



FREDUN PHARMACEUTICALS LIMITED

**28TH ANNUAL REPORT
2014-2015**

FREDUN PHARMACEUTICALS LIMITED**CIN No - L24239MH1987PLC043662**

1. BOARD OF DIRECTORS
Dr. (Mrs) Daulat N. Medhora
Chairperson-cum
Joint Managing Director

Mr. Nariman B. Medhora
Managing Director

Mr. Fredun N. Medhora
Whole Time Director

Dr. C. K. Shah

Dr. Aspi N. Raimalwala
2. AUDITORS
M/s. Savla & Associates
Chartered Accountants
3. BANKERS
The Shamrao Vithal Co-op Bank Ltd.
4. FACTORY
14, 15, 16, Zorabian Industrial Complex,
Veoor, Palghar (East) -401404
District- Thane.
5. REGISTRAR & TRANSFER
AGENTS & CUSTODIAN
OF SHARES
Purva Sharegistry (India) Pvt. Ltd.
Unit No. 9
Shiv Shakti Ind. Estate
J. R. Boricha Marg,
Opp. Kasturba Hospital Lane,
Lower Parel (E), Mumbai - 400011
6. REGISTERED OFFICE
26, Manoj Industrial Premises
G. D. Ambekar Marg. Wadala
Mumbai - 400 031.

FREDUN PHARMACEUTICALS LIMITED

Registered Office: 26, Manoj Industrial Premises, G. D. Ambekar Marg,
Wadala, Mumbai – 400 031.

NOTICE

Notice is hereby given that the **28th Annual General Meeting** of the members of **FREDUN PHARMACEUTICALS LIMITED** will be held on Wednesday the 30th September, 2015 at 3.00 p.m. at Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai - 400 014 to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2015 together with the reports of the Board of Directors and the Auditors thereon; and
2. To Appoint M/S. Savla & Associates Chartered Accountants as the Auditors of the Company

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

“ RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions if any of The Companies Act, 2013 read with Companies (Audit and Auditors) rules 2014, M/S. Savla & Associates Chartered Accountants (Firm Registration No 109361W) be and is hereby appointed as the Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS:**3. Adoption of New Articles.**

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

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of The Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire

exclusion of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and to take such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. Appointment of Dr. C. K. Shah as a Non Executive Independent Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Schedule IV of The Companies Act, 2013 and in terms of Clause 49 of the Listing Agreement, Dr. C. K. Shah (DIN 02843653), whose candidature has been proposed by a Member of the Company and the Company has obtained consent letter and declaration that he is not disqualified and is eligible to be appointed as an Independent Director of the Company, be and is hereby appointed as a Non Executive Independent Director of the Company for a term of 5 (Five) consecutive years commencing from this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2020 and that he shall not be liable to retire by rotation.”

5. Appointment of Dr. Aspi Raimalwala as a Non Executive Independent Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, and Schedule IV of the Companies Act, 2013 and in terms of Clause 49 of the Listing Agreement, Dr. Aspi Raimalwala (DIN 02454860), whose candidature has been proposed by a Member of the Company and the Company has obtained consent letter and declaration that he is not disqualified and is eligible to be appointed as an Independent Director of the Company, be and is hereby appointed as a Non Executive Independent Director of the Company for a term of 5 (Five) consecutive years commencing from this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2020 and that he shall not be liable to retire by rotation.

6. Appointment of Dr. Rohinton Kanga as a Non Executive Independent Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV of the Companies Act, 2013 and in terms of Clause 49 of the Listing Agreement, Dr. Rohinton Kanga (DIN – 07178190), whose candidature has been proposed by a Member of the Company and the Company has obtained consent letter and declaration that he is not disqualified and is eligible to be appointed as an Independent Director of the Company, be and is hereby appointed as a Non Executive Independent Director of the Company for a term of 5 (Five) consecutive years commencing from this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the calendar year 2020 and that he shall not be liable to retire by rotation

7. Appointment of Mr. Nariman B. Medhora as a Executive Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV of the Companies Act, 2013 and in terms of Clause 49 of the Listing Agreement, Mr. Nariman B. Medhora (DIN-02060357), whose candidature has been proposed by a Member of the Company and the Company has obtained consent letter and declaration that he is not disqualified and is eligible to be appointed for the office of Executive Director of the Company, be and is hereby appointed as a Executive Director of the Company who is not liable no retire by rotation.

By order of the Board

For FREDUN PHARMACEUTICALS LIMITED

Dr. (Mrs). D.N. Medhora

Chairperson Cum Jt. Managing Director

Place : Mumbai

Date : 30/05/2015

REGISTERED OFFICE:

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

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 28th ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

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

Every member entitled to vote at the 28th Annual General Meeting of the Company can inspect the proxies lodged at the Company at any time during the business hours of the Company during the period beginning twenty four hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than 3 (three) days in writing of the intentions to inspect the proxies lodged shall be required to be provided to the Company.

2. The Register of Members and Share Transfer Books of the Company shall remain closed from 25th September 2015 to 30th September, 2015 (both days inclusive).
3. The members/proxies should bring their attendance slips sent herewith, duly filled in for attending the meeting.
4. Entry in the meeting hall shall be strictly restricted to the members/valid proxies only carrying the attendance slip.
5. The members are requested to notify any change in their registered address/residential status immediately to the Registrars M/S . Purva Sharegistry (India) Pvt. Limited, Unit No. 9, Shiv Shakti Indl. Estate, J. R. Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus , Lower Parel (E), Mumbai-400 011. In case of Dematerialised shares, the aforesaid information should be given to the depository participant with whom the member has an account.
6. Members may note that The Companies Act, 2013 and Rules there under, allow the Company to send notices and documents, including Annual Report to the shareholders through electronic mode to the Registered e-mail addresses of shareholders.

- 6.1. Keeping in view the green initiative taken by the MCA and to save the cost involved in printing and dispatch, we propose to send all future communications including all the notices of General Meetings, Financial Statements and Postal Ballot Notices etc. of the Company, in electronic mode.
- 6.2. In order to facilitate the same, we request you to furnish your consent with e-mail ID quoting your folio number to our Registrar & Share Transfer Agents M/S. Purva Sharegistry (India) Pvt. Limited.
- 6.3. In case of any changes in your email address, the same may be communicated immediately.
- 6.4. In case you are holding shares in electronic form, please update your e-mail ID with your depository participant.
- 6.5. Please note that as a member of the Company, you will always be entitled to receive all communications in ,Physical form, upon request.
7. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the item nos. 3 to 7 of the Notice is annexed herewith.
8. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 A.M. . to 5:00 P.M. .) on all working days except Saturdays, Sundays and Holidays, up to and including the date of the Annual General Meeting of the Company.
9. In compliance with the provisions of Section 108 of the Companies Act, 2013, the Rules framed there under and as per the Listing Agreement the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. All shareholders holding shares as on 24th September 2015 (end of the day) being the cut-off date [i.e record date for the purpose of Rule 20(3)(vii) of the Companies (Management and Administration) Rules, 2014] fixed for determining voting rights of members will be entitled to participate in e-voting process.
10. Members who do not have access to e-voting facility may send duly completed Ballot form (attached with this notice) so as to reach the scrutinizer Mr. Rajendra R. Vaze, the Practicing Company Secretary C/O Purva Sharegistry,9 Shiv Shakti Ind. Estate, J R Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (East), Mumbai 400011 not later than 29th September 2015. Ballot forms received after this date will be treated as invalid.
11. Members can opt for only one mode of voting. i.e. either by Ballot Form or e -voting. In case members cast their votes through both the modes, voting done by e-voting shall

prevail and votes cast through the Ballot form shall be treated as invalid. The members who have cast their votes by remote E voting prior to the meeting can also attend the meeting but shall not be entitled to cast their votes.

12. The Board, vide its Resolution passed on 30th May 2015, has appointed Mr. Rajendra R. Vaze, Practicing Company Secretary (Membership No. FCS 4247 CP NO.1975) as Scrutinizer for conducting the remote e-voting and Ballot form process in accordance with the law and in a fair and transparent manner.
13. Members may contact Mr Fredun Medhora the Managing Director of the Company for any grievances connected with electronic means at the Registered office of the Company i.e.at **26, Manoj Industrial Premises G. D. Ambekar Marg Wadala, Mumbai-400031**
14. The Scrutinizer shall, after the conclusion of the voting at the General Meeting, first count the votes cast at the meeting and then unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make not later than two days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the chairperson of Company/ Meeting in writing, who shall countersign the same and declare the results of the voting forthwith. The results declared with the Scrutinizer's report shall be placed on the website of the Company and will be forwarded to the BSE Limited.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E- VOTING

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

- (i) The voting period begins on 9.00 am on Sunday the 27th September 2015 and ends on 5.00 p.m on Tuesday the 29th September 2015. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "Fredun Pharmaceuticals Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification code/Captcha code as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and cast your vote earlier for EVSN of any Company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

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

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant Fredun Pharmaceuticals Limited on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES

implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

Other Instructions :

1. The e-voting period commences on Sunday the 27th September 2015 from 9:00 A.M. onwards and ends on Tuesday the 29th September 2015 at 5:00 P.M. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on 24th September 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
2. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 24th September 2015.
3. Mr. Rajendra R. Vaze Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
4. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairperson of the Company.
5. Members who do not have access to e-voting facility may send duly completed Ballot Form (Attached to this notice) so as to reach the Scrutinizer, Mr. Rajendra R. Vaze, Practising Company Secretary, C/O Purva Sharegistry, 9 Shiv Shakti Ind. Estate, J R Boricha Marg, Off N. M. Joshi Marg, Near Lodha Excelus, Lower Parel(East), Mumbai 400 011 not later than 29th September 2015 Ballot Form received after this date will be treated as invalid.
6. In case of any queries, you may refer the frequently asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the "downloads" section of www.evoting.com or write an email to helpdesk.evoting@cdslindia.com
7. A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

ANNEXURE TO NOTICE:

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

Item No. 3

The existing Articles of Association is based on The Companies Act, 1956 and several regulations in the existing Articles of Association contain references to specific sections of The Companies Act, 1956 and some regulations in the existing Articles of Association are no longer in conformity with the Act.

The Act is now largely in force and on September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing Articles of Association of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

The new Articles of Association to be substituted in place of the existing Articles of Association are based on The New Companies Act 2013 which sets out the model articles of association for a company limited by shares.

The proposed new Articles of Association is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the Special Resolution set out at Item No. 4 of the Notice. The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item Nos. 4 to 6**Appointment of Non Executive Independent Directors**

Pursuant to Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV of the Companies Act, 2013, Fredun Pharmaceuticals Limited being a Listed Company is required to have at one half of the total Number of Directors as Independent Directors considering that the chairman of the Board is the Executive Director and the Independent Director is to be appointed for a period of 5

(Five) consecutive years and who shall not be liable to retire by rotation.

Considering this the Company has received notices in writing under Section 160 of The Companies Act, 2013 from a member proposing the candidature of Dr. C. K. Shah, Dr. Aspi Raimalwala and Dr. Rohinton Kanga for the office of Independent Directors.

In terms of Section 149 and other applicable provisions of The Companies Act, 2013, Dr. C. K. Shah, Dr. Aspi Raimalwala and Dr. Rohinton Kanga are eligible and have offered themselves for appointment.

In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013 and rules made there under for their appointment as an Independent Director of the Company.

It is proposed to appoint Dr. C.K. Shah, Dr. Aspi Raimalwala and Dr. Rohinton Kanga as Independent Directors as per the aforesaid provisions of The Companies Act 2013. Accordingly the Board recommends resolution No(s). 6 to 8 as set forth in the Notice of the Annual General Meeting to be passed as Ordinary resolution(s).

Mr. Dr. C. K. Shah, Dr. Aspi Raimalwala and Dr. Rohinton Kanga shall be deemed to be interested in the resolutions of their respective appointments.

None of the other Directors or Key Managerial persons or their Relatives are directly or indirectly interested in the said resolutions..

Item No 7

Appointment of Executive Director

The Company has received notices in writing under Section 160 of The Companies Act, 2013 from a member proposing the candidature of Mr. Nariman B. Medhora for the office of the Director.

Hence it is proposed to appoint Mr. Nariman Medhora as Executive Director as per the provisions of The Companies Act 2013. Accordingly the Board recommends resolution No7 as set forth in the Notice of the Annual General Meeting to be passed as Ordinary resolution(s).

