 2016	2nd week of February 2017
March 2017	4th week of May 2017

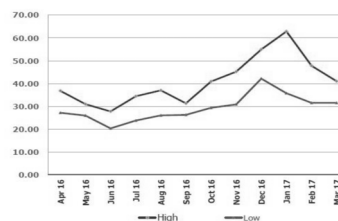
High/Low of market price of the Company's shares traded along with the volumes on The Stock Exchange, Mumbai and on the National Stock Exchange during the April 2015 to March 2016 is furnished below:

Period	BSE High (Rs.)	BSE Low (Rs.)	Volume No of Share	NSE High (Rs.)	NSE Low (Rs.)	Volume No of Share
Apr-2015	36.90	27.15	918834	36.80	27.15	1352885
May-2015	30.90	25.90	239092	30.95	25.95	372052
Jun-2015	27.70	21.10	404729	27.75	20.30	568893
Jul-2015	34.40	23.45	670756	34.40	23.75	1055614
Aug-2015	36.95	25.90	1059876	37.00	26.00	1952775
Sept-2015	31.30	26.60	265840	31.30	26.25	401832
Oct-20145	41.00	29.00	959447	40.90	29.35	1570779
Nov-2015	45.00	30.50	696480	45.20	30.85	1334830
Dec.-2015	55.00	42.45	2365805	55.00	42.15	5242228
Jan-2016	62.85	35.85	2075831	62.90	35.75	3937835
Feb-2016	47.70	31.60	424594	47.80	31.50	695335
March2016	41.00	31.10	284807	41.00	31.50	593127

BSE High: Low
2015-16



NSE High: Low
2015-16



- Listing on Stock Exchanges : The Bombay Stock Exchange Limited, Mumbai
The National Stock Exchange of India Limited, Mumbai
The company has paid the listing fee for 2016-17.
- Stock Code : JAGSNPHARM EQ at NSE and 507789 at BSE
ISIN No. for NSDL & CDSL : INE048B01027

Address for correspondence and Registrar and Transfer Agents

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

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

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

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

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

● **Designated Exclusive email-id:**

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

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

cs@jagsonpal.com

sagar@jagsonpal.com

● **Distribution of shareholding as on 31.03.2016**

Range (Shares)	Number of Shareholders	Percentage of Shareholders	Number of Shares	Percentage of Shareholding
1 – 500	7326	70.345	1255506	4.792
501 – 1000	2047	19.658	1675786	6.397
1001 – 10000	976	9.373	2689264	10.265
10001 – 20000	37	0.355	513293	1.960
20001 & above	28	0.269	20064151	76.586

● **Dematerialisation of Securities**

Shares of the Company are actively traded on the Stock Exchange, Mumbai and the National Stock Exchange of India Limited. Approximately 97.30% of the Company’s total shares have been dematerialized. (NSDL 88.77 % & CDSL 8.52% as at 31.03.2016)

Action required regarding non-receipt of dividend

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

Dividend for	Contact Office	Action to take
2008-09 to 2014-15	MCS Share Transfer Agent Limited	Letter on plain paper
1986-87 to 1991-92	Not applicable due to non declaration of dividend	
1991-92 to 2007-08	Balance remaining in the unpaid dividend accounts of respective years has been transferred to IEPF, Central Government	Balance remaining in the unpaid dividend accounts of respective years has been transferred to IEPF, Central Government) Matter to be taken up with Ministry of Company Affairs & Central Government

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

Plant Location

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

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

Address for Correspondence

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

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

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

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

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

DECLARATION BY THE CEO CALUSE 49 (ID) of the listing Agreement with the Bombay Stock Exchange Limited, I hereby confirm that all directors and senior Management personnel have compliance with the code of conduct of the Company for the financial year ended 31st March, 2016.

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

Place : New Delhi
Dated : 30th May, 2016

Auditors' Certificate on Corporate Governance for Fiscal 2016

To
The Members of Jagsonpal Pharmaceuticals Limited

We have examined the compliance of conditions of Corporate Governance by Jagsonpal Pharmaceuticals Limited ('the Company') for the year ended 31 March 2016, as stipulated in Clause 49 of the ('Listing Agreement') of the Company with the stock exchanges for the period 1 April, 2015 to 30 November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 ('Listing regulations') as referred to in Regulation 15 (2) of the Listing Regulations for the period 1 December 2015 to 31 March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the 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 expression of opinion on the financial statements of the Company.

In our opinion and to the best of 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/Listing Regulations as applicable.

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

For P. P. THUKRAL & Co.
Chartered Accountants
F.R.N.: 000632N

Place : New Delhi
Date: 30.05.2016

Suresh Sethi
Partner

Membership No. : 089318

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

We have audited the accompanying financial statements of **Jagsonpal Pharmaceuticals Limited** ('the Company'), which comprises the balance sheet as at 31 March 2016, the statement of profit and loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the

Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as It appears from our examination of those books.
- (c) The Balance Sheet, the statement of profit and loss and the cash flow statement dealt withby this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards Specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.
- (g) With respect to the other matters to be included in the

Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its financial statements in Note no. 23 of the financial statements;
- ii. The Company did not have any long term contracts including derivative contracts as at March 31, 2016.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

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

Place : New Delhi
 Date: 30/05/2016

Annexure B to Independent Auditor's

Referred to the Independent Auditors' report of even date to the members of **Jagsonpal Pharmaceuticals Limited** on the financial statements for the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of Jagsonpal Pharmaceuticals Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's

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

Our audit involves performing procedures to obtain evidence about the adequacy of internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P. P. THUKRAL & Co.
Chartered Accountants
SURESH SETHI
Partner

Firm's Registration
Number : 000632N

Place : New Delhi
 Date: 30/05/2016

Membership No. : 089318

Annexure A to Independent Auditor's Report

Referred to the Independent Auditor's Report of even date to the members of Jagsonpal Pharmaceuticals Limited on the financial statements as of and for the year ended March 31, 2016.

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

statements, are held in the name of the Company.

- ii. The inventory has been physically verified by the Management during the year. In respect of inventory lying with third parties, to the extent, such inventories have not been physically verified by the management, such inventories have been substantially confirmed by the third parties. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii) (b) and (iii) (c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 as prescribed by the Central government for the maintenance of cost records under Section 148 (I) of the Act relating to the manufacture of Bulk Drugs and pharmaceuticals specialties and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained, We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, income tax and value added tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of duty of customs which have not been deposited on account of any dispute. The particulars of dues of Income tax, sales tax, service tax, duty of excise and value added tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (in Rs.)	Period to which the amount relates	Forum where the dispute is pending
Sales Tax, Entry Tax And Value Added Tax				
VAT (Jaipur)	Demand	16622	2008-2009	Sales Tax Authority
VAT (Patna)	Demand	525561	2009-2010	—do—
VAT(Kashipur)	Demand	14401	2005-2006	—do—
CST(Kolkata)	Demand	2131250	2008-2009	—do—
CST(Kolkata)	Demand	94002	2010-2011	—do—
VAT (Kolkata)	Demand	2904851	2008-2009	—do—
VAT (Kolkata)	Demand	1670708	2009-2010	—do—
VAT (Kolkata)	Demand	6893474	2010-2011	—do—
VAT (Pune)	Demand	87070	2002-2003	—do—
VAT (Chennai)	Demand	3805591	2008-2009	—do—
VAT (Chennai)	Demand	5539387	2009-2010	—do—
VAT (Chennai)	Demand	5800760	2010-2011	—do—
VAT (Chennai)	Demand	1768144	2011-2012	—do—
VAT (Delhi)	Demand	3000	2011-2012	—do—