Mr. Nariman Medhora is deemed to be interested in the resolution for his appointment and Mr. Fredun Medhora and Dr. (Mrs). D. N. Medhora who are related to Mr. Nariman Medhora are also interested in the resolution for the appointment of Mr. Nariman Medhora.

None of the other Directors or Key Managerial persons or their Relatives are directly or indirectly interested in the said resolutions.

By order of the Board
For FREDUN PHARMACEUTICALS LIMITED

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

Place : Mumbai
Date : 30/05/2015

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

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

Name	Mr. Nariman Medhora	Dr. C.K. Shah	Dr. Aspi Raimalwala	Dr. Rohinton Kanga
Date of Birth	05/11/1937	06/12/1938	15/11/1948	16/09/1969
Date of Appointment	05/05/2015	30/09/2009	30/05/1997	05/05/2015
Qualification	B.SC	M.B.B.S M.C. P.S. D.A.	M.D.(Bom) D.G.O. D.F.D.	M.B.B.S.
Brief Profile	One of the Promoter Directors of Fredun Pharmaceuticals Ltd. started his carrier & joined Asbestos Magnesia and Friction Materials (AMFM), a wholly owned subsidiary of Turner & Neuvel a UK based Company in 1958 as an Inspector in Quality Control Department in the year 1962 and later joined M/s. Sarabhai Chemicals Ltd, at Baroda a leading Pharmaceutical Company in the capacity of a chemist in their Quality Control Department and got varied. Experience and then left Sarabhai Chemicals Ltd in 1988 to start Fredun Pharmaceuticals Limited in 1990 and presently involved in day to day policy decisions and in business Development.	Post-graduation in Anesthesia in G.S. Medical College & K.E.M Hospital (from year 1959 to year 1965) Residency in Anesthesia in KEM hospital (from year 1965 to year 1967) and Started practice since October 1967 to till date. and associated with medical profession and medicines since year 1967 and honorary Anesthetist from year 1969 to 2011 in Holy Spirit Hospital, Andheri, Mumbai. and also Independent Director of Fredun Pharmaceuticals Limited.	Presently qualified as Consultant Obstetrician & Gynecologist Specialist in Infertility, Micro Surgery, Endoscopy And Family Planning and affiliated to B. D. Petit Parsi General Hospital, B. Desai Rd., Mumbai and Masina Hospital, Byculla, Mumbai and Lion Tarachand Bapa Hosp. & Research Centre, Sion, & Family Planning Association of India, Mumbai. Visiting Obst./ Gynecologist at Breach Candy Hospital, B. Desai Road, Mumbai and Lectured extensively in Mumbai and all over India in Family Planning and Contraception. & In Charge, Laparoscopic Sterilization Training Program, F.P.A.I., Mumbai. And Independent Director of Fredun Pharmaceuticals Limited.	from Seth G.S. Medical College & KEM Hospital in 1992 and started Private Practice for past 24 years at Vikhroli , Thane, Dadar & Wadala) Medical In charge Mahavir Medical Care Centre , Thane for 2 years. and Visiting Faculty at Ocean Education & Research Centre for 3 years. and N . J. Wadia Charitable Clinic for 1 year and also an Independent Director of Fredun Pharmaceuticals Limited.

Directorship held in other companies	Fredun Healthcare Private Limited	-	-	-
Membership of committees across companies	-	-	-	-
Shares held	3,42,100	-	-	-
Relation ship Between the Directors	Related to Mr. Fredun Medhora and to Dr. Mrs. Daulat N. Medhora	-	-	-

REPORT OF THE BOARD OF DIRECTORS

To
The Members
Fredun Pharmaceuticals Limited
Mumbai.

Your Directors are pleased to present the Twenty Eighth Annual Report of your Company with the Audited Accounts for the year ended March 31, 2015.

FINANCIAL RESULTS

FINANCIAL PERFORMANCE AND FUTURE PROSPECTS:

Amount in Rs.

	March 31st 2015	March 31st 2014
Sales Income	253,575,494	212,847,624
Other Income	4,864,147	3,602,337
Total Income	258,439,641	216,449,961
Profit/Loss before Interest & Depreciation	214,23,056	179, 02,682
Finance Cost	10,477,908	8,106,593
Depreciation / Amortization	5,463,802	5,256,233
Profit/Loss before taxes	5,481,346	4,539,856
Exceptional Income /Expenses	(2,89,724)	-
Prior Period items	(500)	-
Profit/Loss before Taxes	5,191,122	4,539,856
Income Tax	2,634,137	2,117,720
Profit/Loss after tax.	2,556,985	2,422,136

Your Company posted a total income of Rs. 258,439,642/- compared to the income of Rs. 216, 449,961/- for the previous year and the net profit of Rs.2,556,985/-compared to the net profit of Rs. 2,422,136/- for the previous year. The Turnover of the Company has increased as compared to the previous year on account of increase in the business activities; however the net profit for the year increased only marginally compared to that of the previous year on account of additional expenses incurred for the expansion of the current manufacturing facilities at Palghar. Your Directors are taking aggressive steps to increase the business activities of the Company and they are sure, that the Company will be able to show better results in the current year.

BUSINESS ACTIVITIES :

Your Directors are now focusing on increasing the production as the expansion of the current manufacturing facilities of the Palghar unit is nearing completion. Three new granulation departments have been added to the existing two departments. This will substantially increase the production and profits of your Company. A new Q.C laboratory has been set up as per the WHO cGMP norms. This will help the process of strengthening the compliance and regulatory systems.

Since a lot of drugs are going to go off-patent in the coming years; Indian pharmaceutical companies are well positioned to get the benefits of the same. Your Company has also the capability and technological expertise to manufacture products of quality and reliability.

DIVIDEND

To conserve the funds your directors do not recommend any dividend for the year ended March 31 2015.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars required to be stated as per the provisions of Section 134(3) (m) of The Companies Act, 2013 relating to conservation of energy and technology absorption is provided as under :

ENVIRONMENT PROTECTION

The Company has been complying with the requirements of the Pollution Control Regulations in the State of Maharashtra.

CONSERVATION OF ENERGY

The Company conducts In-House energy audit at regular intervals with proper monitoring and maintenance of all the machineries. Low energy lighting and high efficiency meters have been installed to yield significant investment benefits and additional savings.

TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPMENT

A patented drug is the result of research and innovation and a generic drug is only a continuance of the same at a low price. World Health Organization (WHO) defines a generic drug as "pharmaceutical product, usually intended to be interchangeable with an innovator product

that is manufactured without a license from the innovator Company and marketed after the expiry date of the patent or other exclusive rights". Our Company has set up a complete R & D Department to develop new formulations with proper process and analytical method validations. Improvements in existing manufacturing processes are continuously carried out to economize the cost of production and improve the quality of the formulation.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: Export of Goods - Rs. 1618.01 lakhs

Foreign Exchange Outgo: - Rs. 123.35 lakhs

DEPOSITORY SYSTEM:

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

DIRECTORS:

Mr. Fredun Medhora was originally appointed as the Whole Time Director of the Company up to 31 March 2015 and he was subsequently appointed as the Managing Director of the Company for the period of three years.

Mr. Nariman Medhora the Managing Director of the Company had resigned from the Board with effect from 15th October 2014

Dr. Rohinton Kaga and Mr. Nariman Medhora were appointed as the Independent Director and Executive Director respectively on 05th May 2015 and their appointments will be subject to the approval of the members at the Ensuing Annual General Meeting

All the Independent Directors have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Act and Clause 49 of the Listing Agreement entered into with the Stock Exchanges. In the opinion of the Board, they fulfill the conditions of Independence as specified in the Act and the Rules framed there under and are independent of the management.

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

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreements, the Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors.

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

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

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

TRAINING AND HUMAN RESOURCE MANAGEMENT:

Morale of our professionals continued to be high. The Company continued to put concerted efforts in recruiting quality people .Development programs and 'Train the Trainer' programs were other key focus areas during the year. The relationship between management and employees is without any dispute and cordial.

AUDITORS

The Auditors M/s. Savla & Associates Mumbai Chartered Accountants (ICAI Registration No.: 109361W) hold the office until the conclusion of the ensuing Annual General Meeting and they are eligible for reappointment as the Auditors. Members are requested to consider their re-appointment and to fix their remuneration for the year ending on 31 March 2016. Their appointment will be as per the provisions of Section 139 of The Companies Act, 2013

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

SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made thereunder, Mr. Rajendra Vaze of M/s. Rajendra And Co Practicing Company Secretaries, have been appointed as Secretarial

Auditors of the Company. The report of the Secretarial Auditors is annexed as Annexure I to this Report. The report is self-explanatory and does not call for any further comments.

DETAILS OF SIGNIFICANT MATERIAL ORDERS

No significant and material orders were passed by the regulators or the courts or tribunals impacting the going concern status and Company's operations in future

EXTRACT OF ANNUAL RETURN:

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

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, and Secretarial Auditors and External consultant(s) and the reviews performed by management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2014-15

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

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a "going concern basis";

- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

The Company has not given any loans or any guarantee and has not done any Investments during the year.

RELATED PARTY TRANSACTIONS

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

There were no materially significant related party transactions made by the Company during the year that would have required members approval under Clause 49 of the Listing Agreement. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board has been adopted by the Company and uploaded

The details of the transactions with related parties are provided in the accompanying financial statements.

VIGIL MECHANISM/ WHISTLEBLOWER POLICY

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

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

Pursuant to Clause 49 of the Listing Agreement, the Management Discussion and Analysis and the Corporate Governance Report, as required under Clause 49 of the Listing Agreement, is presented in a separate section forming part of the Annual Report.

ACKNOWLEDGMENTS :

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

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

On Behalf of the Board of Directors

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

Place : Mumbai

Date : 30th May 2015

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015**

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

To,
The Members,
Fredun Pharmaceuticals Limited
26 Manoj Industrial Premises,
G. D. Ambekar Marg,
Wadala Mumbai-400 031

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

Based on my/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, I hereby report that in my/our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit period)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not applicable to the company during the Audit Period)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not applicable to the company during the Audit Period)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the company during the Audit Period)**
- (vi) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliance under other applicable Acts, Laws, and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulation as applicable to the Company is given in Annexure I.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not notified hence not applicable to the company during the audit period)**
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s),

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

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company has not passed any such special Resolutions which are having major bearings on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines.

For Rajendra and Co.,
Company Secretaries

(Rajendra Vaze)
Practicing Company Secretary

FCS No . 4247
C. P. No 1975

Place: Mumbai
Date: 29th May 2015

ANNEXURE I

List of applicable laws to the Company

Under the Major group and Head are as follows

1. Various Labour Laws and other incidental Laws related to Labour and employees appointed by the company either on its pay roll or on contractual basis as related to wages, Provident Fund, compensation, leave etc.
2. Acts prescribed under Direct Tax and Indirect Tax;
3. Land Revenue laws of respective States.
4. Act as prescribed under Shop and Establishment Act of various local authorities.

EXTRACT OF ANNUAL RETURN

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2015

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

I REGISTRATION & OTHER DETAILS:			
i	CIN	L24239MH1987PLC043662	
ii	Registration Date	08/06/1987	
iii	Name of the Company	FREDUN PHARMACEUTICALS LIMITED	
iv	Category/Sub-category of the Company	Company limited by shares/Indian Non-Government Company	
v	Address of the Registered office & contact details"	26 Manoj Industrial Premises , G.D. Ambekar Marg, Wadala Mumbai-400 031	
vi	Whether listed company	Yes	
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Sharegistry (India) Pvt. Ltd, Unit no. 9, Shivshakti Ind. Estt. J. R. Boricha Marg, Opp. Kasturba Hospital Lane Lower Parel (E), Mumbai 400011	
II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
SL No	Name & Description of main products/ services	"NIC Code of the Product /service"	"% to total turnover of the company"
1	Manufacture of pharmaceuticals, neutraceuticals,herbal /dietary supplements	24231	98
2	Veterinary products		2
3			
4			

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

EXTRACT OF ANNUAL RETURN

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

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 the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	0	0	0	0	0	0	0	0		
a) Individual/HUF	0	1729600	1729600	73.52	1649900	101210	1751110	74.44		0.92
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0		
c) Bodies Corporates	0	0	0	0	0	0	0	0		
d) Bank/FI	0	0	0	0	0	0	0	0		
e) Any other	0	0	0	0	0	0	0	0		
* Directors	0	0	0	0	0	0	0	0		
* DIRECTORS RELATIVES	0					0				
SUB TOTAL:(A) (1)	0	1729600	1729600	73.52	1649900	101210	1751110	74.44		0.92
(2) Foreign										
a) NRI- Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
"Total Shareholding of Promoter (A)= (A)(1)+(A)(2)"	0	1729600	1729600	73.52	1649900	101210	1751110	74.43	0	0.92
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	75000	75000	3.19	0	75000	75000	3.19	0	0

EXTRACT OF ANNUAL RETURN

b) Banks/FI	0	0	0	0	0	0	0	0	0	0
c) Cenntal govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0
"h) Foreign Venture Capital Funds"	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	75000	75000	3.19	0	75000	75000	3.19	0	0
(2) Non Institutions										
a) Bodies corporates	0	222000	222000	9.44		19000	19000	0.81	0	-8.63
i) Indian	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i) Individual shareholders hold- ing nominal share capital upto Rs.1 lakhs	0	290700	290700	12.36	20000	274790	294790	12.53	0	0.17
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	35100	35100	1.49	51000	161500	212500	9.03	0	7.54
c) Others (specify)										
c-1) NRI (Repeat & Non Repeat)	0	0	0	0	0	0	0	0	0	0
c-2) OCB's	0	0	0	0	0	0	0	0	0	0
c-3) Hind Undivided Family	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	547800	547800	23.29	71000	455290	526290	22.37	0	-0.92
"Total Public Shareholding (B)= (B)(1)+(B)(2)"		622800	622800	26.48	71000	530290	601290	25.57	0	-0.92
"C. Shares held by Custodian for GDRs & ADRs"	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)		2352400	2352400	100	1720900	631500	2352400	100		

EXTRACT OF ANNUAL RETURN

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	"Shareholding at the beginning of the year 31/03/2014"			"Shareholding at the end of the year 31/03/2015"			% change in share holding during the year
		No of shares	"% of total shares of the company"	"% of shares pledged encumbered to total shares"	No of shares	"% of total shares of the company"	"% of shares pledged encumbered to total shares"	
1	Dr. (Mrs) D.N. Medhora	1361500	57.87	0	1328810	56.48	0	-1.39
2	Mr. Nariman Medhora	345600	14.69	0	342100	14.53	0	-0.16
3	Mr. Fredun Medhora	22500	0.95	0	80200	3.4	0	2.45
				0				
				0				
				0				
	Total	1729600	73.51	0	1751110	74.41	0	0.90

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI. No.		Share holding at the beginning of the Year		Date	Reason	Increase/Decrease in Shareholding		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Dr (Mrs) D.N. Medhora	1361500	57.87	31.03.2015	decrease	-32690	-1.39	1328810	56.48
2	Mr. Nariman Medhora	345600	14.69	31.03.2015	decrease	-3500	-0.16	342100	14.53
3	Mr. Fredun Medhora	22500	0.95	31.03.2015	Increase	57700	2.45	80200	3.4

EXTRACT OF ANNUAL RETURN

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1.4.2014)		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	PHIROZ HOMI ECHAPORIA				
	At the beginning of the year	2000	0.08	2000	0.08
	Bought During the Year	97500	4.34	99500	4.42
	Sold During the Year	0	0	0	0
	At the end of the Year	99500	4.42	99500	4.42
2	SUDHA M DOSHI				
	At the beginning of the year	0	0	0	0
	Bought During the Year	62000	2.63	62000	2.63
	Sold During the Year	0	0	0	0
	At the end of the Year	62000	2.63	62000	2.63
3	TAPATI BHASKAR MEHTA				
	At the beginning of the year	0		0	0
	Bought During the Year	15000	0.63	15000	0.63
	Sold During the Year	0			
	At the end of the Year	15000	0.63	15000	0.63
4	SMRUTI MUKESH SHROFF				
	At the beginning of the year	0			
	Bought During the Year	10000	0.42	10000	0.42
	Sold During the Year	0			
	At the end of the Year	10000	0.42	10000	0.42
5	SACHIN J SHAH				
	At the beginning of the year	15000	0.63	15000	0.63
	Bought During the Year	0		0	0
	Sold During the Year	0		0	0
	At the end of the Year	15000	0.63	15000	0.63
6	PRADEEP H MEHTA				
	At the beginning of the year	0		0	0
	Bought During the Year	7000	0.29	7000	0.29
	Sold During the Year	0		0	0
	At the end of the Year	7000	0.29	7000	0.29
7	HIRA SHAH				
	At the beginning of the year	0	0	0	0
	Bought During the Year	10000	0.42	10000	0.42
	Sold During the Year	0		0	
	At the end of the Year	10000	0.42	10000	0.42

EXTRACT OF ANNUAL RETURN

8 JAGDISH SHAH					
	At the beginning of the year	15000	0.63	15000	0.63
	Bought During the Year	0	0	0	0
	Sold During the Year	0	0	0	0
	At the end of the Year	15000	0.63	15000	0.63
9 SURIN SHAH					
	At the beginning of the year	0	0	0	
	Bought During the Year	20000	0.85	20000	0.85
	Sold During the Year	0	0	0	0
	At the end of the Year	20000	0.85	20000	0.85
10 MIHIR SHAH					
	At the beginning of the year	6000	0.25	6000	0.25
	Bought During the Year	10000	0.42	10000	0.42
	Sold During the Year	0	0	0	
	At the end of the Year	16000	0.67	16000	0.67

(v) Shareholding of Directors & KMP					
Sl. No	Name of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Dr. Mrs. D.N. Medhora				
	At the beginning of the year	1361500	57.87	1361500	57.87
	Bought During the Year	0	0	1361500	57.87
	Sold During the Year	-32690	-1.39	-32690	-1.39
	At the end of the Year	1328810	56.48	1328810	56.48
2	Mr. Nariman Medhora				
	At the beginning of the year	345600	14.69	345600	14.69
	Bought During the Year	0		345600	14.69
	Sold During the Year	-3500	-0.16	-3500	-0.16
	At the end of the Year	342100	14.53	342100	14.53
3	Mr Fredun Medhora				
	At the beginning of the year	22500	0.93	22500	0.93
	Bought During the Year	57700	2.47	57700	2.47
	Sold During the Year	0		0	
	At the end of the Year	80200	3.4	80200	3.4

1. Mr. Aspi Navroze Raimalwala and Mr. Chandrakant Shah did not hold any shares of the Company during the FY 2014-15.

EXTRACT OF ANNUAL RETURN

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans	Unsecured Loans	Deposits	Total
Indebtness at the beginning of the financial year				
i) Principal Amount	19741652.00	318072.66	1288705.00	21348429.66
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	19741652.00	318072.66	1288705.00	21348429.66
Change in Indebtedness during the financial year				
Additions	5905971.00	3480860.67	62700.00	9449531.67
Reduction	0.00	0.00	0.00	0.00
Net Change	5905971.00	3480860.67	62700.00	9449531.67
Indebtedness at the end of the financial year				
i) Principal Amount	25647623.00	3798933.33	1351405.00	30797961.33
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	25647623.00	3798933.33	1351405.00	30797961.33

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

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
		Fredun Medhora Managing Director	Daulat Medhora JT Managing Director	Nariman Medhora JT managing Director	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	1200000.00	570000.00	800000.00	2570000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00

EXTRACT OF ANNUAL RETURN

2	Stock option		0.00	0.00	0.00	0.00
3	Sweat Equity		0.00	0.00	0.00	0.00
4	Commission		0.00	0.00	0.00	0.00
	as % of profit		0.00	0.00	0.00	0.00
	others (specify)		0.00	0.00	0.00	0.00
5	Others, please specify		0.00	0.00	0.00	0.00
	Total (A)		1200000.00	570000.00	800000.00	2570000.00
	Ceiling as per the Act					

B. Remuneration to other directors: (NOT APPLICABLE)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (NOT APPLICABLE)

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2014-15**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders.

The Company believes in adopting and adhering to the best recognized Corporate Governance practices and continuously benchmarking itself against each such practice. The Company understands and respects its fiduciary role and responsibility to the shareholders and strives hard to meet their expectations. The Company believes that best board practices, transparent disclosures and shareholder empowerment are necessary for creating shareholder's value.

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

The Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchange. The Company has moved ahead in its pursuit of excellence in Corporate Governance.

CODE OF CONDUCT:

The Board of Directors have laid down a code of conduct for all Board Members and Senior Management of the Company.

All Board Members and Senior Management personnel have affirmed compliance with the said code of conduct for the year ended 31st March 2015.

The Annual Report of the Company contains a declaration to this effect signed by the Managing Director.

BOARD OF DIRECTORS

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

The Board currently comprises of Four Directors of which Two Directors are Executive Promoter Directors. The other Two Directors are non-executive Independent Directors. .

The Chairperson of the Board is an Executive Director, and Half of the Board comprises

of Independent Directors. All the Independent Directors have confirmed that they meet 'Independence' criteria as mentioned under Clause 49 of the Listing Agreement.

None of the directors on the Company's Board is a member of more than ten committees and chairman of more than five committees (Committees being, audit committees and Investors Grievance Committee) across all the Indian Public Limited Companies in which he is a director. All the directors have made necessary disclosures regarding committee position held by them in other companies and do not hold the office of director in more than fifteen Public Companies. None of the Independent Directors of the Company are related to each other. The appointment of Executive Director including the tenure and terms of remuneration are also approved by the members from time to time. .

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

Minimum 5 (five) meetings are held annually. Additional Board Meetings are convened by giving appropriate notice to address the Company's specific needs. The maximum time gap between any two consecutive meetings did not exceed four months. The necessary quorum was present for all the meetings. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

During the year 2014-15, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.

Necessary declaration to this effect signed by the Managing Director forms a part of the Annual Report of the Company for the year ended 31st March 2015. All Directors have made necessary disclosures regarding Committee positions occupied by them in other Companies.

Further necessary declaration has also been furnished by all the Independent Directors of the Company to confirm that:

- a) The Directors do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding Company, its subsidiaries and associates which may affect independence of the Director.
- b) Is not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- c) Has not been an executive of the Company in the immediately preceding three financial years.
- d) Is not a partner or an executive or was not a partner or an executive during the preceding three years, of any of the following:

The Statutory Audit firm or the Internal Audit Firm that is associated with the Company.
And

The Legal Firm(s) and consulting firm(s) that have a material association with the Company.

- e) Is not a material supplier, service provider or customer or a lesser or lessee of the Company which may affect independence of the Director.
- f) Is not a substantial shareholder of the Company i.e. owning 2% or more of the block of voting shares.
- g) Is not less than 21 years of age.

SCHEDULING AND SELECTION OF AGENDA ITEMS FOR BOARD MEETINGS:

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

The minutes of proceedings of each Board and Committee meeting are recorded in respective minutes book.

POST MEETING FOLLOW-UP MECHANISM:

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

NUMBER OF BOARD MEETINGS HELD WITH DATES.

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

- a) 24/05/2014
- b) 14/08/2014
- c) 30/09/2014
- d) 14/11/2014
- e) 12/02/2015

The composition of the board, attendance at Board Meetings held during the financial year under review and at the General Meeting, number of directors (Including details of other companies) memberships/chairmanship of the board on and committees of the Public Companies as on 31st March, 2015 the details are as follows:

Name Of Director	Category	Board meetings held during the year 2014-15		AGM held on 30th September, 2014	Number of Directorships in other Public Limited Companies		Number of Committee positions held in other Public Limited Companies	
		Held	Attended		Chairman /Director	Member	Chairman	Member
Dr. (Mrs.) D. N. Medhora	Executive JT. Managing Director	5	5	Attended	-	-	-	-
Mr. Nariman Medhora (Resigned w.e.f 15/10/2014)	Executive JT. Managing Director	5	3	Attended	-	-	-	-
Mr. Fredun Medhora	Executive Managing Director	5	5	Attended	-	-	-	-
Mr. C.K. Shah	Non-Executive Independent Director	5	5	Attended	-	-	-	-
Dr. Aspi Raimalwala	Non-Executive Independent Director	5	4	Attended	-	-	-	-

Proper quorum was present at each board/committee meeting.