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

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

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

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

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

xiii. The Company has entered into transactions with related

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

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

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

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

For P. P. THUKRAL & Co.
Chartered Accountants
SURESH SETHI

Partner

Firm's Registration

Number : 000632N

Membership No. : 089318

Place : New Delhi

Date: 30/05/2016

Balance Sheet as at 31 March, 2016

Particulars	Note No.	As at 31.03.2016 ₹ Lakhs	As at 31.03.2015 ₹ Lakhs
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	1,309.90	1,309.90
(b) Reserves and surplus	2	8,526.55	8,232.66
		9,836.45	9,542.56
2 Non-current liabilities			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (net)	4	360.86	360.26
		360.86	360.26
3 Current liabilities			
(a) Short-term borrowings	5	3,849.27	3,931.05
(b) Trade payables	6	972.68	786.89
(c) Other current liabilities	7	661.30	624.45
(d) Short-term provisions	8	247.63	176.79
		5,730.87	5,519.18
TOTAL		15,928.18	15,422.00
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	5,158.41	5,193.03
(ii) Capital work in progress		-	-
(iii) Intangible assets	9	3.00	3.00
(b) Non-current investments	10	0.05	0.05
(c) Long-term loans and advances	11	670.89	646.62
		5,832.35	5,842.69
2 Current assets			
(a) Inventories	12	3,983.75	3,306.20
(b) Trade receivables	13	4,169.02	4,488.88
(c) Cash and cash equivalents	14	1,553.33	1,501.61
(d) Short-term loans and advances	15	389.73	282.62
		10,095.83	9,579.31
TOTAL		15,928.18	15,422.00
See accompanying notes forming part of the financial statements	1 to 23		

In terms of our report attached.

For P P Thukral & Co.

Chartered Accountants

FRN. No. 000632N

For and on behalf of the Board of Directors

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 30/05/2016

R. P. S. Kochhar

Chairman & Managing

Govind Deo**Bharat Sinh****Dr. Ishpal Singh Ghai**

Directors

DIN 00059492

Director

DIN 00521939

DIN 00347364

DIN 06551659

S. K. Dudeja

Chief Financial Officer

R. K. Kapoor

Company Secretary

Statement of Profit and Loss for the year ended 31 March, 2016

Particulars	Note No.	For the year ended 31 March, 2016 ₹ Lakhs	For the year ended 31 March, 2015 ₹ Lakhs
CONTINUING OPERATIONS			
1 Revenue from operations (gross)	16	14418.92	13909.10
Less: Excise duty	16	70.13	94.01
Revenue from operations (net)		14348.79	13815.09
2 Other Income	17	65.63	11.10
3 Total Revenue		14414.42	13826.19
4 Expenses			
(a) Cost of materials consumed	18	5,627.89	6,383.36
(b) Purchases of stock-in-trade	18	906.68	649.48
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(622.24)	(164.55)
(d) Employee benefits expense	19	3783.71	3211.33
(e) Finance costs	20	529.70	445.86
(f) Depreciation and amortisation expense	9	309.36	270.69
(g) Other expenses	21	3,471.80	2862.86
Total Expenses		14,006.90	13,659.02
5 Profit / (Loss) before tax		407.53	167.17
6 Tax expense:			
(a) Current tax		81.51	33.43
(b) Deferred tax		0.60	16.63
		82.11	50.06
7 Profit for the year		325.42	117.11
8 Earnings per share (of ₹ 5/- each):			
Basic			
(a) Continuing operations	22	1.24	0.45
(b) Total operations	22	1.24	0.45
See accompanying notes forming part of the financial statements	1 to 23		

In terms of our report attached.

For P P Thukral & Co.

Chartered Accountants

FRN. No. 000632N

For and on behalf of the Board of Directors

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 30/05/2016

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DIN 00059492

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DIN 06551659

S. K. Dudeja

Chief Financial Officer

R. K. Kapoor

Company Secretary

Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
A. Cash flow from operating activities				
extraordinary items and tax		407.53		167.17
<i>Adjustments for:</i>				167.17
Depreciation and amortisation	309.36		270.69	
Finance costs	529.70		445.86	
Interest income	(65.64)		(11.10)	
		773.42		705.45
Operating profit / (loss) before working capital changes		1180.95		872.62
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	677.55		247.28	
Trade receivables	(319.86)		(33.21)	
Short-term loans and advances	107.11		(7.35)	
Long-term loans and advances	24.27	(489.07)	28.10	(234.82)
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	185.78		278.45	
Other current liabilities	36.85		76.35	
Other long-term liabilities	0		0.00	
Short-term provisions		(409.39)	70.84	(195.59)
Cash generated from operations	70.84	985.35	(529.36)	463.23
Net income tax (paid) / refunds		81.51		33.43
Net cash flow from / (used in) operating activities (A)		903.85		429.80
B. Cash flow from investing activities				
Capital expenditure on fixed assets	274.88		57.53	
- Others	(65.64)	209.24	(11.10)	46.43
Net cash flow from / (used in) investing activities (B)		209.24		46.43
C. Cash flow from financing activities				
Net increase/(decrease) in working capital borrowings	(247.59)		708.57	
Proceeds from other short-term borrowings	165.81		(373.27)	
Finance cost	(529.70)		(445.85)	
Dividends paid	(26.20)		(26.20)	
Tax on dividend	(5.33)		(5.24)	
Net cash flow from / (used in) financing activities (C)		(643.01)		(141.99)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		51.59		241.37
Cash and cash equivalents at the beginning of the year		1501.74		1260.37
Cash and cash equivalents at the end of the year		1553.33		1501.74
See accompanying notes forming part of the financial statements				