THE COMMITTEES OF THE BOARD:

The Board has constituted a) Audit Committee, b) Remuneration Committee and c) Investors' Grievance committee. The minutes of the meeting of all Committees of the Board are placed before the Board for discussions / notings.

AUDIT COMMITTEE

- (i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- (ii) The terms of reference of the Audit Committee are broadly as under:

- Overview of the Company's financial reporting process and the disclosure of its financial

information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

- Recommending the Board, the appointment, re- appointment and if required replacement or removal of external auditors, fixation of audit fees and also approval for payment for any other services.
- Discussion with the external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
- Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices;
 - Major accounting entries based on exercise of judgment by management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - The going concern assumption;
 - Compliance with accounting standards;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions as per Accounting Standard 18
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the audit charter, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow-up thereon

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the Head of the finance function), representatives of the Statutory Auditors and representatives of the Internal Auditors to be present at its meetings.

(iv) The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the year 2014-15	
		Held	Attended
Mr. Fredun Medhora	Executive Non Independent Director	4	4
Dr. C. K. Shah	Non-Executive Independent Director	4	4
Dr. Aspi Raimahwala	Non-Executive Independent Director	4	4

The necessary quorum was present for all the meetings.

REMUNERATION COMMITTEE

The Company has a Remuneration Committee of Directors.

The broad terms of reference of the Remuneration Committee are as under:

- To approve the annual remuneration plan of the Company;
- To approve the remuneration and commission/incentive remuneration payable to the Managing Director and Whole Time Director for each financial year;
- To approve the remuneration and annual performance bonus payable to the Senior Managerial personnel and the Executives of the Company for each financial year;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.

Mr. Fredun Medhora, Dr. C. K. shah and Dr. Aspi Raimahwala are the members of the committee. During the year one(1) committee meeting was held on 24th May 2014.

SHAREHOLDERS /INVESTORS GRIEVANCE COMMITTEES

The Investor's Grievance committee comprises of two Independent Directors and one -Executive Jt. Managing director. The investor grievance committee of the Board is empowered to oversee the redressal of investors' complaints, share transfers, non-receipt of annual report, dividend payment, issue of duplicate certificate, transmission (with and without legal representation) of shares and other miscellaneous complaints.

During the year under review 8 meetings of the committee were held.

The composition of the investor's grievance committee

Name	Category
Dr. (Mrs). D.N. Medhora	Executive Managing Director
Dr. Aspi Raimalwala	Non-Executive Independent Director
Dr. C.K. Shah	Non-Executive Independent Director

The Company has always valued its customer relationship.

Details of Investors Complaint received and redresses during the year 2014-15 are as follows:

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

SUBSIDIARY COMPANIES

There are no subsidiary companies.

MANAGING DIRECTOR/WHOLE TIME DIRECTOR

Terms of Appointment and Remuneration

Mr. Fredun Medhora was appointed as the Whole Time Director on 24/05/2014 and his appointment was approved by the shareholders of the Company at the 27th Annual General Meeting held on 30th September 2014 and his appointment was upto 31st March 2015. He was subsequently appointed as the Managing Director and his appointment will be subject to the approval of the shareholders at a General Meeting.

As per his terms of appointment the remuneration comprises of a salary and other benefits of Rs. 12,00,000/- per annum with authority to the Board or to a committee thereof to fix the remuneration within the maximum permissible limit.

Service of the Managing Director and the Joint Managing Director may be terminated by either party giving the other party two (2) months' notice. There are no separate provisions for the payment of severance fees.

DIRECTORS SHAREHOLDING

Details of shares of the Company held by the Directors as on March 31, 2015 are given below:

Sr. No.	Name of the director	Number of shares held.
1.	Dr. (Mrs). D.N. Medhora	13,28,810
2.	Mr. Nariman Medhora	3,42,100
3.	Mr. Fredun Medhora	80200
4.	Dr. C.K. Shah	0
5.	Dr. Aspi Raimahwala	0
	Total	17,51,110

COMPLIANCE OFFICER

Name, designation and address of Compliance Officer:

Mr. Fredun Medhora
Managing Director

26, Manoj Industrial Premises
G. D. Ambekar Marg, Wadala,
Mumbai-400 031.

DISCLOSURES

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

Details of material individual transactions with related parties, which are not in the normal course of business, are placed before the audit committee.

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

As at March 31, 2015 the Company has not accepted any fixed deposits nor any such deposits are outstanding.

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

The Company has not made any equity issue during the financial year ended 31st March, 2015.

THE STATUS OF THE COMPLIANCE IN RESPECT OF NON-MANDATORY REQUIREMENTS OF CLAUSE 49 OF THE LISTING AGREEMENT IS AS FOLLOWS;

Remuneration Committee :

Details are given under the heading 'Remuneration Committee'

Shareholders Right :

Details are given under the heading "Means of communication"

Audit Qualifications :

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

Mechanism for evaluating non-executive board members:

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

Reconciliation Audit

A qualified Practicing Company Secretary carried out audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital.

The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Accounting Standards

The Company mandatorily complies with all the accounting standards issued by the Institute of Chartered Accountants of India (ICAI) from time to time.

GENERAL SHAREHOLDERS INFORMATION:

Details of general body meetings held during last three years are as under:

AGM/ EGM	Financial year ended	Date of meeting	Location of the Meeting	Time	Special resolution passed
25th AGM	31/03/2012	28/09/2012	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	-

26th AGM	31/03/2013	30/09/2013	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400 014	11.00 a.m	One Special Resolution was passed.
27th AGM	31/03/2014	30/09/2014	Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai - 400 014	11.00 a.m.	Three Special Resolutions were passed.

No Postal Ballot was conducted during the year 2014-15

MEANS OF COMMUNICATION:

- The quarterly and half-yearly unaudited financial results were from time to time published in Free Press Journal in English and in Navshakti Marathi newspaper. The results are displayed on the Company's website.
- The Management Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company

Certain rights that a shareholder in the Company enjoys:

- To transfer the shares.
- To receive the share certificates upon transfer within the stipulated period prescribed in the Listing Agreement.
- To receive notice of general meetings, annual report, the balance sheet and Profit and Loss account and the auditor's report.
- To appoint proxy to attend and vote at the General Meetings.
- To attend and speak in person, at General Meeting.
- To vote at the General Meeting on show of hands wherein every shareholder has one vote. In case of vote on poll, the number of votes of a shareholder is proportionate to the number of equity shares held by him.
- To demand poll along with other shareholder(s) who collectively held not less than 1/10th of the total voting power or holding shares on which an aggregate sum of not less than Rs.5,00,000/- (Rupees five lacs only) or such higher amount as may be prescribed has been paid up.
- To requisition an Extraordinary General Meeting of any Company by shareholders who collectively hold not less than 1/10th of the total paid-up capital of the Company.
- To move amendments to resolutions proposed at General Meeting.

- To receive dividend and other corporate benefits like rights, bonus shares etc. as and when declared/announced.
- To inspect various registers of the Company.
- To inspect the minute books of General Meetings & to receive copies thereof after complying with the procedure prescribed the Companies Act, 2013.
- To appoint or remove director(s) and auditor(s) and thus participate in the management through them.
- Right to the nomination and election as board members.
- Minority shareholders are protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and have effective means of redress.
- To proceed against the Company by way of civil or criminal proceedings.
- To apply for the winding-up of the Company.
- To receive the residual proceeds upon winding up the Company.

Kindly note that the rights mentioned above are prescribed in The Companies Act, 2013 and should be followed only after careful reading of the relevant sections. These rights are not necessarily absolute.

GENERAL INFORMATION FOR MEMBERS.

FINANCIAL CALENDAR:

Financial Year April 1st 2014 to March 31st 2015 as well as up to the date of the AGM i.e. up to 30th September, 2015	
Board Meeting for consideration of accounts	: 29th May, 2015
Book Closure dates	: 25/09/2015 to 30/09/2015
Last date of Receipt of proxy forms	: 28th September, 2015
Date, Time and Venue of 28th AGM 2015	Wednesday, the 30th September at 3.00 p.m. at the Mumbai Marathi Granthasangrahalay, 172, Mumbai Marathi Granthasangrahalay Marg, Naigaon, Mumbai -400014
Financial Results for the quarter ending : June 30th 2014	14th August, 2014
September 30th 2014	14th November 2014
December 31st 2014	12th February 2015
Financial results for the year ending March 31st 2015.	29th May, 2015

Particulars of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (AGM) are given in the Annexure to the Notice of the AGM to be held on 30th September, 2015.

Listing Fees as applicable have been paid up to date.

Corporate Identification Number (CIN): L2439MH1987CO43662
of the Company:

LISTING ON STOCK EXCHANGES:

The equity shares of the Company are listed at OTC Exchange, but the OTC Exchange has been closed and hence the Company is in the process to list its Equity shares at Bombay Stock Exchange.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015

Shareholding of Nominal Value	No. of Shareholders	% of Total no. of Shareholders	Amount (in Rs)	% to Total Capital
Up to 5000	328	67.21	666000	2.83
5001 to 10000	102	20.90	953000	4.05
10001 to 20000	24	4.92	430000	1.83
20001 to 30000	7	1.43	182000	0.77
30001 to 40000	2	0.41	80000	0.34
40001 to 50000	7	1.43	350000	1.49
50001 to 100000	6	1.23	545000	2.32
100001 and above	12	2.46	20318000	86.37
TOTAL	488	100	23524000	100

17,20,900 shares forming 71.80 % of the share capitals are in demat form.

6,75,800 shares forming 28.20 % of share capital are in Physical form.

REGISTRARS AND TRANSFER AGENTS

The Company has appointed M/S. Purva Sharegistry (India) Pvt. Ltd., at Mumbai as Registrars for physical and for Demat segment.

Registrar and Share Transfer Agents:

Purva Sharegistry (India) Pvt. Ltd., 9, Shiv Shakti Ind. Estate, J R Boricha Marg, Off N M Joshi Marg, Near Lodha Excelus, Lower Parel (E), Mumbai - 400 011. Tel. No. 23018261 / 23016761 Fax No. 230 12517, E-mail: busicomp@vsnl.com.

SHARE TRANSFER PROCESS:

The Company's shares which are in demat form are transferable through the Depository

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

Shareholding Pattern as at March 31, 2015

CATEGORIES OF SHAREHOLDERS			
Category	No. of Shareholders	Total	% to Share capital
A. Promoters and Promoter Group	10	1751110	74.44
B. Foreign Institutional Investors	0	0	0
C. Other Bodies Corporate	2	19000	0.81
D. Bank, Mutual Funds and Financial Institutions	1	75000	3.19
E. Overseas Corporate Body	0	0	0
F. Directors	0	0	0
G.NRI	0	0	0
H. HUF	0	0	0
Others(Individuals)	475	507290	21.56
TOTAL	488	2352400	100

INVESTOR HELP DESK:

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

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

Registrar and Share Transfer Agents:

Mr. Vinayak Karande.

Purva Sharegistry (India) Pvt. Ltd.,
9, Shiv Shakti Ind. Estate, J R Boricha Marg,
Off N M Joshi Marg, Near Lodha Excelus,
Lower Parel (E), Mumbai 400 011,
Tel No. 23018261/ 23016761. Fax No. 23012517,
E-mail: busicomp@vsnl.com.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS & SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.

This is to confirm that the Company has adopted a Code of Conduct for the Managing Director and the Directors and the Senior Management personnel of the Company as applicable to them, for the financial year ended March 31, 2015

I confirm that the Company has in respect of the financial period ended 31st March 2015 received from the Senior Management team of the Company and all the Members of the Board a declaration of compliance with the code of Conduct as applicable to them.

For Fredun Pharmaceuticals Limited

Fredun Medhora

Managing Director

Place : Mumbai

Date : 29th May, 2015

IX. CEO/Managing Director certification

This is to certify that:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief :
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control system over financial reporting.

For Fredun Pharmaceuticals Limited

Fredun Medhora

Managing Director

Place: Mumbai

Date : 29th May, 2015

CS. Rajendra R. VAZe
Rajendra And Company
COMPANY SECRETARY
B.A. LL.B. G.CD FCS.

Devdha Manzil 2nd floor, D. Rege Road, Dadar (W), Mumbai 400 016
Ph: (91)-22-24450622. Cell No : 9821116504 E-mail cs.rajendra @yahoo.in

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

To the members of Fredun Pharmaceuticals Limited

1. We have examined the compliance of the conditions of Corporate Governance by Fredun Pharmaceuticals Limited for the year 1st April, 2014 to 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company.
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Rajendra And Co.,
Company Secretaries,

CS. Rajendra R. Vaze
FCS 4847. CP 1975

Place: Mumbai

Dated: 29th May, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

1) Management Discussion and Analysis

Fredun Pharmaceuticals Ltd was established with the primary focus of producing quality drugs at affordable prices. The core business of the Company is exporting formulations as Branded Generics and introducing new formulations to meet the growing requirements of different customers globally. The Company has plans to diversify into nutraceuticals, Dietary Supplements and Veterinary products also.

2) Business Highlights

Fredun Pharmaceuticals Ltd's growth was mainly due to the revenue from exports to African and ASEAN countries. The total year on year growth was 16.90% The Company launched 75 new products and filed 40 new products for registrations and remaining are under process.

The Company has successfully launched a herbal dietary supplement in Africa and envisages impressive growth of the same.

Several Veterinary and aqua products registration certificates are obtained and distributors have been appointed to market these products.

3) Business Outlook

The Regulatory norms for approving pharma manufacturing units are getting tougher. There is intense competition and pricing pressures due to Governments' interventions and promotion of generics. The branded generics account for a fifth of the global market and is expected to nearly double by 2016 with the impending patent expiries in the next 2-3 years. The generic market would reach 30% of the Global Pharmaceutical Market. The Company expects good growth in the branded generics on a sustainable basis.

The Company has also invested in R & D machineries to build up the capabilities to produce latest generics and enter niche areas where there are good sales potential with relatively limited competition. To increase volumes of the product portfolio, the Company has been systematically investing in its productive infrastructure. It has invested more than Rs. 4 Cr in the last year to increase capacity in existing infrastructure and create new capacities in oral dosage departments.

4) Challenges

The regulatory environment for approving pharmaceutical manufacturer's processes and products are getting tougher. This is a positive development, but it also creates greater challenges for the manufacturer. The market conditions are getting seriously competitive and healthcare costs everywhere continue to rise.

5) Key Growth Segments

Due to Impending patent expiries and a number of litigations, developed markets are expected to register much lower growth and the developing markets are expected to account for a higher growth. The launch of biosimilars at relatively lower cost will be the major boost especially for the Indian Market. It is estimated that the sale of generics will be about US\$400 - 430 billion by 2016.

Fredun Pharmaceuticals Ltd's growth was largely driven by new product launches in the ARV drugs segment and Psychotropic products . The Company expects to maintain robust growth due to strong capabilities, efficient processes and systematic investment on productive infrastructure to increase capacity in existing infrastructure for oral dosage formulations.

6) Financials

Revenues increased by 19.39% to ₹ 25.84 Cr in FY 2015.

7) Risk Mitigation at the organizational level

The Company has planned a management level Risk Committee comprising of business segment heads and people from finance, legal, HR and Q.A. The Company will be reviewing the risks and steering the mitigation efforts in line with Company's risk capacity.

8) Human Resource Management at Fredun Pharmaceuticals Ltd

The Company continues to put concerted efforts in recruiting quality people and lowering work stress. Development programs and "Train the Trainer" programs remain the key focus areas for the Company. This will increase the productivity and support the Company's business plan specially in its key Emerging Markets. The Company has a positive Outlook for the next year.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF FREDUN PHARMACEUTICALS LIMITED****REPORT ON THE FINANCIAL STATEMENTS**

- 1) We have audited the accompanying financial statements of Fredun Pharmaceuticals Limited, which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended on that date, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report

Management's Responsibility for the Financial Statements

- 2) The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cashflow 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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

- 3) 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, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
- 4) We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

- 6) 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 manners required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
 - b) In the case of the Statement of Profit and loss, of the profit for the year ended on that date;
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

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

Report on other Legal and Regulatory Requirements

- 8) As required by the companies (Auditor's Report) Order,2003,as amended by 'the Companies (Auditor's Report) (Amendment) Order 2004, Issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"),and on the basis of such checks of books of accounts and the record of the company as we considered appropriate and according to the information and explanation given to us, we give in Annexure a statement of the matters specified in the paragraphs 4 and 5 of the Order.
- 9) As required by section 227(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 appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the 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 written representations from the directors as on 31st March 2015; taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of Section 164(2) of the Act.

FOR SAVLA & ASSOCIATES

Chartered Accountants
(Firm Reg. No.109361W)

Deepak G. Savla

Partner

Membership No. -043901

Place :- Mumbai

Date :- 29/05/2015

Annexure to the Independent Auditor's Report

(Referred to in paragraph 8 of the Our Report under "Report on Other Legal & Regulatory Requirements" section of our report of even date, year ended 31st March 2015.)

(I) In respect of Fixed Assets :

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals no material discrepancies were noticed on such verification.

(II) In respect of its Inventory :

- (a) As explained to us inventories of finished goods, work in process, and raw materials have been physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us the procedure of physical verification of inventories followed by the managements and their frequency are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion and on the basis of our examination of the records of inventory, the company is generally maintaining proper records of its inventories. The discrepancies noticed on physical verification of stock by the managements as compared to book records were not material.

(III) Reporting on repayment of loans granted by the Company

During the year the company has not granted and/ or obtained any loans and advances to/from companies, firms or other parties covered under register maintained under section 189 of the companies Act, 2013.

(IV) Internal Control System

In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business for purchase of inventories & fixed assets and payment for expenses & for sale of goods during the course of our audit no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

(V) Acceptance of Deposits

In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits, and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the company.

(VI) Cost Records

In our opinion and according to the information and explanations given to us, the company is not covered under cost audit. However, the company has maintained cost records as specified by central Government under sub-section (I) of section 148 of the Companies Act.

(VII) Payment of Applicable Taxes

- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income -tax, Sales -tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the Information and explanations given to us there were no outstanding statutory dues as on 31st of March 2015, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us there is no amounts payable in respect of income tax, wealth tax, Servicetax, Sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

(VIII) Accumulated Losses:

The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses during the financial year covered by audit and the immediately preceding financial year.

(IX) Default in Re-payment of Dues :

Based on our audit Procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders, except the following:

Shamrao Vithal Co-op Bank Ltd Loan No. 3

Month	Due Date of Payment	Payment Date	Amount of Interest	Amount of Principal	Repayment of Installment	Number of Delay in Days
April	18/04/2014	29/04/2014	88,123	185,462	273,585	11
May	18/05/2014	19/06/2014	88,123	185,462	273,585	32
July	18/07/2014	21/07/2014	83,340	190,245	273,585	3
August	18/08/2014	28/08/2014	82,923	190,662	273,585	10
September	18/09/2014	25/09/2014	81,281	192,304	273,585	7
October	18/10/2014	29/10/2014	76,048	197,537	273,585	11
November	18/11/2014	27/11/2014	76,427	197,158	273,585	9
December	18/12/2014	24/12/2014	71,407	202,178	273,585	6
January	18/01/2015	30/01/2015	70,777	202,808	273,585	12

Shamrao Vithal Co-op Bank Ltd. Term Loan No. 4

Month	Due Date of Payment	Payment Date	Amount of Interest	Amount of Principal	Repayment of Installment	Number of Delay in Days
April	26/04/2014	29/04/2014	33,664	63,404	97,068	3
May	26/05/2014	16/06/2014	33,664	63,404	97,068	21
August	26/08/2014	28/08/2014	30,737	66,331	97,068	2
October	26/10/2014	29/10/2014	28,288	68,780	97,068	3
November	26/11/2014	27/11/2014	28,483	68,585	97,068	1
January	26/01/2015	31/01/2015	26,513	70,555	97,068	5

Shamrao Vithal Co-op Bank Ltd. Term Loan No. 23

Month	Due Date of Payment	Payment Date	Amount of Interest	Amount of Principal	Repayment of Installment	Number of Delay in Days
March	25/03/2015	27/03/2015	45,185	39,718	84,903	2

(X) Guarantee for Loan Taken

In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.

(XI) Applicability of Term Loan

In our opinion and according to the information and explanations given to us, the term loans borrowed by the company were applied for the purpose for which the loans were obtained.

(XII) Reporting of Fraud

Based on the audit Procedures performed and the information and explanations given to us, we report that no fraud on or by the company has been noticed or reported during the year, nor have we been informed of such case by the management.

FOR SAVLA & ASSOCIATES

Chartered Accountants

(FRN. - 109361W)

Deepak G. Savla

Partner

Membership No. -043901

Place : Mumbai

Date : 29/05/2015

BALANCE SHEET AS ON 31ST MARCH, 2015

Particulars	Notes	As on	
		31/03/2015 (Rs.)	31/03/2014 (Rs.)
EQUITY AND LIABILITIES			
Shareholders Fund			
Share Capital	B	26,245,500.00	26,245,500.00
Reserve & Surplus	C	4,598,287.63	2,274,392.00
		30,843,787.63	28,519,892.00
Non-current Liabilities			
Long Term Borrowings	D	29,446,556.83	20,059,724.66
Deferred Tax Liabilities (Net)	E	5,271,199.00	4,720,163.00
Long Term Provisions	F	2,146,903.00	2,146,903.00
		36,864,658.83	26,926,790.66
Current Liabilities			
Short Term Borrowings	G	50,991,206.22	43,767,048.00
Trade Payables		69,948,165.64	51,040,008.60
Other Current Liabilities	H	28,150,166.34	19,106,175.60
Short Term Provisions	I	13,135,992.10	7,176,211.00
		162,225,530.30	121,089,443.20
		229,933,976.76	176,536,125.86
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	J	78,209,163.62	69,540,678.14
Intangible Assets	K	952,890.83	659,285.83
Capital Work-in-Progress		14,058,868.00	0.00
Non-current Investments	L	2,600.00	2,600.00
Long Term Loans & Advances	M	4,849,920.84	4,915,423.00
Other Non-current Assets	N	1,067,889.00	1,775,275.00
		99,141,332.29	76,893,261.97
Current Assets			
Inventories	O	42,860,604.00	35,807,140.00
Trade Receivables	P	51,875,176.05	34,283,473.33
Cash and Cash Equivalents	Q	6,016,853.58	4,178,661.56
Short Term Loans & Advances	R	3,481,586.98	2,086,122.00
Other Current Assets	S	26,558,423.86	23,287,467.00
		130,792,644.47	99,642,863.89
		229,933,976.76	176,536,125.86

The Accompanying Notes Are An Integral Part Of The Financial Statements

As Per Our Report Of Even Date

For Savla & Associates

Chartered Accountants

Deepak G. Savla

For Fredun Pharmaceuticals Limited

Daulat Nariman Medhora
Director

Fredun Nariman Medhora
Director

Mem. No. 43901

Place : Mumbai

Date : 30/05/2015

Place : Mumbai

Date : 29/05/2015

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Notes	As on 31/03/2015 Rs.	As on 31/03/2014 Rs.
REVENUE			
Revenue from Operations	T	253,575,494.67	216,934,689.00
Less : Excise Duty		0.00	4,087,065.00
Revenue from Operations (Net)		253,575,494.67	212,847,624.00
Other Income	U	4,864,147.80	3,602,337.00
		258,439,642.47	216,449,961.00
EXPENSES			
Cost of Materials Consumed	V	137,698,570.37	101,837,974.00
Purchases of Stock-in-Trade	W	16,740,247.52	17,930,144.00
Changes in Inventories of FG/WIP/Stock-in-trade	X	-1,321,306.00	4,734,871.00
Employee Benefit Expenses	Y	32,227,557.69	28,361,348.00
Finance Cost	Z	10,477,908.70	8,106,594.00
Depreciation & Amortisation Expenses	[5,463,802.73	5,256,233.00
Other Expenses	\	51,671,514.83	45,682,941.00
		252,958,295.84	211,910,105.00
Profit Before Exceptional & Extraordinary Items & Tax		5,481,346.63	4,539,856.00
Exceptional Income / Expenses		-289,724.00	0.00
Profit Before Extraordinary Items & Tax		5,191,622.63	4,539,856.00
Prior Period Items		-500.00	0.00
Profit Before Tax		5,191,122.63	4,539,856.00
Tax expenses]	-2,634,137.00	-2,117,720.00
Profit/(Loss) for the period from continuing operations		2,556,985.63	2,422,136.00
Profit/(Loss) for the period		2,556,985.63	2,422,136.00
"Earnings per Share"			
Basic EPS (in Rs.)		0.00	0.00
Diluted EPS (in Rs.)		0.00	0.00
Face value per Equity Share		0.00	0.00