In terms of our report attached.

For P P Thukral & Co.

Chartered Accountants

FRN. No. 000632N

For and on behalf of the Board of Directors

Suresh Sethi

Partner

M.No. 89318

Place : New Delhi

Date : 30/05/2016

R. P. S. Kochhar

Chairman & Managing

Govind Deo**Bharat Singh****Dr. Ishpal Singh Ghai**

Directors

DIN 00059492

Director

DIN 00521939

DIN 00347364

DIN 06551659

S. K. Dudeja

Chief Financial Officer

R. K. Kapoor

Company Secretary

Significant Accounting Policies

A. Basis of Preparation of Financial Statements

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

B. Use of Estimates

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

C. Fixed Assets

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

D. Intangible Assets

Intangible Assets are stated at cost of acquisition.

E. Depreciation and Amortisation

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

F. Impairment of Assets

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

G. Foreign Currency Transactions

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

H. Investments

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

I. Inventories

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

J. Revenue Recognition

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

K. Excise Duty

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

L. Employee Benefits

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

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

N. Provision for Current 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 recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

Notes forming part of the financial statements

Particulars	As at 31 March, 2016 ₹ Lakhs	As at 31 March, 2015 ₹ 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 shares of Rs. 5 each with differential voting rights	1000.00	1000.00
	<u>2500.00</u>	<u>2500.00</u>
(b) Issued, Subscribed and fully paid up		
2,61,98,000 Equity shares of Rs. 5 each with voting rights	1,309.90	1309.90
Total	<u>1,309.90</u>	<u>1,309.90</u>
Detail of Persons holding more than 5% shares		
1. Shri Rajpal Singh Kochhar	91,450,64	(34.91%)
2. Mrs. Jasbir Kaur Kochhar	83,16,176	(31.74%)
Note 2 Reserves and Surplus		
(a) Securities premium account		
Opening balance	60.00	60.00
Closing balance	<u>60.00</u>	<u>60.00</u>
(b) Revaluation reserve		
Opening balance	783.92	1,250.66
Less: Transition adjustment	0.00	450.52
Less: Utilised for set off against depreciation	0.00	16.22
Closing balance	<u>783.92</u>	<u>783.92</u>
(c) General reserve		
Opening balance	4,140.36	4,120.36
Add: Transferred from surplus in Statement of Profit and Loss	20.00	20.00
Closing balance	<u>4,160.36</u>	<u>4,140.36</u>
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	3,248.38	3,182.71
Add: Profit / (Loss) for the year	325.42	117.11
Less: Dividends proposed to be distributed to equity shareholders (₹ 0.50 per share)	26.20	26.20
Less: Tax on dividend	5.33	5.24
Less: Transferred to General reserve	20.00	20.00
Closing balance	<u>3,527.27</u>	<u>3,248.38</u>
Total	<u>8,526.55</u>	<u>8,232.66</u>
Note 3 Long-term borrowings		
(a) Deposits		
Unsecured, due for more than one year.		
Intt @ 10 % p.a. (pr year 10% p.a.)	0	0
Total	<u>-</u>	<u>-</u>