The Accompanying Notes Are An Integral Part Of The Financial Statements
As Per Our Report Of Even Date

For Savla & Associates

For Fredun Pharmaceuticals Limited

Chartered Accountants

Deepak G. Savla

Daulat Nariman Medhora

Fredun Nariman Medhora

Director

Director

Mem. No. 43901

Place : Mumbai

Date : 30/05/2015

Place : Mumbai

Date : 29/05/2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	(RS. IN LACS) F.Y. 2014-2015		(RS. IN LACS) F.Y. 2013-2014	
A) CASH FLOW FROM OPERATING ACTIVITIES:				
NET PROFIT BEFORE TAXATION		51.91		45.4
<u>ADJUSTMENTS FOR :</u>				
DEPRECIATION	54.64		52.56	
ASSETS WRITTEN OFF DUE TO CHANGE IN DEP POLICY	11.98			
DEFERRED REVENUE EXPENSES WRITTEN OFF	7.17		8.43	
LOSS ON FOREIGN EXCHANGE FLUCTUATION	4.60			
INTEREST RECEIVED	(3.12)			
INTEREST PAID	67.96			
CREDITORS WRITTEN BACK	(2.32)			
PROFIT/LOSS ON SALE OF FIXED ASSET	2.90	143.81	0.00	60.99
CASH GENERATED FROM OPERATIONS		195.72		106.39
PRIOR PERIOD ADJUSTMENTS		0.01		0
ADJUSTMENT FOR PROPOSED DIVIDEND & TAX		(2.34)		(2.34)
ADJUSTMENT FOR PROVISION FOR EARLIER YEARS				
ADJUSTMENT FOR TAX PROVISION		(26.34)		(21.81)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		167.05		82.24
<u>EFFECTS OF CHANGES IN WORKING CAPITAL ITEMS</u>				
<u>INCREASE / DECREASE IN :-</u>				
INVENTORY	(70.53)		-33.22	
TRADE RECEIVABLES	(163.97)		-147.33	
LOANS & ADVANCES	2.01		-34.43	
OTHER CURRENT ASSETS	(32.71)			
TRADE PAYABLES	173.78			
CURRENT LIABILITIES & PROVISIONS	102.87	11.45	64.43	(150.55)
NET CASH FLOW FROM OPERATING ACTIVITIES		178.50		-68.31
B) CASH FLOW FROM INVESTING ACTIVITIES				
INVESTMENTS PURCHASED	NIL		0	
PURCHASE OF FIXED ASSETS	(164.91)		-152.32	
CAPITAL WORK IN PROGRESS	(140.59)			
SALE OF FIXED ASSETS	5.77	(299.73)	0	(152.32)
		(121.24)		-220.63
C) CASH FLOW FROM FINANCING ACTIVITIES				
INCREASE / DECREASE IN LOANS		200.64		
INTEREST PAID		(61.02)		
				205.21
NET INCREASE / DECREASE IN CASH		18.39		(15.42)
OPENING CASH & BANK BALANCE		41.79		57.21
CLOSING CASH & BANK BALANCE		60.17		41.79

Note:-

- 1) The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard - 3 on "Cash Flow Statement"
- 2) Figures in Negative sign indicate cash outflow.
- 3) Previous year figures have been regrouped & recast, wherever necessary, to conform to the current year's classification.
- 4) The notes referred to in the Balance Sheet and Profit & Loss A/c. form an integral part of the Cash Flow Statement

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**A. SIGNIFICANT ACCOUNTING POLICY****Basis of Accounting :**

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

Revenue Recognition :

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

Use of Estimates :

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

Fixed Assets :

Fixed Assets are shown at cost less depreciation.

Depreciation :

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

Foreign Currency Transaction :

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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**B. SHARE CAPITAL**

Particular	Rs	Rs
	31/03/2015	31/03/2014
Authorised Share Capital		
2700000 Equity Shares of Rs. 10/- each	27,000,000.00	27,000,000.00
30000 8% Cumulative Redeemable Preference Shares of Rs. 100/- each	3,000,000.00	3,000,000.00
	30,000,000.00	30,000,000.00
Issued, Subscribed and Paid up capital		
<u>Paid Up Share capital</u>		
Equity Share Capital (44300 sh forfeited)	221,500.00	221,500.00
Paid Up Share capital	23,524,000.00	23,524,000.00
Preference Share Capital(8% Cumulative)	2,500,000.00	2,500,000.00
	26,245,500.00	26,245,500.00

Reconciliation of Shares Outstanding at the beginning and at the end of the year

	31/03/2015		31/03/2014	
	No of Shares	Amount	No of Shares	Amount
Equity Shares				
At the beginning of the year	0	0.00	2,352,400.00	23,524,000.00
Addition during the year	0	0.00	0.00	0.00
Deductions during the year	0	0.00	0.00	0.00
Outstanding at the end of the year	0	0.00	2,352,400.00	23,524,000.00
Preference Shares				
At the beginning of the year	0	0.00	25,000.00	2,500,000.00
Addition during the year	0	0.00	0.00	
Deductions during the year	0	0.00	0.00	
Outstanding at the end of the year	0	0.00	25,000.00	2,500,000.00

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

"The company has only class of equity share having a par value of Rs. 10/- each. Each holder of the equity share is entitled per share. No dividend has been declared by the company on these shares. In the event of liquidation of the company the equity shares are entitled to receive the remaining assets of the company after distribution of preferential amounts. The dist be in proportion to the number of equity shares held by the share holder. Of joint holders, the vote of senior who votes in p proxy shall be accepted. For this purpose, seniority shall be determined by the order in which names of share holder stand i members."

II. 8% Cumulative Redeemable Preference Shares

Dividend - 8% of Face Value

Reedeemable in Financial year 2014-2015

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**Details of shareholders holding more than 5% shares in the company**

Particulars	31/03/2015		31/03/2014	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Daulat N. Medhora	1361500.00	57.88	1361500.00	57.88
Nariman B. Medhora	345600.00	14.69	345600.00	14.69
Fredun Healthcare Pvt.Ltd.	182000.00	7.74	182000.00	7.74

C RESERVES & SURPLUS

Particulars	31/03/2015 Rs.	31/03/2014 Rs.
Profit & Loss Account		
As per last Balance Sheet	2,274,392.00	149,462.00
Deduction during the year		
Provision for Preference Dividend	200,000.00	200,000.00
Provision for Dividend Tax	33,090.00	33,990.00
Shortfall for tax provision of earlier years	0.00	63216.00
	20,41,302	-147744.00
Profit / (Loss) during the year	2,556,985.63	2,422,136.00
	45,98,287.63	22,74,392
	45,98,287.63	22,74,392
D. LONG TERM BORROWINGS		
Secured Loans -Rupee Term Loan		
ICICI Bank Ltd-29772362	225,199.00	0.00
Reliance Capital Ltd 291296	428,494.29	0.00
Reliance Capital Ltd. 245420	388,040.24	1,544,328.00
Reliance Capital Ltd. 249561	174,823.89	517,983.00
Reliance Capital Ltd.201504	298,374.58	536,629.00
The Shamrao Vithal Co-op Bank -23	3,333,710.00	3,846,988.00
The Shamrao Vithal Co-op Bank Loan-3	2,035,260.00	4,692,644.00
The Shamrao Vithal Co-op Bank Loan-4	970,598.00	1,888,474.00
The Shamrao Vithal Co-op Bank TL-37	4,422,940.00	0.00
The Shamrao Vithal Co-op Bank TL-38	3,931,401.00	0.00
The Shamrao Vithal Co-op Bank-24	5,216,154.00	5,119,580.00
The Shamrao Vithal Co-op Term Loan -33	3,244,041.00	0.00
	24,669,036.00	18,146,626.00
Other Long Term Borrowings - Secured		
Secured Loans- For Fixed Assets	978,587.50	1,595,026.00
	978,587.50	1,595,026.00
Other Long Term Borrowings - UnSecured		
Unsecured Loans - From Directors	3,798,933.33	318,072.66
	3,798,933.33	318,072.66
	29,446,556.83	20,059,724.66

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

E. DEFERRED TAX ASSET / LIABILITIES		
Particulars	31/03/2015 Rs	31/03/2014 Rs
Deferred Tax Liabilities		
Deferred Tax Liabilities	5,271,199.00	4,720,163.00
	5,271,199.00	4,720,163.00
	5,271,199.00	4,720,163.00
F. LONG TERM PROVISION		
<u>Provision for Employee Related Liabilities</u>		
Provision for gratuity	1,799,272.00	1,799,272.00
Provision for Leave Salary	347,631.00	347,631.00
	2,146,903.00	2,146,903.00
	2,146,903.00	2,146,903.00
G. SHORT TERM BORROWINGS		
<u>Secured Loans - Loans Repayable on Demand</u>		
The SVC PSDL	6,855,835.99	5,243,821.00
	6,855,835.99	5,243,821.00
<u>Other Loans & Advances</u>		
Overdraft From ICICI Bank	0.00	319,687.00
The National Small Industries Corpn Ltd.	326,755.00	2,149,907.00
The Shamrao Vital Co-op Bank - Overdraft	15,810,623.02	13,144,924.00
The Shamrao Vithal Co-op Bank - Packing Credit	27,997,992.21	22,908,709.00
	44,135,370.23	38,523,227.00
	50,991,206.22	43,767,048.00
H. OTHER CURRENT LIABILITIES		
Current Maturity of Long Term Debt	10,530,348.00	7,077,120.00
Advances Received	10,157,067.63	8,961,988.00
Other Current Liabilities	7,462,750.71	3,067,067.60
	28,150,166.34	19,106,175.60

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

I SHORT TERM PROVISIONS		
Particulars	31/03/2015 Rs	31/03/2014 Rs
<u>Provision for Statutory Liabilities</u>		
Profession tax payable	33,619.00	41,019.00
Provision for Taxation	1,770,680.00	1,770,680.00
Provision for taxation (A.Y. 2015-16)	2,083,101.00	0.00
TDS on rent	12,500.00	12,000.00
TDS on contractors	40,474.00	15,240.00
TDS on Interest	49,528.08	30,978.00
TDS on Professional services	282,771.00	60,835.00
TDS on salary, wages directors	8,834.00	30,449.00
	4,281,507.08	1,961,201.00
<u>Provision for Dividend</u>		
Provision for proposed dividend	1,600,000.00	1,400,000.00
	1,600,000.00	1,400,000.00
<u>Provision for Dividend Distribution</u>		
Provision for Dividend distribution tax	269,465.00	236,375.00
	269,465.00	236,375.00
<u>Provision for Employee Related Liabilities</u>		
Bonus Payable	1,149,256.00	993,471.00
OT Wages	0.00	248.00
PF Employee Contribution	110,442.00	79,413.00
PF Employer Contribution	110,442.00	82,504.00
Provision for gratuity	66,635.00	0.00
Provision for Leave Salary	1,337.00	0.00
Salary Payable	452,824.00	377,714.00
Wages	1,536,798.00	1,732,344.00
	3,427,734.00	3,265,694.00
<u>Other Short Term Provisions</u>		
Bankers Loan to Employees	68,600.00	0.00
Directors Remuneration Payable	97,289.28	305,661.00
Electricity Exps payable	690,725.00	0.00
Exps o/s	2,459,436.95	0.00
PF administration payable	12,417.00	7,280.00
Professional fees payable	198,000.00	0.00
Telephone Exps	30,817.79	0.00
	3,557,286.02	312,941.00
	13,135,992.10	7,176,211.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

J. TANGIBLE FIXED ASSETS								
Particular	Freehold Land	Building	Electrical Installation	Electrical Installat	Lab Glassware Appara	Furniture/ Office Equ	Motor Car	Office Premises
Gross Block								
As on 31/03/2014	5235279.00	25531845.14	65124976.11	4089190.37	1426741.00	4692221.09	2954826.37	6730140.78
Additions	0.00	3069413.00	7633709.25	126143.00	27436.00	2902638.00	1676575.00	0.00
Deductions	0.00	0.00	1460753.78	314200.17	309105.54	95268.98	785662.00	0.00
As on 31/03/2015	5235279.00	28601258.14	71297931.58	3901133.20	1145071.46	7499590.11	3845739.37	6730140.78
Depreciation								
As on 31/03/2014	0.00	10654852.00	29549627.00	1935601.00	1091708.00	3181582.00	372652.00	1198922.00
During the Year	0.00	895904.59	2316904.68	345153.17	14522.71	287460.15	410162.95	402769.30
Deductions	0.00	0.00	1249706.00	0.00	58555.00	0.00	92352.00	0.00
As on 31/03/2015	0.00	11550756.59	30616825.68	2280754.17	1047675.71	3469042.15	690462.95	1601691.30
Impairment								
As on 31/03/2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
For the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reversal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As on 31/03/2015	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Block								
As on 31/03/2015	5235279.00	17050501.55	40681105.90	1620379.03	97395.75	4030547.96	3155276.42	5128449.48
As on 31/03/2014	5235279.00	14876993.14	35575349.11	2153589.37	335033.00	1510639.09	2582174.37	5531218.78

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

Continued.. TANGIBLE FIXED ASSETS

Gross Block	Previous Year Total	Computer	Factory Equip-ments	Electric fittings	Office Equip-ment	Total
As on 31/03/2014	0.00	2394036.28	306,568.00	1194549.00	366524.00	120046897.14
Additions	0.00	323823.83	2,400.00	237537.00	0.00	15999675.08
Deductions	0.00	246257.17	0.00	200971.72	53446.68	3465666.04
As on 31/03/2015	0.00	2471602.94	308968.00	1231114.28	313077.32	132580906.18
Depreciation						
As on 31/03/2014	0.00	1675895.00	32,459.00	730590.00	82331.00	50506219.00
During the Year	0.00	336418.22	117,907.26	36050.64	102882.89	5266136.56
Deductions	0.00	0.00	0.00	0.00	0.00	1400613.00
As on 31/03/2015	0.00	2012313.22	150366.26	766640.64	185213.89	54371742.56
Impairment						
As on 31/03/2014	0.00	0.00	0.00	0.00	0.00	0.00
For the Year	0.00	0.00	0.00	0.00	0.00	0.00
Reversal	0.00	0.00	0.00	0.00	0.00	0.00
As on 31/03/2015	0.00	0.00	0.00	0.00	0.00	0.00
Net Block						
As on 31/03/2015	0.00	459289.72	158601.74	464473.64	127863.43	78209163.62
As on 31/03/2014	0.00	718141.25	274109.00	463959.00	284193.00	69540678.14

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

K. INTANGIBLE FIXED ASSETS			
Gross Block	Computer Software	Total	Previous Year Total
As on 31/03/2014	966944.83	966944.83	0.00
Additions	491271.00	491271.00	0.00
Deductions	0.00	0.00	0.00
As on 31/03/2015	1458215.83	1458215.83	0.00
Depreciation			
As on 31/03/2014	307659.00	307659.00	0.00
During the Year	197666.00	197666.00	0.00
Deductions	0.00	0.00	0.00
As on 31/03/2015	505325.00	505325.00	0.00
Impairment			
As on 31/03/2014	0.00	0.00	0.00
For the Year	0.00	0.00	0.00
Reversal	0.00	0.00	0.00
As on 31/03/2015	0.00	0.00	0.00
Net Block			
As on 31/03/2015	952890.83	952890.83	0.00
As on 31/03/2014	659285.83	659285.83	0.00
L. Non-current Investments			
A. Quoted Investments			
1. Non-Trade Investments			
<u>Equity Securities</u>			
The SVC Bank Equity Shares		2,600.00	2,600.00
B. Unquoted Investments			
		2,600.00	2,600.00
M. LONG TERM LOANS & ADVANCES			
Other Security Deposits			
Unsecured, considered good		1,351,405.00	1,288,705.00
		1,351,405.00	1,288,705.00
Other Long Term Loans & Advances			
Unsecured, considered good		3,498,515.84	3,626,718.00
		3,498,515.84	3,626,718.00
		4,849,920.84	4,915,423.00
N. OTHER NON-CURRENT ASSETS			
Other Non-Current Assets			
Other Trade Receivables		1,067,889.00	1,775,275.00
		1,067,889.00	1,775,275.00
		1,067,889.00	1,775,275.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**O. INVENTORIES**

Particulars	31/03/2015 Rs	31/03/2014 Rs
Finished Goods	1,446,964.00	5,453,510.00
Packing Material	12,506,056.00	10,312,200.00
Raw Material	18,948,694.00	14,095,298.00
Stock in Transit	77,692.00	1,392,786.00
WIP	9,881,198.00	4,553,346.00
	42,860,604.00	35,807,140.00

P. TRADE RECEIVABLES

Considered Good but Unsecured		
Outstanding for more than six months	10,266,470.05	2,567,961.33
Others	41,608,706.00	31,715,512.00
	51,875,176.05	34,283,473.33
	51,875,176.05	34,283,473.33

Q. CASH & CASH EQUIVALENTS

Cash Balance on Hand		
Cash in Hand	2,772,280.92	2,646,142.50
	2772280.92	2646142.5
Bank Balance with Other Banks		
In Current Account	1,564,389.95	35,951.06
In Deposit Account	1,620,797.00	1,344,462.00
In Other Accounts	59,385.71	152,106.00
	3244572.66	1532519.06
	6016853.58	4178661.56

R. SHORT TERM LOANS & ADVANCES

Given to Suppliers		
Unsecured, considered good	2,904,779.48	1,374,236.00
	2904779.48	1374236.00
Given to Employees		
Unsecured, considered good	307,032.50	388,943.00
	307032.50	388943.00
Other Short Term Loans & Advances		
Unsecured, considered good	269,775.00	322,943.00
	269775.00	322943.00
	3481586.98	2086122.00

S. Other Current Assets

Interest Accrued on Investments	36,760.91	0.00
Payment of Taxes	1,162,481.00	0.00
Recoverable from government agencies	23,123,427.07	22,132,953.00
Export Incentives Receivables	1,421,247.00	780,791.00
Prepaid Expenses	539,292.88	373,723.00
Other Trade Receivables	275,215.00	0.00
	26558423.86	23287467.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**T. Revenue from Operations**

Particulars	31/03/2015 RS	31/03/2014 RS
Sale of Products		
Sale	228,338,610.67	195,326,716.00
	228,338,610.67	195,326,716.00
Sale of Services		
Sale of Services(Net of Service Tax)	25,236,884.00	21,607,973.00
	25,236,884.00	21,607,973.00
	253,575,494.67	216,934,689.00
	253,575,494.67	216,934,689.00

U. Other Income

DEPB Licence Sale	1,388,925.00	817,487.00
Dividend	300.00	0.00
Duty Draw Bank Interest Income	2,937,926.00	2,296,285.00
Misc.Other Income	303,059.91	118,153.00
P F Employees Contribution	0.00	370,000.00
Sundry Credit Balance	112.00	0.00
Written Back - Planet Foil	129,964.89	412.00
	103,860.00	0.00
	4,864,147.80	3,602,337.00

V. COST OF MATERIALS CONSUMED

Raw Materials		
Opening Stock		
Opening Stock	14,095,298.00	10,776,248.00
Stock in Transit	9,641.00	14,300.00
Add : Purchases		
Purchases	98,522,096.62	78,995,452.00
Add : Incidental Expenses on Purchases	0	0
Less : Transfer / Sale of Raw Material	0	0
Less : Purchase Return	0	0
Less : Capitalisation of Raw Material	0	0
Less : Closing Stock		
Closing Stock	18,948,694.00	14,095,298.00
Stock in transit	54,000.00	9,641.00
	93624341.62	75681061.00
Packing Materials		
Opening Stock		
Opening Stock	10,312,200.00	6,627,827.00
Stock in Transit	1,383,145.00	325,506.00
Add : Purchases		
Packing Expenses	18,381.00	166,854.00
Purchases	42,052,460.35	28,828,624.00
Less : Closing Stock		
Closing Stock	12,506,056.00	10,312,200.00
Stock in transit	23692.00	1383145.00
	41236438.35	24253466.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

Particulars	31/03/2015 RS	31/03/2014 RS
Stores & Spares		
Opening Stock	0.00	0.00
Add : Purchases		
Consumable Purchase	929,501.95	1,458,815.00
Stores & Spares Parts	1,908,288.45	444,632.00
Less : Closing Stock	0.00	0.00
	2837790.40	1903447.00
	137698570.37	101837974.00
W. PURCHASE OF STOCK-IN-TRADE		
Particulars	31/03/2015 RS	31/03/2014 RS
Traded Goods		
Purchases	16,740,247.52	17,930,144.00
	16,740,247.52	17,930,144.00
	16,740,247.52	17,930,144.00
X. CHANGE IN INVENTORIES		
Finished Goods		
Opening Stock	5,453,510.00	8,127,123.00
Less : Closing Stock	-1,446,964.00	-5,453,510.00
	4,006,546.00	2,673,613.00
Work in Progress		
Opening Stock	4,553,346.00	6,614,604.00
Less : Closing Stock	-9,881,198.00	-4,553,346.00
	-5,327,852.00	2,061,258.00
	-1,321,306.00	4,734,871.00
Finished Goods		
Closing stock	1,446,964.00	5,453,510.00
	1,446,964.00	5,453,510.00
Work In Progress		
Closing Stock	9,881,198.00	4,553,346.00
	9,881,198.00	4,553,346.00
Y. EMPLOYEE BENEFIT EXPENSES		
Gratuity	195,577.00	0.00
Labour Welfare Fund Employees Contribution	264.00	0.00
Labour welfare fund employers contribution	9,924.00	29,249.00
Medical Expenses	59,096.00	34,717.00
P F Administration Charges	112,024.00	0.00
PF Employers Contribution	1,252,734.00	1,154,118.00
Salary wages and Bonus	29,738,753.00	26,300,563.00
Staff Welfare	859,185.69	842,701.00
	32,227,557.69	28,361,348.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

Z. FINANCE COST		
Particulars	31/03/2015 RS	31/03/2014 RS
Bank Charges	1,712,987.05	1,226,060.00
Bank Interest	6,795,828.14	4,966,252.00
Other Charges	26,174.00	0.00
Other Interest	1,942,919.51	1,914,282.00
	10,477,908.70	8,106,594.00
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	5,463,802.73	5,256,233.00
	5,463,802.73	5,256,233.00
OTHER EXPENSES		
<u>Manufacturing & Service Cost</u>		
Clearing and forwarding inward	363,260.00	55,023.00
Electricity Factory	7,989,736.18	5,926,999.00
Factory Expenses	1,851,301.00	431,881.00
Fire safety expenses	5,565.00	77,114.00
Freight Inward	1,123.00	901.00
Garden Maintenance Exps	165,846.00	0.00
Lab Chemical Expenses	316,610.48	293,843.00
Labour Expenses	735,951.50	743,911.00
Light Diesel Oil Purchase	122,500.00	0.00
Repairs and maintenance	2,031,976.60	3,184,270.00
Testing and Analysis	984,165.00	703,598.00
Transportation Inward	575,865.00	1,019,942.00
	15143899.76	12437482.00
<u>Research & Development Expenditure</u>		
Research & Development Expenditure	0.00	10600.00
	0.00	10600.00
<u>Other Expenses</u>		
A G M	4,635.00	0.00
Advertising Expenses	59,950.00	33,105.00
Agency Expenses	156,350.00	148,726.00
Assets written off due to change in depreciation policy	1,197,551.04	0.00
Audit Fees	618,746.00	250,000.00
Books & Periodicals	11,995.00	0.00
Business promotion expenses	1,415,330.23	1,645,402.00
Central Excise Duty	281,635.92	0.00
Certification work by auditor	0.00	5,500.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