Particulars	As at 31 March, 2016 ₹ Lakhs	As at 31 March, 2015 ₹ Lakhs
Note 4 Deferred tax liability		
Tax effect items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	360.86	360.26
Total	360.86	360.26
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	3035.36	3,282.94
(b) Unsecured Loan (from Directors)	813.91	648.10
Total	3,849.27	3,931.05
Note 6 Trade payables		
Trade payables:		
Acceptances	282.38	78.78
Other than Acceptances includes MSM enterprises ₹ 36 lakhs	690.30	708.12
Total	972.68	786.89
Note 7 Other current liabilities		
(a) Interest accrued but not due on borrowings	0.00	2.93
(b) Other payables		
(i) Trade / security deposits received	73.99	73.99
(ii) Others (includes Statutory remittances , Contributions to PF and ESIC, Withholding Taxes, VAT, etc.)	587.31	547.53
Total	661.30	624.45
Note 8 Short-term provisions		
(b) Provision - Others:		
(i) Provision for tax	216.10	145.35
(ii) Provision for proposed equity dividend	26.20	26.20
(iii) Provision for tax on proposed dividends	5.33	5.24
Total	247.63	176.79

Note 9 Fixed assets

A. Tangible assets Own	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 01.04.2015	Additions	Balance as at 31.03.2016	Balance as at 01.04.2015	Depreciation/impairment expense for the year	Balance as at 31.3.2016	Balance as at 31.3.2016	Balance as at 31.3.2015
(a) Land								
Freehold	875.94	0.00	875.94				875.94	875.94
Leasehold	428.06	0.00	428.06				428.06	428.06
(b) Buildings	2,891.39	20.27	2,911.66	862.81	67.93	930.74	1,980.92	2,028.58
(c) Plant and Equipment	2,181.68	169.12	2,350.80	1,186.39	100.20	1,286.59	1,064.21	995.29
(d) Vehicles	221.48	0.00	221.48	210.40	5.14	215.54	5.94	11.08
(e) Other assets*	2,158.97	85.49	2,244.45	1,304.90	136.09	1,440.99	803.47	854.07
Total	8,757.52	274.88	9,032.40	3,564.50	309.36	3,873.86	5,158.41	5,193.03
Previous year	8,648.32	59.20	8,757.52	3,277.58	286.91	3,564.49	5,193.03	5,638.08

* includes Furniture and fixtures and office equipment

Particulars

As at
31 March, 2016
₹ Lakhs

As at
31 March, 2015
₹ Lakhs

B. Intangible assets

(a) Goodwill

	3.00	3.00
Total	3.00	3.00

C. Depreciation and amortisation relating to continuing operations:

Depreciation and amortisation for the year on tangible assets as per Note 9	309.36	319.63
Less: Utilised from revaluation reserve	0	37.09
Depreciation and amortisation relating to continuing operations	309.36	282.54

Note 10 Non-current investments

Other investments (Quoted)

Investment in equity instruments of other entities

(1043 fully paid shares of Sun Pharma Ltd.)

	0.05	0.05
Total	0.05	0.05

Aggregate market value of listed and quoted investments

	8.84	4.3
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Note 11 Long-term loans and advances

Unsecured and considered good

(a) Security deposits	68.09	65.88
(b) Advance income tax	602.80	580.74
Total	670.89	646.62

Note 12 Inventories

(At lower of cost and net realisable value)

(a) Raw materials	358.12	302.80
(b) Work-in-progress	1017.66	578.99
(c) Finished goods	2607.97	2,424.40
Total	3983.75	3,306.20

Particulars	As at 31 March, 2016 ₹ Lakhs	As at 31 March, 2015 ₹ Lakhs
Note 13 Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	195.85	163.55
Doubtful	<u>0.00</u>	<u>0</u>
	195.85	163.55
Less: Provision for doubtful trade receivables	<u>0.00</u>	<u>0</u>
	195.85	163.55
Other Trade receivables		
Secured, considered good	3,973.17	4,325.33
Less: Provision for doubtful trade receivables	<u>0</u>	<u>0</u>
Total	<u>4,169.02</u>	<u>4,488.88</u>
Note 14 Cash and cash equivalents		
(a) Cash in hand	29.21	71.59
(b) Balances with banks :		
(i) In current accounts	1,452.58	1,356.98
(ii) In deposit accounts (Maturity less than 12 months)	<u>71.54</u>	<u>73.05</u>
Total	<u>1,553.33</u>	<u>1,501.61</u>
Note 15 Short-term loans and advances		
(a) Balance with government authorities	232.13	199.43
(b) Other	157.60	83.20
(Includes staff advances, prepaid expenses and earnest money)		
Total	<u>389.73</u>	<u>282.62</u>
	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Note 16 Revenue from operations		
(a) Sale of products (Refer Note (i) below)	14418.92	13909.10
(b) Less: Excise duty	<u>70.13</u>	<u>94.01</u>
Total	<u>14,348.79</u>	<u>13,815.09</u>
(i) Sale of products comprises:		
Capsules	3849.58	4027.70
Tablets	3466.65	4451.77
Syrups	1934.19	864.65
Ampoules	3815.51	3320.58
Vials	40.24	52.06
Ointments	331.02	329.30
Bulk drugs and intermediates	903.13	604.37
Dry powder	31.13	184.62
Infusion	<u>46.83</u>	<u>74.05</u>
Total- Sale of products	<u>14418.28</u>	<u>13909.10</u>

Particulars	For the year ended 31 March, 2016 ₹ Lakhs	For the year ended 31 March, 2015 ₹ Lakhs
Note 17 Other income		
(a) Interest income (Refer Note (i) below)	6.34	1.31
(b) Dividend income (from long term investments)	0.03	0.00
(c) Other operating income (net of expenses directly attributable to such income)	59.26	9.80
Total	<u>65.63</u>	<u>11.10</u>
 (i) Interest income comprises:		
Interest from bank on:		
Deposits	5.74	1.31
Other interest	0.60	0
Total	<u>6.34</u>	<u>1.31</u>
 Note 18.a Cost of materials consumed		
Opening stock	302.80	220.08
Add: Purchases	5,683.21	6,466.08
	<u>5,986.01</u>	<u>6,686.16</u>
Less: Closing stock	358.12	302.80
Cost of material consumed	<u>5,627.89</u>	<u>6,383.36</u>
Material consumed comprises:		
Others	5,627.89	6,383.36
Total	<u>5,627.89</u>	<u>6,383.36</u>
 Note 18.b Purchase of traded goods		
Capsules	416.53	278.73
Tablets	224.11	258.92
Syrups	199.72	41.28
Vials	0	10.63
Ointments	13.41	24.53
Dry powder	18.14	3.35
Infusion	34.77	32.04
Total	<u>906.68</u>	<u>649.48</u>
 Note 18.c Changes in inventories of finished goods, work-in-progress and stock-in-trade		
<u>Inventories at the end of the year:</u>		
Finished goods	2607.97	2,424.40
Work-in-progress	1,017.66	578.99
	<u>3,625.63</u>	<u>3,003.39</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	2,424.40	2,483.19
Work-in-progress	578.99	355.65
	<u>3,003.39</u>	<u>2,838.84</u>
Net (increase) / decrease	<u>-622.24</u>	<u>-164.55</u>

Particulars	For the year ended 31 March, 2016 ₹ Lakhs	For the year ended 31 March, 2015 ₹ Lakhs
Note 19 Employee benefits expense		
Salaries and wages	3503.09	2988.04
Contributions to provident and other funds (Refer Note 23)	197.70	157.49
Staff welfare expenses	82.92	65.80
Total	3783.71	3211.33
Employee benefit plans		
a Defined contribution plans		
The Company makes Provident Fund and pension fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 197.70 lakhs during the year (Year ended 31 March, 2015 ₹ 159.74 lakhs) for Provident Fund and pension fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.		
b Defined benefit plans		
The Company offers the following employee benefit schemes to its employees:		
i. Gratuity		
The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:		
Components of employer expense		
Current service cost	18.90	16.03
Interest cost	20.89	23.34
Expected return on plan assets	(33.37)	(32.02)
Actuarial losses/(gains)	(3.14)	(74.32)
Total expense recognised in the Statement of Profit and Loss	29.28	(66.97)
Actual contribution and benefit payments for year		
Actual benefit payments	0	0.70
Actual contributions	10.75	3.83
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	265.24	256.08
Fair value of plan assets	432.78	387.79
Funded status [Surplus / (Deficit)]	167.53	131.71
Unrecognised past service costs	0	0
Net asset / (liability) recognised in the Balance Sheet	167.53	131.71
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	261.16	291.73
Current service cost	18.90	16.03
Interest cost	20.89	23.34
Actuarial (gains) / losses	03.57	(74.32)
Benefits paid	0	(0.70)
Present value of DBO at the end of the year	265.24	256.08