Particulars	31/03/2015 RS	31/03/2014 RS
Clearing and forwarding outward expenses	1,568,616.28	1,369,426.00
Commission expenses	2,531,517.60	22,300.00
Computer & Software Expenses	381,003.32	147,534.00
Cost Audit Fees	0.00	30,000.00
Courier Charges	612,004.47	0.00
CST	314,509.56	0.00
Customs Duty	12,734.00	0.00
Deffered revenue expenses written off	717,386.00	843,354.00
Directors Sitting Fees	10,888.00	0.00
Donation expenses	2,000.00	16,952.00
Earnest Money Deposit Written off	0.00	33,500.00
ECGC Exps	463,415.00	0.00
Electricity Expenses- Office	274,545.00	244,564.00
Entertainment Exps	11,911.71	0.00
Excise MODVAT written off	0.00	306,047.00
Foreign Exchange Gain or Loss	460,011.30	3,370,805.00
Freight outward expenses	7,284,663.00	8,586,949.00
Hire Charges	165,760.00	102,513.00
Insurance Charges	373,920.44	765,912.00
Membership & Subscription	184,648.00	94,878.00
Miscellaneous Expenses W/Off	93.19	3.00
Motor Car & Conveyance Expenses	512,755.85	681,780.00
Newspaper & Magazines	11,514.00	0.00
Octroi Duty	3,651.00	0.00
Office Expenses	32,478.00	117,727.00
Other expenses	2,390.00	232,592.00
Other Services of Auditor	0.00	8,000.00
Postage & Telegram Exps	1,311.00	0.00
Printing & Stationery	692,297.45	539,180.00
Product registration charges	1,527,430.00	1,232,099.00
Profession Tax	2,500.00	0.00
Professional Fees	6,106,643.48	6,059,087.00
Rates taxes & fees	1,688,574.20	818,679.00
Rent	1,500,000.00	724,000.00
Rounding off	0.15	0.00
Sales promotion expenses	1,114,311.31	960,917.00
Sample expenses	309,009.10	266,805.00
Secreterial Audit fees	0.00	19,000.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

Particulars	31/03/2015 RS	31/03/2014 RS
Security Deposit Written off	0.00	7,000.00
Security expenses	820,995.00	764,406.00
Service Tax on Transport	30,458.00	0.00
Sundry Debtors written off	9,386.00	0.00
Telephone Expenses	778,139.45	1,661,225.00
Transportation outward	815,487.00	408,258.00
Travelling Expenses	1,094,522.47	716,634.00
VAT	357941.55	0.00
	36527615.07	33234859
	51671514.83	45682941.00
TAX EXPENSES		
Deferred Tax	-551036.00	-347040.00
Provisional for Income Tax	-2083101.00	-1770680.00
	-2634137.00	-2117720.00
30. EARNING PER SHARE (EPS)		
a. Net Profit / Loss attributable to Equity Shareholders (Basic)		
b. Details of No. of Shares used for Basic Earning Per Share		
c. Net Profit / Loss attributable to Equity Shareholders (Diluted)		
d. Details of No. of Shares used for Diluted Earning Per Share		
Face Value per Share	0	10
31. VALUE OF IMPORTS (on CIF BASIS)		
Raw Materials	11,234,934.00	10,523,798.00
Packing Materials	0	0
Traded Goods	0	0
Stores, Spares and Components	0	0
Capital Goods	0	0
32. PAYMENTS TO AUDITORS		
Tax Audit Fees	568,746.00	250,000.00
Other Consultancy		57,000.00
Certification Fees	50,000.00	5,500.00
	618,746.00	312,500.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**33. EARNINGS IN FOREIGN EXCHANGE**

Particulars	31/03/2015 RS	31/03/2014 RS
FOB Value of Manufactured Goods Exported	130,677,638.00	125,686,163.00
FOB Value of Traded Goods Exported	21,978,922.00	0.00
Revenue received from Services	0.00	0.00
Interest Income Received	0.00	0.00
Dividend Income Received	0.00	0.00
Insurance & Freights On Exports	9,144,697.00	0.00
Profit in Foreign Currency on Sale of Assets	0.00	0.00
Royalty, Knowhow, Professional & Consultancy Fees	0.00	0.00
Other Income Received in Foreign Currency	0.00	0.00
	161,801,257.00	125,686,163.00

34. EXPENDITURE IN FOREIGN CURRENCY

Expenditure incurred in Foreign Exchange	0.00	0.00
Interest Charges in Foreign Currency	1,019,411.00	0.00
Other Expenditure in Foreign Currency	81,196.45	0.00
Total Expenses in Foreign Currency	1,100,607.45	0.00
Net Earnings in Foreign Currency	160,700,649.55	125,686,163.00
Capital Expenditure in Foreign Currency	0.00	0.00
	162,901,864.45	125,686,163.00

35. OTHER NOTES

- Additional information pursuant to schedule VI to the Companies Act, 1956 is given to the extent applicable to the company.
- In the opinion of Board of Directors the provision for depreciation and all known liabilities are adequate and are not in excess of the amounts considered reasonably necessary."
- Balance of some of the trade receivables, trade payables, loans and advances are subject to confirmation.
- The liability of VAT and set off have been accounted for on the basis of working prepared by the company.
- In accordance with the requirement for disclosure of amounts due to SSI units, as per "Micro, Small and Medium Enterprises Development Act, 2006" the company has not complied the list of its sundry creditors who satisfy this criterion.
- Information given in accordance with Accounting Standard-18 on Related Party Disclosures issued by ICAI :

Names of the Related Parties : Key Management Personnel :

- Mr. N. B. Medhora

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

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

Business Organisation controlled by Key Management Personnel or their relatives :

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

Following are the transactions entered into with the related parties :

Director Remuneration to Mr. N.B. Medhora (Managing Director)	Rs. 8,00,000/-
Director Remuneration to Dr. D.N. Medhora (Joint Managing Director)	Rs. 5,70,000/-
Director Remuneration to Mr. Fredun N. Medhora (Director)	Rs. 12,00,000/-
Rent paid to Mr. Nariman Medhora for utilising a godown of his proprietary firm	Rs. 15,00,000/-
Purchases made from Fredna Enterprises	Rs. 2,44,687/-
Purchases made from Fredun Healthcare Pvt. Ltd.	Rs. 7,96,320/-
Sales made from Fredun Healthcare Pvt. Ltd.	Rs. 50,440/-

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

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

The Geographical segment is considered as secondary segment.

Geographical Segments :

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

Sales in India : 66,531,354/-

Overseas Sales: 161,801,256.67

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

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

Other Long Term Borrowings - Secured		
Secured Loans - For Fixed Assets	31/03/2015	31/03/2014
ICICI Bank Car Loan 1	616,000.00	1,110,272.00
ICICI Bank Car Loan 2	362,587.50	484,754.00
	978,587.50	1,595,026.00
Other Long Term Borrowings - Unsecured		
Long Term - Loans & Advances From Related Parties	31/03/2015	31/03/2014
Fredun Healthcare Pvt. Ltd	0	5,738.00
	0	5,738.00
Unsecured Loans - From Directors	31/03/2015	31/03/2014
Daulat N Medhora	13,486.33	115,440.49
Fredun N Medhora	3,549,790.53	115,261.73
Nariman B Medhora	235,656.47	87,370.44
	3,798,933.33	318,072.66
Trade Payables	31/03/2015	31/03/2014
Consumables and Spares (As per List)	7,550.59	47,866.00
Expenses (As per List)	13,999,628.16	8,766,404.60
Finished Goods (As per List)	1,647,170.22	358,579.00
Packing Material (As per List)	20,287,002.38	14,536,292.00
Raw Materials (As per List)	34,006,814.29	27,330,867.00
	69,948,165.64	51,040,008.60
Current Maturity of Long Term Debt	31/03/2015	31/03/2014
Current Maturity of Long Term Borrowings	10,530,348.00	7,077,120.00
	10,530,348.00	7,077,120.00
Advances Received	31/03/2015	31/03/2014
Advance from customers	10,157,067.63	8,961,988.00
	10,157,067.63	8,961,988.00
Other Current Liabilities	31/03/2015	31/03/2014
AEBC Card	8,611.68	157,457.00
Citibank Credit Card	18,763.51	44,277.00
KGN Pharmaceuticals centre excise	103,241.00	103,241.00
Liability for Capital Goods	6,038,607.52	689,711.30
SBI Credit Card	0.00	109,210.30
US Vitamin Ltd	1,293,527.00	1,963,171.00
	7,462,750.71	3,067,067.60
Other Security Deposits		
Unsecured, considered good	31/03/2015	31/03/2014
Bombay Chamber of Commerce and Industry	1,300.00	1,300.00
Maharashtra State Electricity Board	499,690.00	441,990.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015

MTNL Deposit	2,500.00	2,500.00
Reliance Capital Ltd.(245420)	630,415.00	630,415.00
Reliance Capital Ltd.(249561)	187,500.00	187,500.00
Shradha Industrial Gases Deposit	5,000.00	0.00
Swami Enterprises(Coffee Machine)	25,000.00	25,000.00
	1,351,405.00	1,288,705.00

Other Long Term Loans & Advances

Unsecured, considered good	31/03/2015	31/03/2014
Advance for Capital Items	3,498,515.84	3,626,718.00
	3,498,515.84	3,626,718.00
Other Trade Receivables	31/03/2015	31/03/2014
Unamortised Expenses	1,067,889.00	1,775,275.00
	1,067,889.00	1,775,275.00

Considered Good but Unsecured	31/03/2015	31/03/2014		
	OS > 6 months	Others	OS > 6 months	Others
Debtors for Sales	1026647.05	41608706.00	2567961.33	31715512.00
	1026647.05	41608706.00	2567961.33	31715512.00

Cash in Hand	31/03/2015	31/03/2014
Cash in Hand	2,772,280.92	2,646,142.50
	2,772,280.92	2,646,142.50

Bank Balance with Other Banks

In Current Account	31/03/2015	31/03/2014
Bank of Baroda	13,191.41	13,303.00
Dena Bank	3,087.00	3,087.00
ICICI Bank-	230,005.61	0.00
ICICI Bank a/c 003205006441	1,312,991.31	2,162.00
IDBI Bank	2,646.06	429.06
The Shamrao Vittal Co-op Bank	2,468.56	16,970.00
	1,564,389.95	35,951.06
In Deposit Account	31/03/2015	31/03/2014
Fixed Deposit/Margin - Bank of Baroda	7,762.00	7,762.00
Fixed Deposit/Margin SVC Bank	1,613,035.00	1,336,700.00
	1,620,797.00	1,344,462.00
In Other Accounts	31/03/2015	31/03/2014
ICICI Credit Card 4731150302915864	59,385.71	59,385.00
The SVC Bank Ltd.(EEFC/2011/03)	0.00	92,721.00
	59,385.71	152,106.00

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31/03/2015**Short Term Loans & Advances - Given to Suppliers**

Unsecured, considered good	31/03/2015	31/03/2014
Advance to Creditors	2,904,779.48	1,374,236.00
	2,904,779.48	1,374,236.00

Short Term Loans & Advances - Given to Employees

Unsecured, considered good	31/03/2015	31/03/2014
Advances to Employees	307,032.50	388,943.00
	307,032.50	388,943.00

Other Short Term Loans & Advances**Unsecured, considered good**

Pharma Export Promotion Council Bank	238,007.00	238,007.00
Sythiko Formulations Pvt Ltd	31,768.00	84,936.00
	269,775.00	322,943.00

Interest Accrued on Investments

Interest from 26AS	36,760.91	0.00
	36,760.91	0.00
Payment of Taxes		
S.A. Tax (A.Y. 2014-15)	595,790.00	0.00
TDS (A.Y. 2015-16)	566,691.00	0.00
	1,162,481.00	0.00

Recoverable from government agencies

Balance with Central Excise Department	5,858,614.07	3,822,503.00
Central Excise Refund Receivable	3,284,726.00	7,954,250.00
Refund of earlier years	1,459,922.00	1,459,922.00
Sales tax Refundable	12,520,165.00	8,896,278.00
	23,123,427.07	22,132,953.00

Export Incentives Receivables

Duty Drawback receivables	1,421,247.00	780,791.00
	1,421,247.00	780,791.00
Prepaid Expenses		
Axis Bank Travel (Prepaid)Card	10,005.00	0.00
Manhattan Platinum	0.00	8,590.00
Prepaid Expenses	212,824.32	38,853.00
Prepaid Insurance	262,613.56	198,912.00
Prepaid Rates & Taxes	46,350.00	108,150.00
Prepaid Repairs & Maintaince Expenses	7,500.00	14,218.00
Standard Chartered Bank Credit Card	0.00	5,000.00
	539,292.88	373,723.00

Other Trade Receivables

Interest wrongly debited by bank (recoverable)	275,215.00	0.00
	275,215.00	0.00

BOOK-POST

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