Particulars	For the year ended 31 March, 2016 ₹ Lakhs	For the year ended 31 March, 2015 ₹ Lakhs
Change in fair value of assets during the year		
Plan assets at beginning of the year	388.66	352.63
Acquisition adjustment		
Expected return on plan assets	33.36	32.02
Actual company contributions	10.74	3.83
Actuarial gain / (loss)	(3.57)	-
Benefits paid	0	(0.70)
Plan assets at the end of the year	432.76	387.79
Actual return on plan assets	31.40	32.02
Actuarial assumptions		
Discount rate	8.00%	8.00%
Salary escalation	6.00%	6.00%
Note 20 Finance costs		
(a) Interest expense on:		
(i) Borrowings	510.71	412.74
(b) Other borrowing costs	18.99	33.12
Total	<u>529.70</u>	<u>445.86</u>
Note 21 Other expenses		
Consumption of stores and spare parts	29.28	24.11
Power and fuel	225.57	177.24
Rent including lease rentals	187.78	131.00
Repairs and maintenance - Buildings	34.59	9.80
Repairs and maintenance - Machinery	1.77	3.40
Repairs and maintenance - Others	104.15	63.73
Insurance	65.37	64.84
Rates and taxes	3.06	9.20
Travelling and conveyance	1099.55	754.12
Freight and forwarding	429.98	352.17
Sales administration expenses	866.28	800.81
Donations and contributions	2.05	0.44
Payments to auditors (Refer Note (i) below)	5.54	5.02
Miscellaneous expenses	416.84	466.99
Total	<u>3,471.80</u>	<u>2,862.86</u>
Payments to the auditors comprises :		
Statutory audit	1.75	1.75
Cost audit	1.00	1.00
Reimbursement of expenses	2.79	2.27
Total	<u>5.54</u>	<u>5.02</u>

Particulars	For the year ended 31 March, 2016 ₹ Lakhs	For the year ended 31 March, 2015 ₹ Lakhs
Note 22 Earnings per share		
Basic		
<u>Continuing operations</u>		
Net profit / (loss) for the year from continuing operations	325.42	117.11
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	325.42	117.11
Weighted average number of equity shares	261.98	261.98
Par value per share (₹)	5	5
Earnings per share from continuing operations - Basic (₹)	1.24	0.45
<u>Total operations</u>		
Net profit / (loss) for the year	325.42	117.11
Net profit / (loss) for the year attributable to the equity shareholders	325.42	117.11
Weighted average number of equity shares	261.98	261.98
Par value per share (₹)	5	5
Earnings per share - Basic (₹)	1.24	0.45
<u>Basic (excluding extraordinary items)</u>		
<u>Continuing operations</u>		
Net profit/(loss) for the year from continuing operations	325.42	117.11
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	325.42	117.11
Weighted average number of equity shares	261.98	261.98
Par value per share (₹)	5	5
Earnings per share from continuing operations excluding extraordinary items - Basic (₹)	1.24	0.45
<u>Total operations</u>		
Net profit/(loss) for the year	325.42	117.11
Net profit / (loss) for the year attributable to the equity shareholders excluding extraordinary	325.42	117.11
Weighted average number of equity shares	261.98	261.98
Par value per share (₹)	5	5
Earnings per share excluding extraordinary items - Basic (₹)	1.24	0.45
Note 23 Additional information to the financial statements		
Contingent liabilities and commitments (to the extent not provided for)	312.54	332.00
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	36	29

(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, 2016	Maximum balance outstanding during the year
N.A.	N.A.	N.A.	N.A.

Particulars	For the year ended 31 March, 2016 ₹ Lakhs	For the year ended 31 March, 2015 ₹ Lakhs
Value of imports calculated on CIF basis :		
Raw materials	1187.43	1081.94
Expenditure in foreign currency :		
Other matters	31.03	33.78
Details of consumption of imported and indigenous items		
Imported		
Raw materials	1140.33	1043.30
Percentage	21%	16%
Total	1140.33	1043.30
Indigenous		
Raw materials	4542.88	4501.20
Percentage	79%	84%
Total	5,683.21	5544.50
Earnings in foreign exchange :		
Export of goods calculated on FOB basis	674.19	1232.63
Segment information		
The Company has identified Pharmaceutical business segment as its primary segment		
Revenue	14418.92	13909.10
Profit before taxes	407.53	167.17
Tax expense	82.10	50.06
Net profit for the year	325.42	117.11

Related party transactions

Names of related Party

(a) Details of related parties:

Key Management Personnel (KMP)

Mr. Rajpal Singh Kochhar

Relatives of KMP

Mrs. Jasbir Kaur Kochhar

Mr. Prithipal Singh Kochhar

Mr. Inderpal Singh Kochhar

Mrs. Gulveen Kaur Kochhar

Note: Related parties have been identified by the Management.

Details of related party transactions

Remuneration

Remuneration

KMP

76.88

76.88

Relatives of KMP

26.75

8.28

Interest paid to Mrs. Jasbir Kaur Kochhar, KMP

73.12

0

Total

176.75

85.16

Details of research and development expenditure recognised as an expense

Others

46.48

32.85

Total

46.48

32.85

Previous year's figures

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Past Record

(Rs. in Lacs)

Particulars	Financial Year Ending														
	09/2001	12/2002	03/2004 (6 mths.)	03/2005 (15 mths)	03/2006 (15 mths)	03/2007	03/2008	3/2009	3/2010	3/2011	3/2012	3/2013	3/2014	3/2015	3/2016
Fixed Assets	2794.12	2845.60	3076.20	3154.82	3669.37	4372.50	4652.85	5348.63	5318.80	5768.28	5911.54	5831.67	5638.08	5193.03	5158.41
Investments	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Net Current Assets	4790.28	4223.88	4031.09	4320.64	4326.69	4516.88	4392.98	3253.95	4204.95	4388.25	4746.65	4561.95	5566.10	5648.27	5178.87
Total Capital Employed	7584.45	7069.53	7107.16	7475.51	7738.05	7836.79	7956.61	8346.40	9214.23	9819.81	10356.13	10211.93	10580.24	10190.66	10650.36
Shareholders' Funds	5919.38	6157.61	6601.21	6814.25	7023.54	7249.80	7503.37	8016.83	8756.97	9291.39	9846.94	9837.14	9858.87	9542.56	9836.45
Sales	5690.26	15446.93	17278.09	14801.11	17213.43	14252.62	15779.95	14201.48	14318.55	16535.26	18066.51	17037.53	14540.57	13909.10	14418.92
Other income	28.11	63.23	81.46	25.86	48.82	77.28	25.50	27.06	36.30	26.02	36.92	32.31	6.07	11.10	65.14
Operating Profit	606.31	1435.74	1710.50	1288.11	1463.41	1193.76	1323.04	1572.76	1608.13	1479.08	1698.39	1037.73	1073.86	883.72	1246.58
Interest	283.77	570.34	405.12	329.80	469.87	563.02	635.14	457.93	349.62	332.18	435.82	513.35	538.19	445.86	529.70
Depreciation	50.57	129.74	144.66	131.71	150.93	165.19	168.72	124.98	208.50	220.09	253.58	270.76	282.54	270.69	309.38
Tax	90.00	220.00	366.00	280.14	282.36	161.86	188.74	319.30	72.46	208.85	263.30	70.36	41.06	50.06	82.10
Profit after Tax	181.98	515.66	794.71	546.47	497.18	280.29	307.60	617.23	924.20	717.96	745.69	183.26	212.07	117.11	325.42
Retained Earnings	109.37	282.25	471.08	236.43	470.20	249.64	276.69	540.16	771.45	565.73	593.44	31.02	58.52	85.67	293.89
Dividend (including tax)	72.17	138.15	295.54	295.38	29.87	30.65	30.65	76.63	152.75	152.25	152.25	152.25	153.25	31.44	31.53
Dividend (%)	20.00	37.50	80.00	20.00	2.00	2.00	2.00	5.00	10.00	10.00	10.00	10.00	10.00	2.00	2.00
Earning Per Share (Rs.)	5.56	15.75	23.45	2.03	1.89	1.07	1.17	2.36	3.53	2.54	2.85	0.70	0.81	0.45	1.24

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